

# LEGISLATIVE UPDATE

By David Helmsin

**Budget.** In spite of “budget balancing” reductions made earlier this year, there remains a \$15.2 billion gap between revenues and projected state expenditures in 2008/09. While everyone now agrees on the magnitude of the problem, there is virtually no consensus on the solution. The Governor’s May Budget Revision proposed across-the-board cuts in government programs – particularly in the health and welfare area – along with a number of creative ideas like leasing out the state lottery to a private operator. The Democrats are quick to criticize the Governor’s proposal as heavy on cuts and way too light on revenue enhancements (*aka* taxes). They much prefer closing existing “loopholes” and increasing taxes as an alternative to making deeper cuts to programs for the poor. The Republicans believe cuts are the only way to go and have vowed to reject any tax increases. As a result, the Legislature has already missed its June 15 constitutional deadline for completing work on the budget and the stage is set for another summer-long budget stalemate.

**Elections.** Statewide turnout hit a historic low in the June 3 Primary Election – more people actually participated in the American Idol vote the following week. With very few exceptions, the most liberal Democrats and most conservative Republicans predictably prevailed in their respective races.

The increasing role of “Independent Expenditures” in campaign finance caught everyone’s eye in these elections. Since California’s last campaign reform measure (Proposition 34) was passed in 2000, the “IEs” have mushroomed to about \$100 million, including the nearly \$12 million that various interests dropped into the June 3 primaries. IEs made a major difference in a number of high-profile Democratic races, including:

- Senate District 25, where former Assemblyman Rod Wright defeated Assemblyman Mervyn Dymally (\$1.78 million);
- Senate District 3, where Assemblyman Mark Leno defeated Senator Carole Migden and former Assemblyman Joe Nation (\$1.4 million);
- Assembly District 8, where Yolo County Supervisor Mariko Yamada beat West Sacramento Mayor Christopher Cabaldon (\$1.15 million).

The legislative year is well past its midpoint, and the Capitol is in full swing. California’s unprecedented budget deficit and the politics that always accompany an election year are clearly dominating the scene in Sacramento. Not far behind is the major push required to wrap up the second half of a very difficult two-year session.

The upcoming November 4, 2008 General Election will feature races for the Presidency, 55 Congressional seats, 100 state legislature seats and an assortment of other offices. As of June 2008, eleven statewide measures have also qualified for the November Ballot and three more are likely to qualify. Two measures that are expected to garner the most public attention in the months leading up to the election are a Constitutional

Amendment banning gay marriage and the Governor’s Constitutional Amendment on redistricting, which change the way district lines are drawn for the State Assembly, Senate and the Board of Equalization. Other interesting measures on the ballot deal with the treatment of farm animals, abortion/parental notification, punishment of non-violent offenders, and bond money for buyers of alternative fuel vehicles. The public seems to have an insatiable appetite for direct voting on just about any measure imaginable.

**Legislation.** Thousands of bills are still working their way through the process; others are still waiting to be introduced as end-of-session “urgency” legislation. Given the state’s dire economic outlook, most of these bills deal with smaller policy, rather than financing, issues. Like everyone involved in the process, TOC leaders have had to reset legislative expectations accordingly.

TOC’s top priority continues to be contingency planning for the demise of Bay Meadows and the likely closure of Hollywood Park. Working with other industry stakeholders, TOC has crafted a viable plan for backfilling infrastructure and reallocating racing dates in the affected areas. Senator Negrete McLeod has a bill (SB 1635) to provide financing for necessary capital expenditures at both Fairplex and the Alameda County Fairgrounds. Senator Margett and Assembly Member Garrick both have bills (SB 561 and AB 2205 respectively) to provide the flexibility necessary to ensure the appropriate allocation of future race dates in the Northern and Southern portions of the state.

There are also a number of other current year measures important to owners. Assembly Member Plescia has AB 2103, which would reauthorize our successful Workers’ Compensation Insurance Program. Assembly Member Silva and Senator Negrete McLeod both have measures (AB 2048 and SB 1635) to provide fans with additional wagering opportunities by increasing the cap on imported races. Assembly Member Evans has AB 2258 to ensure that fairs throughout the state receive all of the revenue promised from horseracing license fees.

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# Legislative Profile: Assemblyman Curren D. Price, Jr.

If you have ever taken a flight to or from Los Angeles International Airport, you have experienced a birds-eye view of the area that Curren D. Price Jr. calls home.

A life-long resident of the 51st Assembly District, Mr. Price graduated from Inglewood's Morningside High School in 1968 and went on to earn his Bachelor's degree in Political Science from Stanford University and a law degree from the University of Santa Clara.

Mr. Price was elected to the California State Assembly in November 2006. Rising to statewide leadership from the ranks of business, Assemblyman Price has been an advocate in the private and public sectors for more than 20 years. He proudly represents the people of the 51st Assembly District, which includes Inglewood, Hawthorne, Gardena, Playa Vista, Westchester, Lawndale, West Athens, Lennox, Alondra Park, West Compton, Del Aire, Willowbrook, and portions of unincorporated Ladera.

After his election to the California Legislature, Mr. Price earned key Assembly Committee assignments including chairmanship of both the Committee on Elections and Redistricting and the Select Committee on Procurement, as well as being appointed as a member of the Committee on Governmental Organization, the Business and Professions Committee, and the Jobs, Economic Development and the Economy Committee. Soon after being sworn in as the 67th Speaker of the Assembly, Speaker Karen Bass appointed Mr. Price as Chair of the prestigious and influential Governmental Organization Committee. As Chair of the Assembly Committee on Governmental Organization, horse racing falls under Mr. Price's jurisdiction.

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Mr. Price is a great fan of horse racing and strong advocate of the industry. He proudly serves the district that is home to Hollywood Park Race Track, which plays a vital role in the local community through numerous public service programs and sponsored events.

"It is imperative that the industry and the Legislature work together to increase purses and the number of horses that race on a daily basis, so that California tracks can not only remain competitive, but thrive," said Price. "I want to work closely with industry stakeholders throughout California to develop innovative and practical strategies to market this wonderful sport."

Assemblyman Price's ambitious agenda for 2008 includes improving the prospects for small businesses through legislative action, education, and best practices, while remaining focused on addressing education and health-care disparities in the State. He relies on his experience as a small business owner and economic development specialist to work closely with business leaders within the 51st District, and throughout the state, to foster strategic partnerships and create new opportunities.

Prior to his election to the Assembly, Price was an elected member of the Inglewood City Council where he was the chair of the Economic Development Committee and served as an advocate for smart growth initiatives. He also served on the Los Angeles County Commission on Insurance, the Metropolitan Transit Authority's South Bay Governance Council, and the California League of Cities' transportation, communications and public works committees. Assemblyman Price has a lifelong commitment to serving the 51st Assembly District and the entire state of California.

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In addition, TOC and others are continuing work on a longer-term legislative package that would potentially provide more financial stability for the industry. Measures under consideration for this package include: providing relief from current license fees; increasing regulatory flexibility for racing dates, product distribution, wagers, pricing, etc; allowing the establishment of "day accounts" for off track wagers in a range of settings; and examining the viability of a major horseracing

game as part of the state's existing lottery operation.

Agreement on horseracing issues is typically not reached until the last few weeks of the legislative session, and this year is no exception. TOC representatives will be particularly vigilant to protect owner's interests as the 2008 legislative year comes to close this fall. Owners are encouraged to contact Drew J. Couto or Guy Lamothe at the TOC, with any questions or concerns in the legislative arena.