



Los Angeles Area
Chamber of Commerce

WEDNESDAY | Mar. 15, 2006

THE BUSINESS PERSPECTIVE:

So Close, Yet So Far on Bond



Coming up at the Chamber

[View all upcoming events on our web calendar.](#)

TUE | March 14

Referral Network

A Growing Companies program sponsored by Wells Fargo
[more info](#)

WED | March 15

International Trade and Investments Committee Lunch Meeting

with Geoff Garrett, President, Pacific Council on International Policy
[more info](#)

THU | March 16

Export Seminar Series #3: Internet Export Marketing

[more info](#)

THU | March 16

Land Use, Construction & Housing Committee Meeting

[more info](#)

FRI | March 17

Pancakes & Politics

"How Does the Media Cover L.A. Politics?" Featuring Ron Kaye, Robert Long, Jim Newton, and Frank Stoltze
[more info](#)

TUE | March 21

Education & Workforce Development Committee Meeting

[more info](#)

TUE | March 21

Member Orientation

[more info](#)

TUE | March 21

New Member Reception

[more info](#)

WED | March 22

Environmental Quality Committee Meeting

[more info](#)

WED | March 22

Trade Briefing: Navigating DR-CAFTA

[more info](#)

WED | March 22

Transportation & Goods Movement Committee Meeting

[more info](#)

MON | March 27

The China Opportunity Comes to Town

[more info](#)

The Los Angeles Area Chamber of Commerce is the voice of business in L.A. County. Founded in 1888, the Chamber promotes a prosperous economy and quality of life in the Los Angeles region. For more information, visit www.lachamber.org

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Despite strong efforts by the Governor and the Legislature to place a historic infrastructure bond on the June ballot, they have come up short. Another case of being so close, yet so far apart.

Last week, 100 business leaders stormed the capitol as part of the Chamber's [annual Access Sacramento advocacy trip](#). With participation from several local business groups, our delegation urged lawmakers to place an infrastructure bond on the June ballot. We met with many of the top decision makers including Assembly Speaker Fabian Nuñez and Gov. Arnold Schwarzenegger and members of his cabinet.

Although lawmakers were unable to build enough consensus in the midst of a legislative deadline to place a bond on the June ballot, we are not too discouraged. It is amazing that amidst all the partisanship and preoccupations of term limited legislators, they got as close as they did on such a bond.

The media picked up on a difference of opinion of how the bond should address water. Republicans reportedly wanted more money dedicated to more water storage, while Democrats generally oppose water storage in favor of conservation. California needs both, and lawmakers need to focus less on the specific means and resolve that enough good quality water will be made available in the future for our economy and our environment.

What the media did not pick up on is that both sides were also not on the same page on design-build language, which would have made infrastructure projects more cost-efficient. The Caltrans engineers' union is dead-set against design-build in any way, shape or form and has lobbied extensively to protect their turf. I am of the mind that if design-build is good enough for the 405 freeway, then it is good enough for the rest of the state. It may not be the answer in every instance, but it should be a tool that is broadly available for all types of new infrastructure development.

Regardless, we are optimistic that the leadership of both caucuses in each house can work out a fair compromise on a bond in time for the November ballot.

What has not happened yet--let's all hope it does not happen at all--are finger-pointing and blame games. There were some strong words spoken on the floor of the Senate on Saturday during the heat of battle, but not enough to break off talks completely.

There is talk this week that the deadline to place bonds on the June ballot can be extended by quick legislative action. If lawmakers do, we'll accept that as it means they are closer still to a good compromise.

In the meantime, we're not going to hold our breath that anything can happen in time for June. Just the same, we're not going to let up. We will continue to spend a lot of time in Sacramento this year and urge lawmakers to make something happen, whether it be in time for the June ballot or the November ballot.

There is so much at stake beyond our obvious infrastructure needs. Perhaps this is really an exercise to learn if our state is able to rebuild and prepare for the next generation without the usual grandstanding and finger-pointing we are accustomed to see in Sacramento.

I am going to give legislators the benefit of the doubt on this one and expect that they will work out a compromise on a bond that invests in our infrastructure in the most logical, cost-efficient way possible—if not on the June ballot, then November.

And that's *The Business Perspective*.

Russell J. Hammer
President & CEO
Los Angeles Area Chamber of Commerce

THE CHAMBER IN THE NEWS

The Chamber's **Access Sacramento** trip generated a flurry of media hits, including:

"[Record bond proposal creates lobbying frenzy in state capital](#),"

Associated Press (ran in over 25 newspapers), Mar. 8 ;

"[Dan Walters: Capitol buzzes as deadline looms for bond measure](#)," *The Sacramento Bee*, Mar. 8 ;

"[Accord sought on works measure](#)," *Los Angeles Times*, Mar. 9;

The Business Perspective is an award-winning weekly opinion column by Rusty Hammer, President & CEO, L.A. Area Chamber

L.A. Business THIS WEEK

View the latest issue of the Chamber's [weekly email newsletter](#). [Contact us](#) to subscribe.

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" [Business leaders lobbying for bond](#)," *Los Angeles Daily News*, Mar. 9;
" [Surprises greet L.A. delegation during lobbying efforts](#)," *Los Angeles Business Journal*, Mar. 13 ;
News stories also ran on [KNBC-TV](#) in L.A. and [KCRA-TV](#) in Sacramento;
[KPCC 89.3 FM](#); and [KFWB News 980](#).

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