



title. As amended February 1, this measure would permit one statute enacted during each calendar year of the biennium of the legislative session to embrace more than one subject if the statute makes changes in law that are directly related to the implementation of the appropriations in the Budget Act enacted that year, that fact is expressed in its title, and the bill that enacts the statute is presented to the Governor at the same time as the bill that enacts the Budget Act. This measure would also exempt such a bill from the requirement that two-thirds of the membership of both houses approve it, and specify that such a bill would go into effect immediately upon its enactment.

Under the California Constitution, appropriations from the general fund, except appropriations for the public schools, require the approval of two-thirds of the membership of each house of the legislature. This measure would additionally exempt appropriations in the budget bill from that two-thirds vote requirement, and specify that statutes enacting a budget bill go into effect immediately upon their enactment.

The California Constitution requires the Governor to annually submit to the legislature a budget for the ensuing fiscal year, and requires the legislature to pass a budget bill for the ensuing fiscal year by midnight on June 15. This measure would amend the California Constitution to require that the total of all expenditures, as defined, that are authorized to be made under the Budget Act enacted for any fiscal year, combined with the total of all reserves that are authorized to be established by the state for that fiscal year, shall not exceed the total of all revenues and other resources, as defined, that are available to the state for that fiscal year.

The California Constitution requires that the legislature establish a prudent state reserve fund in an amount it deems reasonable and necessary. This measure would repeal that provision and instead require that the budget bill enacted for each fiscal year provide for a state reserve fund in an amount not less than 3% of the total of all revenues and other resources projected for that fiscal year, including a contribution of 3% from the revenues received by each state special fund for that fiscal year, except as specified. This measure would authorize the legislature to appropriate money deposited in the state reserve fund for any general fund or special fund purpose, except that any bill that would reduce the balance in the state reserve fund below the minimum 3% level could not be sent to the Governor except with his/her recommendation, as specified, and any expenditure that would re-

duce that balance below 1% of the total of all revenues and other resources would be authorized only in the event of a fiscal emergency, as described below. This measure would provide further that the minimum amount required to be deposited in the state reserve fund for the 1994-95 and 1995-96 fiscal years would be an amount equal to one-third and two-thirds, respectively, of the amount that otherwise would be calculated for that fiscal year.

The California Constitution provides for the enactment of a budget bill authorizing the expenditure of state moneys for each fiscal year, as described above. This measure would authorize the Governor to declare a fiscal emergency if the general fund budget balance for the fiscal year, as projected by the Legislative Analyst after each of the first three quarters of the fiscal year, is less than 1% of the cumulative total of general fund revenues and other resources, as specified. The measure would require the Governor, upon the declaration of a fiscal emergency for any fiscal year, to implement a budget reduction plan established in the Budget Act for that fiscal year, as specified. The bill, enacted as described above, would be required to include provisions that make changes in law necessary to the implementation of the reductions in that plan. The measure also would authorize the Governor, to the extent that the budget reduction plan fails to restore the general fund budget balance to that 1% level, to propose the aggregate reduction of expenditures from that general fund authorized for that fiscal year in order to restore the general fund budget balance. Any proposed reduction would become effective thirty calendar days after the proposal is transmitted to the legislature unless each house of the legislature disapproves the reduction by a two-thirds vote. This measure also would exempt any expenditure reduction made pursuant to this authority from adversely affecting the state's satisfaction of its constitutional funding obligations relating to certain property tax exemptions, state reimbursement of local mandates, and state support of school districts and community college districts, as specified. [A. ER&CA]

**ACA 21 (Areias)**, as introduced March 5, 1993, would provide that if the Governor fails to sign a budget bill on or before June 30, then on July 1 an annual budget that is the same amount as that which was enacted for the immediately preceding fiscal year shall become the state's interim budget for the new fiscal year and the balance of each item of that interim budget shall be reduced 10% each month, commencing August 1, until a new budget bill has been signed by the Governor. [A. RIs]

The following bills died in committee: **SB 1171 (Alquist)**, which would have eliminated the requirement that the Legislative Analyst prepare a judicial impact analysis on selected measures referred to specified legislative committees, and required LAO to conduct its work in a strictly nonpartisan manner; and **SB 1172 (Alquist)**, which would have eliminated the requirement that the Legislative Analyst evaluate the workload of the State Bar Court and submit a final written report of his/her findings and conclusions to specified committees.

## ASSEMBLY OFFICE OF RESEARCH

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Established in 1966, the Assembly Office of Research (AOR) brings together legislators, scholars, research experts, and interested parties from within and outside the legislature to conduct extensive studies regarding problems facing the state.

Under the director of the Assembly's bipartisan Committee on Policy Research, AOR investigates current state issues and publishes reports which include long-term policy recommendations. Such investigative projects often result in legislative action, usually in the form of bills.

AOR also processes research requests from Assemblymembers. Results of these short-term research projects are confidential unless the requesting legislators authorize their release.

## MAJOR PROJECTS

**Defense Conversion Resource Guide (Second Edition)** (January 1994) was prepared by AOR to assist the bipartisan Assembly Task Force on Defense Conversion, which was created in March 1993 to maximize federal defense conversion funding for California and assist communities undergoing the process of defense conversion. A supplement to the October 1993 first edition [14:1 CRLR 24], the second edition provides the names, addresses, and contact persons of the various local, state, and federal agencies responsible for overseeing defense industry conversion and base closures. The Guide also describes federal and state grants available for defense conversion purposes and summarizes recent federal and state legislation affecting defense conversion. (See report on SENATE OFFICE OF RESEARCH for a summary of a related study.)



**Summary Report Prepared for Assembly Select Committee on Statewide Immigration Impact** (May 1994) provides detailed findings and conclusions on the impact of immigration on California. The report on this election-year issue is the result of a 14-month study which included five statewide hearings, several informational hearings, and extensive research by AOR. Among other things, the AOR report includes the following findings:

- Current data sources are not adequate to answer many questions about immigrants, such as their numbers, their contributions, and their costs to the California economy; more information is necessary in order to make better-informed policy decisions concerning both legal and illegal immigrants.

- Existing estimates of immigrants' fiscal impact on the state's economy must be viewed with caution; weak research methods and questionable assumptions, coupled with the lack of a statewide focus, have resulted in reports that have not provided an accurate, long-term statewide evaluation of the fiscal impacts of immigrants.

- As many as 50% of the persons included in existing estimates of illegal immigrants may be in the category of "visa overstayers," although demographers have not yet reached agreement on the methodology used to arrive at that estimate. The federal government, when addressing the problems related to illegal immigration, has for the most part focused on strengthening border controls, which fails to resolve the visa overstayer problem.

- Enforcement of border policies must be strengthened to curb the flow of illegal immigrants.

- The federal government collects a large portion of the taxes paid by illegal immigrants; however, since most government-funded services are provided at the state and local levels, those governments absorb much of the costs. More financial assistance from the federal government is essential to help financially strapped state and local governments.

- Employer sanctions enacted under the Immigration Reform and Control Act of 1986 have failed to stem the illegal flow of immigrants into the United States.

- Criminal justice costs generated by the increased number of criminal aliens incarcerated in California prisons have become a major budget problem for state and local governments; the federal government has not been successful in deporting criminal aliens back to their countries of origin, due to constraints in international treaties, the complexity of federal depor-

tation procedures, and the lack of resources to prosecute deported criminal aliens who re-enter the country.

- Providing basic health care to everyone would avoid enormous future costs to the public health care system.

- All children are entitled to a public education, and attempts to deny access to public schools to undocumented immigrants will create a permanent illiterate underclass.

- State and federal social services programs are no longer sufficient to assist today's diverse immigrant families in adapting to their new society; public programs should be redesigned to assist newcomers to escape the welfare trap and become self-sufficient.

- A proliferation of misinformation concerning the economic, social, and cultural impacts of immigration has resulted in racial and ethnic polarization across California, sometimes creating a climate that fosters hate crimes against immigrants and other ethnic minorities.

AOR's recommendations to address these problems include the following:

- The Assembly should commission a comprehensive statewide study of the short-term and long-term economic and social impact of immigrants and temporary residents—legal and illegal. To the extent possible using sound methodology, the study should attempt to evaluate the differences in immigrant impact on local, state, and federal revenues and expenditures. The results of the statewide study should be widely disseminated in order to address misinformation that polarizes the state's society.

- The legislature should urge the federal government to more actively pursue, identify, and deport undocumented immigrants who fall into the visa overstayer category.

- State, local, and federal law enforcement agencies throughout California should develop policies and working agreements to form special task forces and cross-designate agents with the Immigration and Naturalization Service to enforce immigration laws.

- The legislature should call on the federal government and the Governor of California to seek binational relationships and agreements with nations from which there are large numbers of emigrants, in order to reduce the pressures for leaving those nations.

- The legislature should continue its efforts to persuade the federal government to provide sufficient funding for federally mandated health and social programs which serve large numbers of legal and illegal immigrants, and the state should

centralize its data collection operations for immigrant services to enhance efforts to obtain federal reimbursement.

- The legislature should enact legislation to strengthen the enforcement of existing fair labor standards laws in order to discourage employers from hiring undocumented workers.

- California should seek either federal space or federal funding to reduce the impact of an estimated 18,000 deportable felons incarcerated in state prisons.

- California should seek maximum federal assistance for preventive public health programs, and continue to seek federal assistance for the provision of basic emergency treatment and delivery services for persons not eligible for other care.

(See agency report on SENATE OFFICE OF RESEARCH for a summary of a related study.)

## LEGISLATION

**AB 3129 (Bustamante).** Existing law does not provide a comprehensive scheme for addressing crime against women. As amended May 3, this bill would declare legislative intent to revise California law to meet funding eligibility requirements of the federal Violence Against Women Act of 1993, and would direct AOR and the Senate Office of Research, in conjunction with the Office of Criminal Justice Planning, to establish a five-member violence against women task force to participate in activities that facilitate and encourage the state's eligibility for funds under the Act. [A. W&M]

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Established and directed by the Senate Committee on Rules, the Senate Office of Research (SOR) serves as the bipartisan, strategic research and planning unit for the Senate. SOR produces major policy reports, issue briefs, background information on legislation and, occasionally, sponsors symposia and conferences.

Any Senator or Senate committee may request SOR's research, briefing, and consulting services. Resulting reports are not always released to the public.

## MAJOR PROJECTS

**Confronting Violence in California** (February 1994) is an SOR briefing paper which examines the causes, amount, and consequences of violence and crime in