



## CITC Daily Update

Feb. 13, 2008

### Top State News Story

#### Nunez Says Comprehensive Health Care Reform Dead in California This Year: A Deeper Look at What This Means

Speaker of the Assembly Fabian Nunez spoke at yesterday's Sacramento Press Club and had a lot on his mind to share with the assembled press corp. You can listen to the entire address he gave including his answers to questions while he was at the podium. Much of this has been covered in today's articles and broadcast clips. But as to health care, what he told a gaggle of reporters outside afterwards, gives more clues as to what, if anything, will emerge from Sacramento on health care—now that the compromise bill he negotiated with Governor Schwarzenegger is dead—notwithstanding the Governor's statement that it is not.

Frank D. Russo in the **California Progress Report**

[http://www.californiaprogressreport.com/2008/02/nunez\\_says\\_comp.html](http://www.californiaprogressreport.com/2008/02/nunez_says_comp.html)

### Top Commentary

#### Education coalition ramps up

The Education Coalition is ramping up the pressure on lawmakers not to cut education funding in the budget. The campaign announced airing ads in Spanish on Tuesday. Today, education advocates are hosting news conferences in Oakland and Riverside to highlight the impact of Gov. Arnold Schwarzenegger's proposed cuts. To tackle the state's \$14.5 billion budget, Schwarzenegger proposed suspending Proposition 98, the state law that governs education funding, to save money this year.

Editorial in the **Sacramento Bee** <http://www.sacbee.com/static/weblogs/capitolalertlatest/010580.html>

### Top National News Story

#### Gas price peak forecast now is \$3.40 a gallon

Gasoline prices are now expected to peak at a record \$3.40 a gallon in the spring, the Energy Department said Tuesday. That's down 10 cents from last month's forecast. Oil futures fell on the news, reversing a three-day rally. In a monthly report, the Energy Department's Energy Information Administration said demand for oil and petroleum products won't grow as fast this year as previously expected. That means prices won't be quite as high this year as the EIA previously forecast.

Staff in the **USA Today** [http://www.usatoday.com/money/industries/energy/2008-02-12-gas-oil\\_N.htm](http://www.usatoday.com/money/industries/energy/2008-02-12-gas-oil_N.htm)

### State News

#### State freight funds divide state along north, south

The battle between Northern and Southern California rages on in Burlingame today, as the California Transportation Commission receives \$4.2 billion in project nominations to be considered for \$2.5 billion to \$3 billion in bond funding to improve how cargo moves around the state. Bay Area officials and their counterparts

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in Sacramento and San Joaquin County are asking for \$1.1 billion, mainly to improve rail routes to and from ports in Oakland, San Francisco, Richmond, Sacramento and Stockton. Meanwhile, Southern Californians coalescing around the ports of Los Angeles and Long Beach have beefed up an earlier, unofficial wish list from \$1.7 billion to \$2.2 billion.

Erik N. Nelson in the **Contra Costa Times** [http://www.contracostatimes.com/ci\\_8248748?source=rss](http://www.contracostatimes.com/ci_8248748?source=rss)

### **Deficit takes priority over health care**

The sweeping health care reform plan that died in the state Senate last month probably won't be revived any time soon, Assembly Speaker Fabian Nunez said Tuesday. "I think that health care reform, for all intents and purposes, is not going to happen in 2008," Nunez told reporters at a Sacramento Press Club luncheon.

"Somebody's going to have to pick up the ball where we left off in 2009 and 2010, and my hope is that that happens." Hours later, Republican Gov. Arnold Schwarzenegger, who labored for more than a year to put a comprehensive health reform package together, insisted he was still committed to the issue.

Mike Zapler in the **Contra Costa Times**

[http://www.contracostatimes.com/portal/ci\\_8248744?source=rss&\\_loopback=1](http://www.contracostatimes.com/portal/ci_8248744?source=rss&_loopback=1)

### **Drivers contribute to falling fuel costs**

Gas prices dropped in the past few weeks and likely will continue falling for the next month or so, news that should be as welcome to Bay Area motorists as the sunshine that recently burst through the clouds. The price of a gallon of regular unleaded gas dropped 13 cents, to \$3.27, in Oakland; 26 cents, to \$3.11, in Concord; and 19 cents, to \$3.17 in Fremont, and 21 cents, to \$3.32, in San Mateo, according to AAA of Northern California's monthly gas price survey released Tuesday.

Janis Mara in the **Contra Costa Times** [http://www.contracostatimes.com/ci\\_8248715?source=rss](http://www.contracostatimes.com/ci_8248715?source=rss)

## **Commentary**

### **Cut education spending, but sky not falling**

I admit tightening the financial belt is neither pleasant nor easy. But the sky-is-falling exaggeration of the situation and the numbers are not helpful. The Feb. 8 front-page headline speaks of drastic cutbacks. E-mails from the schools speak of pending disaster. The K-12 education budget is being revised \$4.38 billion (not \$4.5 billion) to \$65.1 billion (not \$60 billion), a 6.7 percent reduction. This actually averages \$347 more per pupil than we had in 2006. Here is the fiscally irresponsible economic reality in California. Though we voted in a constitutional amendment for a balanced budget in 2004, during calendar year 2007 the state's general fund received \$95.602 billion in actual revenue and spent \$106.232 billion, for a total general fund deficit of \$10.630 billion.

Editorial in the **Contra Costa Times** [http://www.contracostatimes.com/ci\\_8248697?source=rss](http://www.contracostatimes.com/ci_8248697?source=rss)

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## **LEGISLATIVE UPDATE**

### **To view specific bills of interest**

Bills in Senate: [http://info.sen.ca.gov/cgi-bin/pagequery?type=sen\\_bilinfo&site=sen&title=Bill+Information](http://info.sen.ca.gov/cgi-bin/pagequery?type=sen_bilinfo&site=sen&title=Bill+Information)

Bills in Assembly: <http://www.assembly.ca.gov/acs/acsframeset2text.htm>

**CITC home page** <http://www.citc.net>

### **Stock market**

Dow Jones Ticker: <http://finance.yahoo.com/q?s=DJI&d=t>

Nasdaq ticker: <http://finance.yahoo.com/q?s=IXIC&d=t>

S&P 500 ticker: <http://finance.yahoo.com/q?s=SPC&d=t>

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