



California AFL-CIO News

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JOHN F. HENNING  151
Executive Secretary-Treasurer

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Biemiller Cites Battle Lines for Health Ins. Fight

Battle lines for the AFL-CIO's nationwide drive to win national health insurance for all Americans were spelled out by Andrew J. Biemiller, director of the National AFL-CIO Department of Legislation at the opening session of the California Labor Federation's two-day Educational Conference on National Health Insurance at the Del Webb TowneHouse in San Francisco this week.

"We are going to be taking the Nixon Administration on—and head-on. We are going to be taking on some of our oldest sparring partners — the American Medical Association, the insurance companies, and all of those other organizations who, when you try to do anything to better the health of the American public, raise the cry that you're 'socializing medicine,'" Biemiller declared.

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'Give Her-Ex Strikers More Support Now'

An urgent appeal for increased financial support for the nearly 2,000 union members locked in a 3½ year old strike-lockout battle with the Hearst Corporation's strikebreaker-produced Los Angeles Herald-Examiner was issued by the California Labor Federation, AFL-CIO, this week.

In a letter to all AFL-CIO unions and councils in the state, John F. Henning, the Federation's executive officer, said that the Herald-Examiner Joint Strike-Lockout Council has reached a "crisis point" and that the union members who have carried on this struggle so valiantly will "suffer badly" without additional assistance.

"Unless more financial aid is

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Kennedy Raps Nixon Plans, Asks Health Care Crusade

"If President Nixon wants to cure inflation, why doesn't he look to the cost abuses in the health care industry, instead of singling out the construction worker as his special scapegoat for two years of inadequate White House economic policy?"

That was just one of a number of striking points made by U.S. Senator Edward M. Kennedy (D-Mass.), featured speaker at

the two-day Educational Conference on National Health Insurance sponsored by the California Labor Federation, AFL-CIO, at the Del Webb TowneHouse in San Francisco this week, to highlight the need for enactment of a National Health Insurance program now.

Senator Kennedy, who addressed a din-

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State AFL-CIO Wins Final Victory in Con Labor Suit

A legal battle launched by the State AFL-CIO nearly 3½ years ago to enforce a state constitutional provision barring the letting of state convicts to private growers culminated in victory for the California Labor Federation last week when the State Supreme Court denied a petition

filed by State Attorney General Evelle J. Younger for a hearing of the case.

The Supreme Court's action, which, in effect, upheld earlier Federation victories won in lower courts, was hailed by John F. Henning, executive officer of the State AFL-CIO, who pointed out that:

"Credit for initiating this battle in behalf of the Federation belongs to our Secretary-Treasurer Emeritus Tom Pitts and credit for prosecuting it successfully goes to our general counsel Charles P. Scully."

Pitts won a temporary injunction in November, 1967 after Governor Ronald Reagan authorized the use of some 300 state prison convicts to harvest figs and grapes in Merced and San Bernardino Counties.

In his suit, Pitts charged that Governor Reagan violated Article X, Section 1 of the State

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Fed Opposes Block Grants For Education

The California Labor Federation went on record this week in opposition to the Nixon Administration's block grant program that would consolidate funds under Federal aid to education programs.

In a letter to Sydney P. Marland, Jr., U.S. Commissioner of Education, John F. Henning pointed out that the AFL-CIO "strongly supported creation of the Elementary and Secondary Education Act, the Vocational Education Act and the school lunch program and other major advances in the 1960's."

"All of these beneficial pro-

(Continued on Page 2)

Pay Hikes Urged For State Workers & U.C. Faculty

The State AFL-CIO took vigorous exception to Governor Reagan's failure to provide for any pay hike for state employees or state and university faculty members in testifying before a subcommittee of the Assembly Ways and Means Committee in San Francisco last Friday on the Administration's proposed budget for the 1971-'72 fiscal year.

Noting that the cost of living has increased by more than 11 percent during the past two

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Cuts in Industrial Relations Dept. Budget Restored

Restoration of all cuts proposed by the Reagan Administration in the budget for the State Department of Industrial Relations was approved by a subcommittee of the Senate Finance Committee Wednesday.

The subcommittee, chaired by Senator Alan Short (D-Stockton) approved restoration of the cuts in adopting a motion offered by Senator Randolph Collier (D-Yreka).

Prior to the vote on the issue, John F. Henning, Executive Secretary-Treasurer of the California Labor Federation, AFL-CIO vigorously protested the proposed cuts and urged their restoration.

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Fed Moves To Larger Office In Sacramento

Everything except the space, the altitude and the room number is the same in the new Sacramento offices of the California Labor Federation, AFL-CIO. The federation recently completed its move from Suite 216 to larger quarters in Suite 610 in the 11th and L Street Building in Sacramento.

The move, made necessary by the Federation's expanding operations in Sacramento, provides about one-third more office space, John F. Henning, the Federation's executive officer, said.

Both the street address and the Federation's Sacramento office phone number remain unchanged. The address is still: California Labor Federation, AFL-CIO, 1127 11th Street, Sacramento, Ca. 95814 and the phone number is still (916)-444-3676.

Fed Opposes Block Grants For Education

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grams would be destroyed in the block grant proposal," he said.

"Basically, our view is that the Administration's block grant program solves none of the existing problems in the educational field.

"Instead, it could possibly create serious new problems, particularly since hard-pressed urban school systems might get less than their share of funds in many states," Henning pointed out.

"We believe the best way to meet and overcome the problems in the educational field is for the Administration to fulfill existing federal commitments by fully funding present programs at the levels Congress authorized," he concluded.

Henning's letter to Marland was in response to an invitation to appear at a conference on special revenue sharing that was held this week but which conflicted with the California Labor Federation's Conference on National Health Insurance.

Labor Urges Pay Hikes for State Employees & Faculty

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years, Michael Peevey, the California Labor Federation's Director of Research, urged the legislators to make provision for a 10 percent increase for state employees and a 15 percent hike for state college and university faculty members who were excluded from a five percent wage increase granted non-academic employees a year ago.

The State AFL-CIO representative also urged that state employees be afforded night differential pay, overtime at time and one-half, and unemployment insurance coverage.

He pointed out that Los Angeles public employees received a 9.8 percent pay hike last year.

Questioned by Assemblyman Carley V. Porter, Committee Chairman, on how such wage increases could be financed, Peevey suggested elimination of the state's oil depletion and capital gains loopholes in the state income tax and adoption of a withholding system for the state income tax.

It has been estimated that Governor Reagan's opposition to adoption of a withholding system during his first few years in office has cost the state a loss of an estimated \$500 million from tax cheats, transient workers and others.

U.C. President Charles J. Hitch, who testified at the same hearing, told the committee that the University's salary setup is already "a good 13 to 15 percent behind our competitors" and added:

"This seems to me to be an intolerable position for us knowingly to maintain. There is very little else which could guarantee us second-rate status so surely." Hitch called for an increase of at least 13 percent.

Consumer Affairs Dept. Budget Hit As Inadequate

The State AFL-CIO also found major fault with the Governor's budget proposal of only \$10,000 for the Department of Consumer Affairs.

Peevey said that that budget should, instead, be at least several hundred thousand dollars, noting that the Consumer Affairs

Act of 1970 passed by the legislature last year calls for the creation of a Consumer Advisory Council and empowers the Department, among other things, to recommend and present testimony on needed consumer legislation, propose and develop consumer education, represent the consumers' interest before state and federal executive commissions, engage in research on matters affecting the consumer, issue product test reports, and receive consumer complaints.

The Consumer Affairs Act, which goes into effect next July, also requires the creation of a Consumer Advisory Council to be composed of one assemblyman, one senator, two representatives of business, two consumer representatives, and one labor representative.

The purpose of the Advisory Council would be to hold hearings and advise the Director of the Consumer Affairs Department on needed consumer legislation.

Provision of only \$10,000 for a program that could save California's consumers millions of dollars is "totally inadequate," Peevey said.

Don Vial, President of the Association of California Consumers, who also testified on the Consumer Affairs Department budget proposal, pointed out that other states having similar consumer agencies enjoy budgets ranging from a low of \$95,000 for the Kentucky Commission on Consumer Protection to a high of more than \$1 million in Connecticut.

He pointed out that although California was the first state to establish a separate office for consumer affairs in 1959, the state has now slipped to last place in the list of states.

He recommended a budget for the Consumer Affairs Department of \$525,000 and charged that the Governor's budget proposal for the Department is "deceptively packaged and falsely advertised."

Part Time Workers

If the present trend continues, one out of every seven persons will be a part-time worker by 1980, the Labor Department reports.

Bill To End Special Tax Protection For Corporations Dies

A State AFL-CIO-backed measure aimed at ending the special state constitutional protection enjoyed by banks and insurance companies from tax increases was killed in the Assembly Constitutional Amendments Committee this week.

The measure, Assembly Constitutional Amendment 13, would have changed the present two-thirds vote required to change tax rates on banks, insurance companies, and corporations to a simple majority.

Mike Peevey, the California Labor Federation's Director of Research, testified in behalf of the bill, pointing out that there is no valid reason why banks should enjoy such a favored position when taxes on the state's general taxpayer can be hiked by simple majority vote.

The measure, which had been approved by the Assembly Revenue and Taxation Committee on February 15, died on a straight party line vote after Assemblyman Leo T. McCarthy (D-San Francisco) objected to a motion made by Assemblyman William T. Bagley (R-San Rafael) to delay action for two months and Assemblyman John T. Knox (D-Richmond) offered a substitute motion to vote the measure out of committee.

On the vote on Knox's substitute motion, which required five votes for approval, all four Republicans — Assemblymen Bagley, Floyd L. Wakefield, Robert C. Cline, and Robert Beverly — voted "No" and the committee's four Democrats, Committee Chairman Alex Garcia and Assemblymen Alister McAlister, Knox, and David C. Pierson, voted "Yes."

Senate Committee Approves SST Ban

Despite strong opposition by the California Labor Federation, AFL-CIO, the State Senate Health and Welfare Committee approved a bill to ban the supersonic transport from California this week.

The measure, SB 106 introduced by Senator Anthony C. Beilenson (D-Beverly Hills), won on a narrow voice vote and was sent to the Senate floor.

'Give Her-Ex Strikers More Support Now'

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forthcoming, the Joint Strike-Lockout Council will be forced to surrender its positive program and go on the defensive.

"We urge all AFL-CIO affiliates in California to contribute to the cause of the striking and locked-out Herald-Examiner workers," Henning said.

Checks made payable to the **Herald-Examiner Joint Strike-Lockout Council** should be sent directly to:

William R. Robertson, Strike-Lockout Coordinator, Herald-Examiner Joint Strike-Lockout Council, 225 West 11th Street Los Angeles, Ca. 90015.

Biemiller Cites Battle Lines for Health Ins. Fight

(Continued from Page 1)

Addressing a standing room only crowd of more than 500 trade unionists yesterday, Biemiller described the costs of health services in the United States as "a shameful and unbelievable scandal."

"It is the biggest pocketbook issue we've had to face in decades. Nothing is eating away at the family budget at a faster rate than the rising cost of going to a doctor, of being in a hospital, or of having to pay the cost of nursing home care or the cost of home health services," he said.

Biemiller called on all trade unionists to get personally involved in this fight.

"If we don't get involved, we ignore the very reasons for which our labor organizations were created, to help protect not only the American worker but the American consumer as well," he declared.

Noting that "we pride ourselves on being able to put a man on the moon . . . (and) . . . with being the nation with the highest per capita income in the world," Biemiller observed:

"When it comes to the matter of the health care of our citizens, a matter of the most basic of human concerns, we're a second rate nation."

In the course of the conference, Biemiller and other ex-

COPE Program for '72 Gains Support

Strong support for a special four-point program designed to strengthen the effectiveness of organized labor in the political campaigns of 1972 has been voiced by virtually every county COPE contacted to date, Fred C. Smith, Assistant Director of the California Labor Council on Political Education, reported this week.

Smith, who is heading up a four-man California Labor COPE team that's currently contacting county and district COPEs throughout the state, said that "the rampant recession and runaway inflation brought on by the Nixon Administration has made the need to elect progressive, public-minded candidates painfully clear to most thinking workers."

The state COPE team, which includes California COPE staffers Harry Jordan and Bill Gallardo as well as National COPE Area Director Lamar Gulbransen is encouraging every county and district COPE in California:

1—To maximize the participation of members of minority groups in labor's political efforts by establishing an appropriate vehicle for this;

2—To encourage youth participation in labor's political efforts, an activity that may be aided wherever feasible by Frontlash, a youth involvement organization supported by the AFL-CIO that proved highly effective in the 1970 elections.

3—To maximize the utilization of women in labor's political efforts, an activity which may be aided by Margaret Thornburgh, Western Area Director of the AFL-CIO Women's Activities Department; and

4—To encourage the maximum use of the talents of retired union members and other senior citizen groups.

The tour, which started March 3, will head south next week.

It will meet with the officers

perts who participated in panel discussions Thursday afternoon and Friday morning presented a swarm of facts and statistics that graphically depicted the sorry state of health care in the United States today and amply demonstrated the need for an awakening of the American public to demand an effective national health insurance program now.

of San Mateo County COPE at 11:00 a.m. March 15 and then head for Santa Barbara for a meeting at 8:00 p.m. the same day of the San Luis Obispo, Santa Maria and Ventura County COPEs at the Building Trades Hall at 415 Chapala Street in Santa Barbara.

Other meetings are scheduled as follows:

March 16 — 12:00 p.m., San Bernardino County COPE in San Bernardino; 7:00 p.m., Riverside Co. COPE in Riverside.

March 17 — San Diego County COPE at the El Cortez Hotel at 12:00 p.m.; and Orange County COPE at the Labor Council in Garden Grove at 7:00 p.m.

March 18—Los Angeles County COPE at the Los Angeles County Federation of Labor headquarters at 12:00 p.m.

March 22—Kern County COPE

at the Kern County Labor Center in Bakersfield at 12:00 p.m. At 7:30 p.m. the State COPE team will take part in a joint meeting of the Fresno-Madera and Tulare-Kings Counties COPEs at Fresno.

March 23—A special luncheon meeting with officers of the Merced County COPE and representatives of the Black and Brown communities of Merced County is scheduled at the Pine Tree Restaurant in Merced. At 8:00 p.m. that evening, a meeting is scheduled with the 15th Congressional District Area COPE, which includes the Sacramento, San Joaquin and Stanislaus County COPEs at the Stockton Labor Center in Stockton.

March 24—A meeting is scheduled with San Francisco COPE officials at 2:00 p.m.

State AFL-CIO Wins Final Victory in Con Labor Suit

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Constitution which states that:

"The labor of convicts shall not be let out by contract to any person, co-partnership, company, or corporation, and the legislature shall, by law, provide for the working of convicts for the benefit of the state."

Reagan, the principal defendant in the case, attempted to defend his action by citing sections of the Penal Code enacted in 1965 that extended the work furlough program to inmates in state institutions.

But Pitts challenged this on grounds that the temporary use of state prison convicts as farm laborers had no rehabilitative aspect as required in legitimate work furlough programs and that there was no labor shortage.

In fact, the AFL-CIO United Farm Workers' Organizing Committee had offered to supply all the workers the growers needed if the growers would pay union wages.

After winning the temporary injunction in 1967, Pitts decided to push for a permanent injunction to protect farm workers in the future from the use of state prison labor in California's fields.

At that time, Pitts said that he hoped that the court's initial

decision would "help awaken California taxpayers to the realization that anytime the state or federal government abets industry or agriculture in obtaining a cheap labor force — whether they are convicts, welfare recipients, or aliens — the effect is to deny jobs at decent wages to thousands of other workers with the upshot that many of those so disemployed wind up on the welfare rolls themselves.

"The point is that when government attempts to take from Peter to pay Paul — that is to deny decent wages for presently unemployed farm workers in order to maximize growers' profits — the taxpayer winds up paying for Peter too," he pointed out.

During the past two months, legal action on the case has accelerated. Early in January the State Court of Appeals unanimously upheld the permanent injunction won by the Federation in March of 1969. Less than a month later, the Appellate Court rejected Attorney General Younger's petition for a rehearing.

"Rejection of Younger's later petition for a hearing by the State Supreme Court on March 3 hopefully marks the successful conclusion of this long drawn-out case," Henning said.

Senator Kennedy Raps Nixon Policies, Urges Health Care Crusade

(Continued from Page 1)

ner session of the conference last night, told a standing room only audience of more than 550 conference participants that, as chairman of the Health Subcommittee of the United States Senate, he would do everything in his power to help win enactment of a comprehensive national health insurance program "before Congress adjourns for the 1972 elections" and called on all trade unionists to help in "this great crusade for health reform."

"All your lives," Kennedy observed, "you have had to be content with a second-rate health system in a first-rate nation. For too long, we have accommodated the vested interests of the health care industry—the special pleaders, the healer-dealers, and the health imperialists."

"They have had carte blanche for generations to develop the health system for their own private benefit, to the detriment of the public interests."

"After 40 years, the providers and the financiers of health care in America have established a dismal record of performance—a record characterized by inequity, inefficiency, ineffectiveness, inflation, and worst of all, by inhumanity," Kennedy declared.

In detailing the nation's current health crisis, Kennedy said five features stand out, namely:

- The soaring cost of health care.
- The acute and worsening shortage of all kinds of health personnel, especially doctors.
- The deteriorating condition of the health care system itself, its archaic and inadequate

methods of providing health care for the citizenry.

- The crisis in the quality of health care.

- And the absence of any effective role for citizen participation.

In connection with the last point, the Senator said:

"For too long, the health care system has been allowed to operate solely for the benefit of those who **provide** the services—the doctors, the hospitals, and their agents, the insurance companies—rather than for the benefit of those who **receive** the services, the people of America."

In short, he declared, "The citizens who have the greatest stake in the health system have had the smallest voice."

To prevent a "national health disaster in the 70's or 80's," Kennedy said that the nation must fashion a new health system and said that while President Nixon's recent health message contained a number of helpful proposals, he strongly opposed some of the basic features of the Nixon program.

In particular, he cited the

"Swiss cheese" nature of the health benefits offered by the President's proposals and objected to the "increased fragmentation of the system that the President's recommendations would encourage."

In detailing some of the specific differences between the Nixon proposal and the AFL-CIO-backed Health Security Act of 1971 (S. 3) which Kennedy introduced last January, the Senator pointed out that the labor-backed legislation would provide benefits for every individual residing in the country and would provide health services for the prevention and early detection of disease, the care and treatment of illness, and medical rehabilitation.

Unlike the Nixon Administration's proposal, there are no cut-off dates, no co-insurance, no deductibles, and no waiting period in S. 3, he explained.

Under the Kennedy bill, the cost of the program would be paid partly out of general federal funds and partly out of a payroll tax of 3.5 percent on employers and 1.0 percent on employees.

This means that for the average U.S. worker making \$7,000 a year, the cost of the program would be \$70, exactly what he is paying today for Medicare when he reaches 65.

In contrast, Kennedy said that the Nixon Administration's health insurance proposals "are shot through" with exemptions, exclusions, deductibles, waiting periods, cutoff dates, means tests, and other regressive features.

For example, he said, under the Nixon program, a worker with a \$5,000 hospital expense would be obliged to pay about \$1,800 out of his own pocket or 25 percent of his salary for the entire year instead of just the \$70 that would be required under S. 3.

He also pointed out that millions of Americans would not be covered by any part of the Nixon program.

"I stand convinced," the Senator said, "that any new national health program we enact should be carried out like Social Security."

He emphasized that the health security program proposed in S. 3 is "not 'socialized medicine,' or a 'national health service' or any of the other scare labels the Administration seeks to paste on it."

"The federal government will not own the hospitals, hire the doctors, or take over the nation's health system. The program relies on federal financing but it also relies on private doctors, private hospitals, and all the other private resources of our health system to provide the services," he said.

In the course of his nearly hour-long address, Kennedy disclosed that his subcommittee plans to begin field hearings on the nation's health care crisis within the next few weeks and that some of the hearings will be held in California early this Spring.

He urged California trade unionists to help carry "this great crusade for health reform to people in every corner of the land."

One of Many

Collective bargaining is but one of the many benefits conferred by wisely and honestly organized unions that act properly—Theodore Roosevelt.

Some Facts and Figures On U.S. Health Care Costs

Here are just a few of the startling facts and figures brought out in the course of the California Labor Federation's two-day Educational Conference on National Health Insurance held at the Del Webb TowneHouse in San Francisco this week:

- Health care spending in the fiscal year ending June 30, 1970 increased by 12.2 percent to a total of \$67.2 billion—an increase of \$7 billion over the previous year.

- For the fiscal year ending June 30, 1960, just 10 years earlier, the U.S. spent only \$27 billion.

- Spending for health care in the United States now amounts to seven percent of the entire gross national product. Ten years ago it was 5.4 percent.

- Spending on hospital care during the fiscal year ending June 30, 1970 increased at a greater rate than any other element of health care. It rose by 15 percent to a total of \$25.6 billion.

- Physician's services rose 9.5 percent in the same period to total \$12.9 billion.

- The average per-person health expenditure during the the 1970 fiscal year rose by \$33 to total \$324 a year.

- During the past 10 years the cost-of-living rose about 25 percent but the cost of hospital daily service charges climbed 150 percent and physician's fees increased nearly 50 percent.

- Data developed by the American Hospital Association indicates that the daily expense of community hospitals rose 50 percent from 1963 to 1968 while the average annual salaries of employees in these hospitals rose 35 percent.

Those last few facts make it pretty clear that the skyrocketing increases in hospital and health care costs cannot be reasonably attributed to wage increases for hospital employees and other workers.

Henning to Address Apprentice Conference

John F. Henning, executive secretary-treasurer of the California Labor Federation, AFL-CIO, will be the principal speaker at the Illinois State Apprenticeship Conference dinner to be held Thursday, March 25, 1971 at the St. Nicholas Hotel in Springfield, Ill.

Henning was invited to address the dinner by Thomas J. Nayder, secretary-treasurer of the Chicago and Cook County Building and Construction Trades Council in Chicago.

THE CALIFORNIA AFL-CIO'S DIGEST OF BILLS

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The measures below introduced in the 1971 regular session of the California Legislature are classified by the California Labor Federation as "Good," "Bad," or "Watch." An asterisk (*) indicates a bill sponsored by the California Labor Federation. Some bills will carry a cross (†) after the "Watch" designation indicating that the Federation will defer to the wishes of affected affiliates on the ultimate classification of the bill. Such bills are printed in the digest to inform affiliates involved. No bill may be taken up until 30 days after the date of introduction indicated in the digest, except by a three-quarters vote. When the abbreviation (H.A.D.) appears in the digest following the author's name, it means that the measure has been held at the Speaker's desk in the House of origin and has not yet been assigned to a committee.

ASSEMBLY BILLS

***AB 478—Ralph (Fin. & Ins.)**—Increases from \$87 to \$150 the maximum weekly benefit under unemployment compensation disability insurance law, with corresponding increases in amount of wages earned in highest quarter. Feb. 11. **Disability Insurance—Good**

***AB 479—Ralph (Fin. & Ins.)**—Deletes specification that no benefits shall be payable during seven-day waiting period for individual's eligibility for unemployment compensation disability benefits. Feb. 11. **Disability Insurance—Good**

***AB 480—Ralph (Fin. & Ins.)**—Includes, rather than excludes, from definition of "disability" and "disabled" for purposes of determining eligibility for unemployment compensation disability benefits, pregnancy if woman is confined, on or after January 1, 1972 in hospital due to pregnancy, or any complication arising therefrom, when such confinement is pursuant to order of her physician. Feb. 11. **Disability Insurance—Good**

***AB 481—Ralph (Fin. & Ins.)**—Deletes provisions rendering ineligible for unemployment compensation disability benefits those individuals who left their work because of, or whose disability was caused by or arose out of, a trade dispute. Feb. 11. **Disability Insurance—Good**

***AB 482—Ralph (Fin. & Ins.)**—Changes from \$7,400 to unspecified amount the maximum remuneration paid to individual per calendar year upon which unemployment compensation disability insurance worker contributions are based. Feb. 11. **Disability Insurance—Good**

AB 486—Fenton (Fin. & Ins.)—Increases workmen's compensation death benefit, in cases of total dependency, for surviving widow from \$20,000 to \$25,000, and for surviving widow with one or more dependent minor children from \$23,000 to \$28,000. Limits such increased benefits to those deaths resulting from original injury sustained after effective date of act. Feb. 11. **Workmen's Compensation—Good**

AB 487—Fenton (Fin. & Ins.)—Increases from \$52.50 to \$70 maximum weekly benefit payable as permanent disability indemnity under workmen's compensation law. Feb. 11. **Workmen's Compensation—Good**

AB 488—Fenton (Fin. & Ins.)—Increases from \$87.50 to \$105 maximum weekly benefit payable for temporary disability under workmen's compensation law. Feb. 11. **Workmen's Compensation—Good**

AB 489—Fenton (Fin. & Ins.)—Lowers from 49 days to 28 days the period which temporary disability must last in order for disability payment to be made, retroactively, from first day injured employee leaves work or is hospitalized as result of injury. Feb. 11. **Workmen's Compensation—Good**

***AB 490—Roberti (Labor Rel.)**—Makes it a misdemeanor for an employer willingly and knowingly to utilize any professional strikebreaker, as defined, to replace an employee or employees involved in a strike or lockout at a place of business within this state.

Makes it a misdemeanor for any professional strikebreaker willingly and knowingly to offer himself for employment or to replace an employee or employees involved in a strike or lockout at a place of business within this state. Feb. 11. **Labor Code—Good**

AB 499—Quimby (Ed.)—Includes within class of peace officers whose dependents are eligible for specified scholarships to state college or university in state, those peace officers who are totally disabled as result of accident or injury caused by external violence or physical force incurred in performance of duty. Feb. 11. **Watch†**

AB 500—MacDonald (Ed.)—Effects complete revision of present scheme of state and local support for school districts maintaining elementary, high school, community college, and adult classes, to provide for appropriation to State School Fund in each fiscal year of moneys equal to the cost of model educational programs, as defined, for educating such pupils and students; and the allowance and apportionment thereof to school districts and county superintendents maintaining such schools, and to provide that the appropriation shall be derived from a statewide property tax and from the General Fund in the State Treasury.

Requires State Board of Education and Board of Governors of California Community Colleges to annually publish cost of model educational programs.

Provides that the amount transferred to the State School Fund from General Fund shall equal the amount derived from statewide property taxes, and fixes statewide property tax rate for 1971-1972 year at \$3 for such purposes.

Eliminates existing provisions providing for computation, allowance, and apportionment of amounts denoted as "basic aid," "equalization aid," and "supplemental support" for kindergartens, elementary schools and high schools, and community colleges; provides for allowance and apportionment to districts and county superintendents of amounts based on cost of model programs.

Provides for transfers in unspecified amounts per a.d.a. in each fiscal year from General Fund to State School Fund for support of specified special educational programs.

Provides for levy and collection by the counties of statewide property tax to provide one-half of total statewide support of model programs in each fiscal year. Requires deposit of proceeds of such tax into State School Tax Fund.

Eliminates additional state support for districts within which reside state "project-connected" pupils.

Prohibits school districts from levying school district tax unless approved by majority of voters of district. Permits revenues from school district taxes to be used to increase number of district employees, and to increase compensation of district employees.

Eliminates unification and class size reduction bonuses in apportionment of state school funds.

Makes numerous related changes. Feb. 11. **Education—Watch**

ASSEMBLY BILLS (Cont'd)

AB 501—Quimby (G. O.)—Provides for the licensing and regulation of jai alai by the California Horse Racing Board.

Permits wagering on jai alai contests within the enclosure where contests take place. Feb. 11. **Watch†**

AB 502—Quimby (Jud.)—Eliminates requirement that lienholder advertise notice of intended sale of vehicle in newspaper of general circulation. Feb. 11. **Watch†**

AB 505—Deddeh (Trans.)—Continues present formulae of allocating highway funds to cities and counties and the state until June 30, 1974.

Creates State Highway Users Tax Revenues Allocation Board to study present and proposed method of allocating highway funds and to submit various reports to the Legislature by specified dates.

Establishes regional transportation planning associations in the state. Reduces annual allocation of highway funds to a city or county or the state, if it does not join a regional association, to 50 percent of the allocation it received during the 1973-1974 fiscal year.

Specifies formulae for allocation of highway funds to cities and counties which are members of regional associations and to the State Highway Fund, if the state is a member of all such regional associations, for noncapital outlay, which include administration, maintenance, planning, and acquisition of equipment and facilities.

Provides a formula for allocation to all cities and counties and the state for payment of contractual commitments for highway improvements existing on July 1, 1974, until full payment of such commitments.

Specifies formulae for allocations to members of regional associations for direct costs, such as design, construction engineering, and right-of-way appraisal and negotiation.

Specifies that allocations to each regional association for construction and right-of-way acquisition for highways shall be on the basis of the amount of net highway users tax revenues generated in the area within the regional association.

Requires that allocation to members for highway construction and right-of-way acquisition shall be on the basis of priority of highway projects as determined by the regional association, to be based on users benefit to be realized per dollar of highway users tax revenues to be expended.

Directs State Transportation Board to resolve any disagreement between a member and a regional association.

Specifies that no funds are available for purposes authorized under this act unless appropriated by the Legislature for such purposes. Feb. 15. **Taxation—Watch**

AB 508—McAlister (Fin. & Ins.)—Requires liability insurer, in any case in which insurer has caused injury to person or property, or death, of another, to notify in writing such injured person of applicable statute of limitations at least 30 days before expiration of such statute of limitation, and provides for tolling of statute of limitation or other time limitation for specified time if insurer fails to give such notice. Feb. 15.

Insurance—Good

AB 513—Waxman (Jud.)—Provides for exemption of bank account from execution or attachment in maximum amount of \$1,000. Feb. 15.

Consumers—Good

AB 522—Foran (Trans.)—Creates a Transportation Tax Fund and a State Transportation Fund and abolishes, as separate funds in the State Treasury, the Aeronautics Fund, the Highway Properties Rental Fund, the Highway Right of Way Acquisition Fund, the Highway Users Tax Fund, the Motor Vehicle Fuel Fund, the Motor Vehicle Fund, the Motor Vehicle License Fee Fund, the Motor Vehicle Transportation Tax Fund, the State Highway Fund, and the Street and Highway Disaster Fund, but continues these funds, except the Highway Right of Way Acquisition Fund, in existence as special accounts in the Transportation Tax Fund or the State Transportation Fund, or both.

Requires that various transfers and subventions from the Transportation Tax Fund shall be made with respect to at least 90 percent of the revenues in the fund by the tenth day of each month, rather than at times presently prescribed by law.

Authorizes State Controller, upon request of Department of Public

Works, to transfer from time to time to State Highway Account a maximum of \$10,000,000 in aggregate of "available money" from Department of Motor Vehicles Uncleared Collection Account in Special Deposit Fund to acquire rights-of-way for state highways. Requires retransfer on demand of Controller.

Increases from \$5,000,000 to \$10,000,000 the amount which California Highway Commission must set aside in its budget reports for grade separation projects for fiscal years 1972-1973 and 1973-1974. Reduces apportionments to cities, counties, and cities and counties by \$10,000,000 during month of January 1972. Directs State Controller to maintain system of accounts for each fund redesignated in act as account within Transportation Tax Fund or State Transportation Fund.

To be operative January 1, 1972. Feb. 16.

Taxation—Watch

AB 524—Harvey Johnson (C. & P.U.)—Makes Contractors License Law applicable to preparation for moving and nonstructural repair of mobilehomes, and to preparation for moving and repair of specified mobilehome accessory buildings and structures. Feb. 16. **Watch†**

AB 526—MacGillivray (N.R. & Con.)—Makes provisions relating to canning of fish taken under a sport fishing license applicable to all fish rather than only salmon and requires any cannery or packing plant to emboss or imprint the words "not to be sold" on cans of fish rather than only requiring such words to be stamped upon cans of salmon. Feb. 16. **Watch†**

AB 527—MacGillivray (N.R. & Con.)—Requires fisherman selling fish, mollusks, or crustaceans taken from waters of the state or brought into this state in fresh condition, to obtain license to make sales to person not licensed as fish dealer, canner or processor. Provides exception for occasional sales, as defined, by Fish and Game Commission, to non-profit organizations. Exempts persons engaged solely in cultivation and sale of shellfish. Specifies license fee. Feb. 16. **Watch†**

AB 528—Arnett (Labor Rel.)—Provides that no employer shall knowingly employ an alien who is not entitled to lawful residence in the United States, or directly or through an agent, employ a person who by reasonable inquiry would have been found to be without indicia of lawful United States residence status other than a social security registration card. Further prohibits any person acting as an agent, broker, or employment agency for an employer or employee from providing to an employer for employment any person who by reasonable inquiry would have been found to be without indicia of lawful United States resident status other than a social security registration card.

Specifies penalties for violation of such provisions, and specifies that such provisions shall not be a bar to civil action against the employer or the person acting as an agent, broker, or employment agency based upon violation of such prohibition. Feb. 16. **Labor Code—Good**

AB 531—Barnes (Ret.)—Makes provision under the Public Employees' Retirement System providing for certain benefits to the surviving spouse and minor children upon the death of an employee with five or more years of service who had reached the minimum retirement age shall apply to all contracting agencies, rather than allowing contracting agencies to elect to have such provision apply.

Operative on the first day of the month following the 61st day after final adjournment of the 1971 Regular Session of the Legislature. Feb. 16. **Watch†**

AB 532—Bill Greene (Fin. & Ins.)—Repeals exemption from unemployment insurance compensation of persons in domestic service. Feb. 16. **Unemployment Insurance—Good**

AB 541—Ryan (Rev. & Tax.)—Doubles rates of inheritance tax and appropriates one-half of inheritance tax revenue to counties. Feb. 16.

Taxation—Good

AB 542—Fong (Ed.)—Provides that no exchange certificated employee shall be required to pay any fee or other charge for issuance to him of any valid credential necessary to the holding of a position requiring certification qualification in any school district in the state.

Prescribes operative and termination dates for specified sections. Feb. 16. **Watch†**

ASSEMBLY BILLS (Cont'd)

AB 543—Barnes (Ret.)—Effects comprehensive revision of provisions re funding of, and benefits payable under State Teachers' Retirement System, to become operative beginning July 1, 1972.

Specifies that state shall contribute to retirement fund uniform annual amount of \$135 million for a period of 30 years; requires uniform contribution of 8 percent of salary by members; and prescribes employing agency contributions of 8 percent of salaries paid for years after June 30, 1972.

Provides for increased death and survivors' benefits; revises provisions re types of allowances and determination of amounts thereof; and provides for built-in increases in various benefit allowances by application of "benefit improvement factors" and other formula procedures.

Makes comprehensive revision of provisions dealing with all phases of administration of S.T.R.S. Feb. 17. Watch†

AB 544—Deddeh (Trans.)—Enacts the State Public Transportation Development Act.

States legislative findings and declarations.

Deletes the exemption under the state's Sales and Use Tax Law for gasoline and provides for a transfer of the net revenues of the state sales tax derived therefrom to the State Public Transportation Fund, which is created.

Provides that the money in the State Public Transportation Fund shall be available, when appropriated by the Legislature, for allocation by the Secretary of the Business and Transportation Agency to public entities operating public transportation systems.

Excludes the San Francisco Bay Area Rapid Transit District from the act.

Prescribes procedure for submitting claims for allocations.

Limits, in general, the amount that may be allocated to a public entity to 50 percent of the amount of the annual budget necessary to operate its public transportation system. Specifies that the amount to a city, county, or city and county not within an operating transit district may not exceed the proportion of revenue in the fund as determined by the amount of local sales and use taxes transferred to it bears to the total amount of such taxes collected in the state. Specifies a similar restriction, with an alternative restriction in certain instances, for a regional transit district.

Makes other related changes.

Operative on January 1, 1972. Feb. 17.

Taxation—Watch

AB 547—Cline (Ed.)—Authorizes community college governing boards to impose fees of not exceeding: (a) one dollar for each change in class, course, or program requested by a student, and (b) \$10 for each enrollment application submitted to the college, except those submitted by a student attending a high school.

Requires such fees be deposited in general fund of school district

maintaining the community college, to be expended solely for program counseling and admission services. Feb. 17. Education—Bad

AB 550 Foran (Emp. & P.E.)—Provides a yearly allowance of \$150 for uniforms, limited to outer garments, revolvers, and distinctive accessories of California Highway Patrol members, payable upon proof of purchase.

Appropriates \$850,950 from the Motor Vehicle Fund for purposes of the act. Feb. 17. Watch†

AB 551 Townsend (C. & P.U.)—Eliminates provision relating to salary of Chairman of the Board of Barber Examiners, and increases the annual salary to be paid to member of Board of Barber Examiners from \$8,820 to \$11,000. Feb. 17. Watch†

***AB 566—Brown (Lab. Rel.)**—Establishes minimum wage of \$2.25 per hour and maximum 35-hour workweek for all public and private employees and provides for overtime payment of twice the regular rate.

Authorizes Director of Industrial Relations to investigate occupations and employments within the state to insure compliance; and authorizes director, after notice and hearing, to issue wage orders and regulations.

Requires every employer in state to keep for a period of not less than 5 years, records of each employee's name, occupation, rate of pay, and amount paid each pay period; and requires such records to be open for inspection or transcription by director.

Requires summary of law and copies or summary of regulations or orders to be posted on employer premises.

Provides for criminal penalties for violations by employers; provides for civil action by employee for violation by employer; and authorizes employee to assign wage claim to director. Feb. 18. Labor Code—Good

AB 568—Keysor (Ed.)—Provides that classified employees laid off because of lack of work or lack of funds have the right to participate in promotional examinations within a school district during the 39-month period after layoff. Feb. 18. Watch†

AB 569—McAlister (Ed.)—Directs school districts to furnish every classified employee and his immediate supervisor with a statement at least twice yearly, showing accrued earnings of vacation and sick leave together with applicable deductions, and to inform every classified employee who is paid at hourly rates the rate of pay at least once a month upon issuance of his paycheck.

Applicable also to districts with merit system for classified employees. Feb. 18. Watch†

AB 573—Dunlap (Rev. & Tax.)—Allows owner-occupant of any multiple dwelling unit to claim homeowners' property tax exemption rather than only owner-occupant in unit with two or less separate dwelling units. Feb. 18. Taxation—Watch

SENATE CONCURRENT RESOLUTIONS

SCR 20—Richardson (Ed.)—Requests Joint Committee on Master Plan for Higher Education to study problem of foreign degrees of faculty employees and to report its findings and recommendations to the legislature. Feb. 1. Watch†

SCR 24—Nejedly (N.R. & W.)—Directs the State Water Resources Control Board to develop a program which would provide for the development of equipment capable of cleaning up oil spills along coastal lands and inland waters and for a service to clean up such oil spills and which would provide for the cost of the equipment, the operation and maintenance of the equipment, and the cleanup service to be financed by a tax on crude oil delivered to the refineries in the state and on the production of petroleum products, and to report thereon to the Legislature by fifth legislative day of 1972 Regular Session. Feb. 2.

Miscellaneous—Good

SCR 25—Collier (H. & W.)—Urges Human Resources Agency and Department of Health Care Services to promulgate regulations allowing payments in excess of the maximum reimbursement rate for nursing

homes under Medi-Cal, and to obtain from Health, Education, and Welfare Department authorization for such supplemental payments. Recommends maximum amount for supplemental payment. Feb. 3.

Miscellaneous—Good

SCR 26—Nejedly (I. & F.I.)—Requests Insurance Commissioner to study various methods which could be employed to provide state-operated system of catastrophe insurance, and to report his findings and recommendations thereon to Legislature by fifth legislative day of 1972 Regular Session, and directs him to contact federal government to determine what studies or investigations are being conducted by it on the subject of catastrophe insurance. Feb. 9. Insurance—Good

SCR 35—Carrell (Rls.)—Requests Governor and specified state departments and agencies, when using state and federal disaster funds to employ persons, other than regular personnel, to perform work in connection with the Los Angeles earthquake, to give priority to employing able-bodied men and women who are now unemployed or receiving welfare benefits. Feb. 11. Watch†

SENATE CONSTITUTIONAL AMENDMENTS

SCA 23—Nejedly (Rev. & Tax.)—Removes provision requiring 2/3 vote of Legislature to change rates of taxation on banks, insurance companies, corporations and franchises and allows such change by majority vote. Feb. 9. **State and Local Government—Good**

SCA 24—Nejedly (G.O.)—Removes provision requiring 2/3 vote for appropriation bills. Feb. 9. **State and Local Government—Good**

SCA 25—Nejedly (G.O.)—Eliminates 5-day period at end of each regular session to reconsider vetoed bills, eliminates 30-day recess required at end of regular session. Changes effective date of bills to 91st day after final adjournment of regular session, except with respect to bills vetoed after adjournment of session. Provides that such bills shall be reconsidered during first 15 days of following regular session and take effect, if veto is overridden, 91 days after such 15th day. Changes period within which referendum petition may be presented to 90 days after final adjournment session or 90 days after 15th day of following session with respect to bills vetoed after adjournment.

Changes period during which bills, with specified exceptions, may not be acted upon from 31st day after introduction to 16th day. Feb. 9.

State and Local Government—Watch

SCA 26—Mills (P.U.C.)—Authorizes highway revenues to be used for capital expenditures to facilitate public transportation, including mass transit system and payment of bonds issued for such systems, and control of environmental pollution caused by motor vehicles, as well as for highway purposes, including enforcement of law thereon and registration of motor vehicles.

Specifies that moneys available for state highway construction in county may be expended for capital expenditures to facilitate public transportation in county or city within county, or for capital expenditures for mass transit systems and payment of bonds issued for such systems in single-county transit district within county or multicounty transit district which includes territory of county, only if such use is approved by majority of votes cast in election held throughout entire county, or counties in such district.

Limits, in such case, amount to be expended for capital expenditures to facilitate public transportation and for state highway construction in the county during any 4-year period to an amount equal to the amount of funds available during the 4-year period for state highway construction in the county times the ratio of such funds allocated to the county to the total amount of such funds allocated in the state during the 20-year period prior to the operative effect of the proposition. Provides for adjustment of such amount to reflect the change in the percentage of state highway construction funds allocated to the county group which includes the county from the percentage for the group during the 1970-1971 fiscal year. Provides alternative limit equal to 60 percent of highway revenues generated in the county that is available for state highway construction during the 4-year period, if this latter amount is greater.

Requires, if necessary, reduction in allocations for capital expenditures to facilitate public transportation in a county in the amount necessary to match federal apportionments for the National System of Interstate and Defense Highways construction in the county.

Limits to 5 percent of the highway revenues the amount which may be used, when appropriated by the Legislature, for the control of environmental pollution caused by motor vehicles, including the development of transportation systems which will cause less air pollution. Feb. 15.

Taxation—Watch

ASSEMBLY JOINT RESOLUTIONS

AJR 6—Brathwaite (Urban Dev. & H.)—Memorializes President of United States and Congress to take specified actions relating to federal housing policy. Jan. 21. **Housing—Good**

AJR 11—Thomas—Relative to federal action to prevent seizure of U.S. fishing boats by foreign powers, while such craft fish further than 12 miles from foreign shores. (Adopted by both Houses and filed with Secretary of State). **Miscellaneous—Good**

AJR 12—Ray E. Johnson (Welfare)—Memorializes the President, the Congress, and the Secretary of Health, Education and Welfare, to remove from eligibility for participation in the federal medical assistance program children under 18 years of age rather than 21 years of age. Feb. 4. **Miscellaneous—Bad**

AJR 15—Moretti (Welfare)—Memorializes President and Congress to assume full funding and administration of all programs under Titles I, IV, X, XIV, XVI, and XIX of the Social Security Act of 1937. Feb. 10. **Miscellaneous—Good**

ASSEMBLY CONSTITUTIONAL AMENDMENTS

ACA 24—Arnett (Ed.)—Eliminates Governor, Lieutenant Governor, Speaker of Assembly, Superintendent of Public Instruction as ex officio members of Regents of University of California.

Reduces terms of regents from 16 to 8 years.

Makes related changes. Feb. 3. **State and Local Government—Watch**

ACA 26—Z'berg (N.R. & Con.)—Declares that the conservation and protection of the natural resources and scenic beauty of the state are policies of the state and the rights of the people of the state, and provides that the Legislature shall enact legislation, as specified, relating to such conservation and protection.

Specifies that any property dedicated as part of the state nature and historical preserve shall not be taken except by statute enacted by the Legislature.

Provides that the section shall be known as "The Conservation Bill of Rights." Feb. 8. **State and Local Government—Watch**

ACA 30—Vasconcellos (Ed.)—Deletes requirement that textbooks be adopted by the State Board of Education. Requires, instead, that textbooks, wherever and however printed and published, be provided at state expense for use in grades 1 through 8 as provided by statute. Feb. 10. **Watch**

ACA 32—Miller (Fin. & Ins.)—Grants plenary power to Legislature, unlimited by any provision of Constitution, to create a complete system of catastrophe insurance. Feb. 10. **Insurance—Good**

ACA 33—Barnes (Rev. & Tax.)—Provides that any bill changing the rate of any state tax or imposing any new state tax must be passed by a two-thirds vote of the Legislature, rather than requiring a two-thirds vote only with respect to the insurance tax and bank and corporation taxes. Feb. 11. **Taxation—Bad**

SENATE JOINT RESOLUTIONS

SJR 7—Nejedly (Trans.)—Memorializes the Congress of the United States to enact legislation to authorize the President of the United States to approve regulations to maintain at all times the safe movement of all vessels within a harbor or inland waterway, and to authorize the United States Coast Guard to close any harbor or navigable waterway to marine traffic movement, as airports are closed to air traffic, when dense fog or other climatic conditions indicate that marine traffic cannot proceed with safety within such harbor or other navigable inland waterway. Jan. 25. **Miscellaneous—Good**

SJR 8—Bradley (H. & W.)—Requests the President and Congress to amend the Social Security Act to limit exemptions from earned income for work-related expenses of recipients of public assistance under the program of Aid to Families with Dependent Children. Feb. 4. **Miscellaneous—Bad**

SJR 9—Bradley (H. & W.)—Memorializes the President and the Congress of the United States to provide under the federal Food Stamp Program that the income of a minor's parents shall be considered in computing the income available to a minor living separate from his parents. Feb. 4. **Miscellaneous—Bad**

SJR 10—Behr (N.R. & W.)—Memorializes the President and the Congress to enact the "Ports and Waterways Safety Act of 1971" in order to protect ports and harbors from the threat of ship collisions and other accidents which might lead to oil spills. Feb. 8. **Watch**

SJR 12—Burgener (H. & W.)—Requests President and Congress to enact legislation providing for uniform administration of entire welfare system by federal government. Feb. 9. **Miscellaneous—Good**