Analysis, Commentary and Updates on Legislative and Policy Issues that Affect California Cities

PRIORITY FOCUS

LEAGUE OF CALIFORNIA CITIES

IN THIS ISSUE:

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GOVERNOR PROPOSES CUTS, TAX INCREASES AND ECONOMIC STIMULUS TO ADDRESS MASSIVE REVENUE SHORTFALL

No Borrowing of Local Property Tax or Gas Tax Revenues Proposed: No Additional Revenue Grabs Contemplated

Having called the Legislature back for a special session on Wednesday, Gov. Arnold Schwarzenegger held a press conference on Thursday, to release his proposed solution to the state's $11.2 billion shortfall for this fiscal year. This proposal, which contains cuts, taxes and an economic stimulus plan, comes just six weeks after the Legislature passed and he signed the FY 2008-09 budget. The Governor cited the extreme volatility in the stock market, decreases in consumer spending and the housing slump as causes for the drop in California's revenues.
For more, see Page 2.

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FORMER LOCAL GOVERNMENT OFFICIALS REMAIN FORCE IN LEGISLATURE WITH NOVEMBER ELECTION RESULTS

Although term limits required many state legislative seats to change hands in Tuesday's election, the trend of legislators coming from local government continues. While several legislative races remain too close to call, it appears that the Senate in the 2009-2010 Session will have at least 25 former local government officials, up from 24 in 2007-2008.* In the Assembly, however, the numbers of former local elected officials decreases slightly from 44 in 2007-08 to 40 or 41 in 2009-10.** *For more, see Page 4.*

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ELECTION RESULTS: RESULTS ON STATE MEASURES WITH LEAGUE BOARD POSITIONS

The League's board of directors examined the eight of the 12 measures on the Nov. 4, 2008 ballot with potential impacts for cities. A significant factor in the League taking "no position" on several of the measures was related to concerns over impacts to the state budget. Below are results of these eight measures. *For more, see Page 5.*

'Budget' Continued from Page 1…

"We have a dramatic situation which takes a dramatic solution," the Governor told the assembled reporters. "We must stop the bleeding," he continued. Where once the Governor said the state had a spending problem he is now saying that California has a revenue problem.

Mike Genest, the director of finance, warned that without action now, California is poised to run out of cash in February. In total, the Governor is recommending $4.5 billion of cuts and $4.7 billion in revenue raising measures. The gap between the Governor's defined deficit of $11.2 billion and his proposed solutions of revenue generation and cuts will be largely filled by the State's FY 2008-09 reserves Education would take the greatest single hit under the Governor's plan.

The lynchpin of the Governor's plan calls for a three-year, 1.5-cent state sales tax increase which is projected to raise state revenues by approximately $3.5 billion in FY 2008-09. He has also proposed to extend the sales and use tax to certain services, impose a tax on oil extraction, increase alcohol and excise taxes by 5-cents per drink and increase vehicle registration fees by $12. The increase in the vehicle registration fee is supposed to offset a portion of the cuts to public safety programs.

The Governor also proposed to get the state's economy back on track with an economic stimulus package, which will in turn boost revenues. He proposes to expedite infrastructure bond funding appropriations: $700 million in Proposition 1B local streets and roads funding, $800 million in Prop. 1B funding for local transit agencies to accelerate local transit projects, and accelerate $822 million in Prop. 1B funded projects administered by Caltrans. In addition, the Governor's proposal would accelerate $147 million of water and flood projects with funding from Props. 84 and 1E.

The League is continuing to analyze the Governor's proposal in detail. The good news for cities is that it protects Prop. 1A (property taxes) and Prop. 42 (sales tax on gas) revenues and does not propose any additional shifts of local redevelopment funds.

Additional analysis on specific impacts for cities is below:

Additional Funding:

- **Proposition 1B Local Streets and Roads**: Among various "economic stimulus" proposals, the Administration proposes to allocate all remaining local street and road funds that have yet to be appropriated to cities and counties. Local agencies would have to agree to encumber these funds by Dec. 31, 2009. Of the $700 million, approximately $250 million remains available for cities and $450 million for counties.

- **Broadened Sales and Use Tax Base:** The proposal to broaden the sales and use taxes to apply to specified services is projected to generate $151 million in FY 2008-09 and $487 million in FY 2009-10 for cities and counties. In addition, the broadened tax base would generate an estimated $27 million in FY 2008-09 and $89 million in FY 2008-10 for Prop. 172 public safety funds.

- **Temporary Sales and Use Tax Hike Benefits Proposition 42 Revenues:** The proposed temporary 1.5 cent increase of state sales and use tax also means that revenues collected under Prop. 42 for transportation would also increase. DOF estimates this can generate approximately $1.035 billion over three years, of which 20 percent would be allocated per the Prop. 42 formula to cities, or $207 million.

Public Safety Program Impacts:

- **COPS/Juvenile Justice and Booking Fees Backed Out of General Fund:** The Administration proposes to rescind 50 percent of the General Fund allocations provided in the recently adopted FY 2008-09 budget for the COPS/Juvenile Justice and Booking Fee programs, and replace most of that funding them through revenues derived from vehicle ***license*** fees that are currently used to support the administration of the

Department of Motor Vehicles (DMV) The DMV administration costs would in turn be supplied through a proposed $12 dollar per vehicle increase in vehicle ***registration*** fees. While all details of this proposal are still being revealed, the following chart supplied by the Department of Finance indicates the reductions that would occur in FY 2008-09, as well as projected funding levels for FY 2009-10.

Based on the chart below COPS and Juvenile Justice programs would experience a decline of 13.4 percent over previously budgeted levels in FY 08-09, and 11.1 percent less in 2009-10 compared to the amount originally budgeted in FY 08-09. Booking Fee funding would remain at $31.5 million in both FY 2008-09 and FY 2009-10. Administration officials point out that shifting these public safety programs to being supported by the VLF rather than the General Fund should make them less vulnerable to future budget cuts.

*amounts in millions

Program	2008-09 Budget Act	Special Session Proposal 2008-09			Special Session Proposal 2009-10	
	GF	GF	VLF	Total	GF	VLF
Citizens' Option for Public Safety (COPS)	$107,100	$53,550	$39,280	$92,830	$0	$95,823
Juvenile Justice Crime Prevention Grants	107,100	53,550	39,280	92,830	0	95,823
Booking Fees	31,500	15,750	15,750	31,500	0	31,500
Small and Rural Sheriffs; Grants	16,650	8,325	0	8,325	0	0
Total Local Government Funding	**$262,350**	**$131,175**	**$94,310**	**$225,485**	**$0**	**$223,146**

The League has posted DOF's spreadsheet with additional details on the impacts to local government public safety funds online.
http://www.cacities.org/resource_files/27375.PSGrantsSpecialSessionProposal.pdf

- **Reduces and then Eliminates Funding for Various Public Safety Programs Funded Through the Office of Emergency Services.** Funding for Vertical Prosecution Block Grants, Rural Crime Prevention, California Multi-jurisdictional Methamphetamine Enforcement Teams, High Technology Theft Apprehension, Sexual Assault Felony Enforcement Teams, rural sheriffs and other public safety programs are proposed to cut 50 percent over budgeted levels in FY 2008-09 and not funded al all in FY 2009-10.

- **Corrections Cuts to Save Funds:** Various proposals have been advanced to save costs for the Department of Corrections including: eliminating parole supervision for any offender that has not committed a serious, violent or sexual felony; reducing time an inmate must spend in prison for good behavior; and adjusting the financial threshold that triggers a felony for a property-related crime.

Other Local Impacts:

- Proposes additional cuts of $229.9 million in FY 2008-09 and $306 million in 2009-10 for transit agencies.

- Eliminates funding for Williamson Act.

The Governor's summary of his Special Session FY 2008-09 budget is available on DOF's Web site. http://www.dof.ca.gov/documents/special_session_08-09_web.pdf

'Legislative Election Results' Continued from Page 1…

These legislators share their common experience on city councils and county boards of supervisors. It is hoped that these legislators will continue to remember their local roots when making decisions affecting local budgets and state legislation. The charts below list legislators for the 2009-10 California State Legislature with local government experience and their term limits.

Senate Members from Local Government (25)

District	Name	Party	Term Limit
1	Dave Cox	R	2012
2	Pat Wiggins	D	2014
3	Mark Leno	D	2016
5	Lois Wolk	D	2016
6	Darrell Steinberg	D	2014
7	Mark DeSauliner	D	2016
8	Leland Yee	D	2014
9	Loni Hancock	D	2016
10	Ellen Corbett	D	2014
11	Joe Simitian	D	2012
14	Dave Cogdill	R	2014
15	Abel Maldonado	R	2012
17	George Runner	R	2012
18	Roy Ashburn	R	2010
20	Alex Padilla	D	2014
21	Carol Liu	D	2016
23	Fran Pavley	D	2016
27	Alan Lowenthal	D	2012
28	Jenny Oropeza	D	2014
29	Robert "Bob" Huff	R	2016
31	Bob Dutton	R	2012
33	Mimi Walters	R	2016
34	Lou Correa	D	2014
35	Tom Harman	R	2012
39	Christine Kehoe	D	2012

Assembly Members from Local Government (*40 or 41)**

District	Name	Party	Term Limit
1	Wes Chesbro	D	2014
3	Dan Logue	R	2014
4	Ted Gaines	R	2012
5	Roger Neillo	R	2010
7	Noreen Evans	D	2010
8	Mariko Yamada	D	2014
9	Dave Jones	D	2010
11	Tom Torkalson	D	2014
12	Fiona Ma	D	2012
13	Tom Ammiano	D	2014
14	Nancy Skinner	D	2014
19	Gerald Hill	D	2014
20	Alberto Torrico	D	2010
21	Ira Ruskin	D	2010
23	Joe Coto	D	2010
24	Jim Beall Jr.	D	2012
28	Anna Caballero	D	2012
31	Juan Arambula	D	2010
34	Connie Conway	R	2014
36	Steve Knight	R	2014

38	Cameron Smyth	R	2012
42	Michael Feuer	D	2012
44	Anthony Portantino	D	2012
49	Michael Eng	D	2012
50	Hector De La Torre	D	2010
51	Curren Price	D	2012
52	Isadore Hall	D	2014
53	Ted Lieu	D	2010
54	Bonnie Lowenthal	D	2014
56	Tony Mendoza	D	2012
60	Curt Hagman	R	2014
61	Norma Torres	D	2014
65	Paul Cook	R	2012
67	Jim Silva	R	2012
68	Van Tran	R	2010
69	Jose Solorio	D	2012
71	Jeff Miller	R	2014
72	Michael Duvall	R	2012
73	Diane L. Harkey	R	2014
79	Mary Salas	D	2012

*Senator Mark Ridley-Thomas, who previously served on the Los Angles City Council, won a seat on the Los Angles County Board of Supervisors. A special election to fill this seat in Senate District 26 will occur in 2009.

** The results for Assembly District 10 have not been confirmed. Jack Sieglock (R), a former San Joaquin County supervisor and former Mayor of Lodi is running against Alison Huber (D), an attorney. If Sieglock wins, there will be 41 former local government officials in the Assembly. If he loses, there will be 40.

'Elections Results' Continued from Page 1…

Proposition 1A – Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century: Issues $9.95 billion of general obligation bonds, $9 billion of which will be made available in conjunction with federal and private funds for the planning and construction of a high-speed train system, and $950 million of which will be available for capitol projects on other passenger rail lines to provide connectivity to the high-speed train system.

- **Position: No position**
- **Election Result: Passed**

Proposition 3 – Children's Hospital Projects: Issues $980 million in bonds to be used for grants of approximately $98 million each for qualifying non-profit Children's Hospitals to expand and renovate to make more room to treat children, and to purchase life-saving medical equipment for the treatment.

- **Position: No position**
- **Election Result: Passed**

Proposition 5 – Nonviolent Offender Rehabilitation Act of 2008 (NORA): Expands drug treatment diversion programs for nonviolent offenders; modifies parole supervision procedures and expands prison and parole rehabilitation programs; allows for additional early release credits for participation and performance in rehabilitation programs; changes the penalties for marijuana possession; and makes various changes to the organization of rehabilitation programs in the CA Department of Corrections and Rehabilitation.

- **Position: Oppose**
- **Election Result: Failed**

Proposition 6 – Safe Neighborhoods Act (or the Safe Neighborhoods Act: Stop Gang, Gun, and Street Crime): Creates and revises numerous state and local criminal justice programs to address criminal street gang activity, firearms and narcotics, child abuse, victim protection, juvenile offender programs, parole and community re-entry, juvenile and county jail facilities, and the electronic monitoring of sex offenders.

- **Position: No position**
- **Election Result: Failed**

Proposition 7 – Solar and Clean Energy Act of 2008: Requires utilities, including government-owned utilities, to generate 20 percent of their power from renewable energy by 2010, a standard currently applicable only to private electrical corporations. It also raises requirement for utilities to 40 percent by 2020 and 50 percent by 2025.

- **Position: Oppose**
- **Election Result: Failed**

Proposition 9 – Victims' Bill of Rights Act of 2008: Marsy's Law: Expands the legal rights of crime victims and their ability to seek restitution; creates restrictions on the early release of inmates from incarceration; and restructures the granting and revocation of parole.

- **Position: Support**
- **Election Result: Passed**

Proposition 10 – The California Renewable Energy and Clean Alternative Fuel Act: Issues $5 billion in general obligation bonds to fund renewable energy generation, alternative fuels for transportation, and energy efficiency and conservation programs.

- **Position**: **No position**
- **Election Result: Failed**

Proposition 11 – Redistricting. Constitutional Amendment and Statute: Changes the way the U.S. House of Representatives, the state Legislature (Assembly and Senate), and the Board of Equalization district boundaries are determined.

- **Position: Support**
- **Election Result: Passed**

Despite Economy Most Local Revenue Measures Succeed

California voters decided the fate of over 380 local measures on Tuesday, Nov. 4, including 239 concerning taxes, fees or bonds for cities, counties, special districts and schools. Residents of the community of Rossmoor in Orange County decided not to incorporate. Across the state, 95 school bond measures, seeking approval of a total of nearly $22.5 billion in elementary, high school and community college bonds were on the ballot. There were also 21 school parcel tax measures requiring two-thirds voter approval.

Among the non-school local fiscal measures most (81) concern cities, with 20 concerning counties and 21 special districts. Among the city measures, most (56) are majority vote general tax measures. Four city measures are referenda to repeal existing taxes or fees, and 21 are special taxes or bonds requiring two-thirds voter approval. Among the county measures, nine are majority vote general taxes, and 12 are two-thirds vote bonds or special taxes. The special district measures are all two-thirds supermajority measures, except for one referendum to repeal a special district fee.

As in prior elections, majority vote measures are proving much more successful than special taxes requiring two-thirds vote supermajority approval. Forty-six of 65 general taxes are passing (71 percent), while just 17 of 33 non-school special taxes are passing (52 percent). School parcel taxes are faring better with 81 percent passing. More than nine of ten 55 percent-vote school bonds are passing.

Across almost every category, approval rates of local revenue measures are as high or higher than those of similar measures since 2001.

A sizable number of provisional and drop-off absentee ballots are still being counted. The fate of a number of these measures could change with the completion of the final tallies.

A full report on local ballot measures can be found at www.californiacityfinance.com
http://www.californiacityfinance.com/Votes0811prelim.pdf

November VLF Payments to Cities Suspended

Very low revenue collected from Motor Vehicle License Fees during October resulted in the inability of the State Controller's Office to make November payments to cities.

A letter detailing the funding shortfall has been posted on the League's Web site.
http://www.cacities.org/resource_files/27374.nov8letter.pdf

Propositions 84 and 1E Funding Available to Cities

Gov. Arnold Schwarzenegger signed SB xx1 on Sept. 30, which contained appropriations for the Integrated Regional Water Management (IRWM) program through Propositions 84 and 1E.

Funding available breaks down into several categories which are included below. A full list of appropriations is posted on the League's Web site.
http://www.cacities.org/resource_files/27373.IRWM_Grant_Status_102108.pdf

- Stormwater flood management projects through Prop. 1E: $150,000,000
- Implementation and planning grants through Prop. 84: $181,791,000

Department of Water Resources Holds Workshops on IRWM Program

The Department of Water Resources (DWR) has scheduled three workshops in November to discuss how the department will implement Prop. 84 IRWM and Prop. 1E grants. Details are below:

Nov. 18: Riverside
Time: 1 – 3 p.m.
Location:
3737 Main Street, Magnolia Room 204
Riverside, CA 92501

Nov. 19: Sacramento
Time: 1 – 3 p.m.
Location: California Environmental Protection Building
1001 "I" Street, 2nd Floor, Coastal Hearing Room
Sacramento, CA 95814

Note: This workshop will be broadcast at www.calepa.ca.gov/broadcast. Questions or comments can be e-mailed during the broadcast to DWR_IRWM@water.ca.gov

Nov. 21: Goleta
Time: 10:30 a.m. – 12:30 p.m. and 1 – 3 p.m.
Location: Goleta Sanitary District
1 William Moffett Place
Goleta, CA 93117

Meeting material for all three meetings will be posted online prior to Nov. 18 at www.grantsloans.water.ca.gov/grants/irwm/integregio_news.cfm.

Please contact Linda Woolridge at (916) 653-6255 or TDD (916) 653-6934 if you need accommodation due to a disability.

DHS Announces Guide $3 Billion-Plus of Preparedness Grant Programs

The Department of Homeland Security's (DHS) Federal Emergency Management Agency released FY 2009 Application Guidance for 14 federal grant programs. There is more than $3 billion available in federal funding to assist state and local governments in strengthening community preparedness. This funding is part of the federal investment to strengthen the nation's ability to prevent, protect, respond and recover from terrorist attacks, major disasters or other emergencies.

DHS announced for the first time FY 2009 targeted allocations under the State Homeland Security Program and Urban Areas Security Initiative, which includes new areas in California.

For more information about these and other federal grant opportunities, please visit http://www.fema.gov/news/newsrelease.fema?id=46633.

Assembly Bill 32: Implementing California's Climate Change Challenge

NEW: The California Air Resources Board (ARB) will be discussing ARB's Scoping Plan (Plan) on Nov. 20 at 9 a.m. While this discussion of the Plan is just that, a discussion, (because the decision on approving the Plan will be at the December ARB meeting), it is important that local government voices be heard. City officials are encouraged to attend the meeting in person or watch the meeting online.

Further information can be found at: www.arb.ca.gov/board/ma/2008/ma112008.htm

Background

In 2006, California enacted the most forward reaching environmental law of its kind, AB 32 (Nuñez, Chapter 488, Statutes of 2006). AB 32 requires California to reduce its greenhouse gas (GHG) emissions to 1990 levels by 2020. By requiring California to reduce its emissions, the stage has been set for a major transition in the state to a sustainable, clean energy future.

The California Air Resources Board (ARB) is the lead state agency for implementation of AB 32. ARB met the first milestone required by AB 32 in 2007 when it developed a list of nine discrete early action measures. In 2007, ARB also developed an inventory of historic emissions, established greenhouse gas emission reporting requirements for major emitters, and set the numeric limit for the 2020 emission reduction mandate under AB 32.

The focus for ARB in 2008 was a document referred to as the "Scoping Plan." The Scoping Plan (Plan), which under AB 32 must be approved by ARB by Jan. 1, 2009, proposes a comprehensive set of actions designed to reduce overall greenhouse gas emissions in California. It is essentially the plan on how the state will achieve the necessary reductions in greenhouse gas emissions by 2020. The Plan includes actions in areas such as energy efficiency, transportation, green building, recycling and waste, housing, high speed rail, industrial emissions, water, agriculture and land use planning.

Under the Plan, actions may be implemented through direct regulations, alternative compliance mechanisms, monetary and non-monetary incentives, voluntary actions, and market-based mechanisms such as a proposed cap-and-trade system. The Plan was released on Oct. 15, 2008 and will be considered for approval at the ARB Board hearing on Dec. 11, 2008.

Key Issue Areas for Local Governments in ARB's Plan:

- *Voluntary 15 percent reduction in local government GHG emissions.* The Plan encourages local governments in California to track emissions using their recently adopted Local Government Operations Protocol as well as encourages local governments to adopt a reduction goal for municipal operations emissions and move toward similar goals for community emissions that parallel the State commitment to reduce greenhouse gas emissions by approximately 15 percent from current levels by 2020.

- *Maximize Energy Efficiency Building and Appliance Standards, and Pursue Additional Efficiency Efforts Including New Technologies, and New Policy and Implementation Mechanisms.* The Plan sets targets for annual energy demand reductions statewide. The reductions include actions like: "zero net energy" buildings, green building codes, appliance efficiency standards, improved compliance and enforcement of existing building standards and voluntary efficiency and green building targets beyond mandatory codes. For municipal utilities, it also includes more aggressive utility programs to achieve long term energy savings, including Renewable Portfolio Standards for municipal utilities mandating all utilities, achieving a 33 percent renewable energy mix by 2020.

- *Establishment of Regional Transportation-Related Greenhouse Gas Targets.* In September, Gov. Arnold Schwarzenegger signed SB 375 (Steinberg, Chapter 728, Statutes of 2008), which establishes mechanisms for the development of regional targets for reducing passenger vehicle greenhouse gas emissions. The Plan states that 5 million metric tons of emissions will be reduced as a result of transportation related planning programs, or almost 3 percent of the total needed to achieve AB 32's 2020 target. This number, however, is a placeholder as the Plan states that the total target "will ultimately be determined during the SB 375 process."

- *Adopt Medium and Heavy-Duty Vehicle Efficiency Measures.* The Plan suggests requiring aerodynamic drag and rolling resistance retrofits of medium and heavy-duty vehicles to improve fuel efficiency. It also suggests hybridization of medium and heavy-duty vehicles, specifically those used in urban, stop-and-go applications to achieve increased fuel efficiency.

- *Expand the Use of Green Building Practices to Reduce the Carbon Footprint of California's New and Existing Inventory of Buildings.* The Plan pulls from a number of areas to produce greenhouse gas savings through buildings that exceed minimum energy efficiency standards, decrease consumption of potable water, reduce solid waste during construction and operation, and incorporate sustainable materials. The Green Building strategy under the Plan also includes siting considerations — noting that buildings that are sited close to public transportation or near mixed-use areas can work in tandem with transportation-related strategies to decrease greenhouse gas emissions. Local governments are encouraged under the Plan to adopt "beyond-code" local green building requirements.

  Additionally, the Plan anticipates that the State Building Standards Commission will adopt a mandatory code in 2011 which will institute minimum environmental performance standards for all occupancies. The Plan also envisions green building zero-energy targets in the future. Furthermore, the Plan recommends the establishment of an environmental performance rating system for homes and commercial buildings and further recommends that California adopt mechanisms to encourage and require retrofits for buildings that do not meet or exceed minimum standards of performance.

- *Reduce Methane Emissions at Landfills. Increase Waste Diversion, Composting and Commercial Recycling.* Move Toward Zero-Waste. The Plan recommends reduction in landfill methane, through the Discrete Early Action measure for landfill methane control. This measure is expected to be presented to the ARB Board for approval at their January 2009 Board Meeting. The Plan also suggests policies like Extended Producer Responsibility and Environmentally Preferable Purchasing along with commercial recycling and increased production and markets for compost to achieve higher levels of recycling and promotion of zero-waste goals.

What's Next?

Rulemakings and other regulatory actions outlined in the Plan and noted above will take place over the next two years. Under AB 32, the Plan must be in place by January 2009, and measures outlined in the Plan must be in place by January 2012. League staff will continue to update its membership over the next two years through League list serves, *Priority Focus*, and through League policy committees dealing with climate change issues.

Resources for Getting Started

The California Climate Action Network (www.ca-ilg.org/climatechange) has information for city officials interested in more information and resources about how to get started to reduce their greenhouse gas emissions. There is a section with best practices at www.ca-ilg.org/bestpractices.

CCAN is a program of the Institute for Local Government, the League and the California State Association of Counties' nonprofit research arm.

CalTRUST Handling Financial Storm

In the middle of the financial market turbulence, the Investment Trust of California (CalTRUST) held a conference call on Oct. 23 to update participants on the market, the CalTRUST portfolios and the merger of Wachovia (the CalTRUST investment advisor) and Wells Fargo. The League of California Cities is a sponsor of CalTRUST.

The call was well attended with the CalTRUST board of directors and approximately 40 agencies participating. Russ Gould, senior managing director of Wachovia Portfolio Services and members of the Evergreen Investments team (Evergreen Investments is the asset management arm of Wachovia) providing an update on the situation.

The CalTRUST accounts are currently being managed in a conservative manner, with a high level of liquidity and the portfolio is well-diversified. The Short-Term Account maintains its "AA/S1+" rating from Standard & Poor's; in fact the average credit quality of securities in the Short-Term Account as of Sept. 30 was "AAA." Due to the already conservative positioning of both the Short- and Medium-term accounts, no dramatic changes to the investment strategies are foreseen at this time.

The Wachovia/Wells Fargo merger is expected to close before the end of the year and will make for one of the world's strongest financial institutions with over $1.4 trillion in assets and over $700 billion in deposits.

For more information on CalTRUST, please contact Lyle Defenbaugh, Wachovia Portfolio Services director of client relations at (916) 441.6200 or contact CSAC Finance Corporation Program Manager Laura Labanieh at (916) 327-7500 ext. 536.

Find a Bill, Legislators, Leg Committee, or Ask League Leg Staff

Visit (and bookmark!) the League's Legislative Resources Web page (www.cacities.org/legresources). You'll find a roster and contact information for the League's legislative staff; the online Bill Search program, background materials on lobbying your legislators, and more.
