

Republicans of River City

Chartered by the California Congress of Republicans

BILL LEONARD TO SPEAK



Bill Leonard

Kick-off speaker for 2006 is Bill Leonard, Member, Board of Equalization, District 2. Bill is noted for his long legislative career as well as his authoring of the Leonard Letter. His keen sense of analysis and his love of history combine to provide an authoritative message. His effort to maintain low taxes seems a very natural result. If you are interested in California business climate this is a good opportunity to ask questions of an expert. HE WILL TAKE QUESTIONS. This meeting is on January 17 in the Ose Room, located at: Channel 6, KVIE, 2595 Capitol Oaks Drive, Sacramento. The social hour starts at 6:00 PM and the general meeting starts at 7:00 PM.

Bill Leonard served in the State Legislature for 24 years. He was first elected to the State Assembly in 1978 as a Prop. 13 baby. In 1988 he was elected to an 11,000-square-mile-State Senate district, and in the Senate he was the longest serving Republican Caucus

Chairman. In 1996 he returned to the State Assembly seeking the opportunity to serve in the majority. During all that time, he became well known as a fighter for low taxes, quality schools and a better business climate, but also for hosting weekly wallyball games in the state capital.

He became the Assembly Republican Leader for the 1998 cycle. When his stint as Leader was complete, Bill replaced the frustrating and exhausting party leadership role with the frustrating and exhausting sport of golf.

In 2002, he was elected to the State Board of Equalization, which functions as the nation's only elected tax commission. As a Board Member, he has advocated for taxpayer rights, sought consolidation of state tax agencies to increase efficiency, and worked for simplified tax policy and regulation.

Although Bill has made his career in politics, he is much more than a politician. First and foremost, he is husband to Sherry, father to three young men, and grandfather to a rambunctious toddler named Katie. Bill is the one in the family who cultivates Katie's sense of adventure, often to the dismay of her mother and grandmother. Bill is also teaching Katie some of his favorite things in life: faith in God, an appreciation for American history, Trivial Pursuit, science fiction, and good books. When Katie gets a bit older and more

agile, Bill will then expose her to his other favorite outdoor pursuits: hiking, biking, and boating.

GOODBY, DON FALLER

Our good friend Don Faller passed away on December 14.

Don was a 33 year resident of the Sacramento area and had worked as a field manager for IBM for 23 years and then took up a career in real-estate and as a computer consultant.

Don was active in Republican politics; he was a past-President of Republicans of River City and took an active part in helping assure the viability of our club. Don was also a leader of the Republican Central Committee, holding the post of 4th Vice President with the portfolio of coordinating the volunteer clubs.

Carl Burton and I visited Don in the hospital the week before his untimely death and he was looking forward to leaving the hospital and starting his rehabilitation regimen to regain his health.

We will all miss Don's happy smile and his wise counsel. Our heartfelt condolences go to his wife Annette and to his family.

Bob Evans



Honorable Dave Cox

Capitol Fellowships Available

Applications are being accepted for the 2006-2007 Capitol Fellows program, which offers interested students the experience of working within the Legislative, Executive, or Judicial branches of state government.

The program provides college graduates an opportunity to become full-time staff members at the state Capitol in Sacramento for 11 months beginning in October 2006. They may apply to any one of four programs: the Assembly Fellowship Program, the Executive Fellowship Program, the Judicial Administration Fellowship Program, or the Senate Fellows Program. Fellows are assigned to the personal or committee staff within their respective programs, and also participate in academic seminars with legislators, journalists, lobbyists and state government officials. The fellowship program is operated by the Center for California Studies at California State University, Sacramento (CSUS).

Anyone who will be at least 20 years of age and a graduate of a four-year college or university by September

1, 2006, is eligible to apply. There is no preferred major. Individuals with advanced degrees and those in mid-career are also encouraged to apply. Fellows are paid a stipend of \$1,972 per month plus health, vision, and dental benefits. They earn 12 units of graduate credit from CSUS for the academic portion of the program.

Fellows experience the broad range of activities conducted in busy Senate offices. Responsibilities include researching public policy issues, helping develop legislative proposals, analyzing and staffing legislation, assisting with constituent inquiries and casework, participating in meetings as the Senator's representative, writing press releases and speeches, and performing other delegated tasks. A five-week orientation at the beginning of the program provides background on state government, the legislative process, and major policy issues.

Applications may be requested from our office at (916) 651-4001, or by calling the Center for California Studies at (916) 278-6906. Applications and brochures are also available online:

- Assembly Fellowship Program: www.csus.edu/calst/assembly
- Executive Fellowship Program: www.csus.edu/calst/executive
- Judicial Administration Program: www.csus.edu/calst
- Senate Fellows Program: www.csus.edu/calst/senate

The deadline to submit applications is February 22, 2006. Fellows will be selected in May after an initial screening of applications and a subsequent panel interview of finalists.

We are pleased to be hosting a Senate Fellow in our office this year. Rebekkah Anderson graduated with a degree in

Government from Sacramento State University in May 2005. She previously worked for the Assembly Republican Caucus Office of Policy, and interned in the office of Assemblywoman Sharon Runner (R-Lancaster) through the Sacramento Semester Internship Program.

INTERESTING FACTS

Turn the clock back to the year 1905, just 100 years ago:

Here are some of the U.S. statistics:

The average life expectancy in the U.S. was 47 years.

Only 14 percent of the homes in the U.S. had a bathtub.

Only 8 percent of the homes had a telephone. A three-minute call from Denver to New York City cost eleven dollars.

There were only 8,000 cars in the U.S., and only 144 miles of paved roads. The maximum speed limit in most cities was 10 mph.

Alabama, Mississippi, Iowa, and Tennessee were each more heavily populated than California.

With a mere 1.4 million people, California was only the 21st most populous state in the Union.

The average wage in the U.S. was 22 cents per hour and the average U.S. worker made between \$200 and \$400 per year. A competent accountant could expect to earn \$2,000 per year, a dentist \$2,500 per year, a veterinarian between \$1,500 and \$4,000 per year, and a mechanical engineer about \$5,000.

There were 230 reported murders in the entire U.S.



The Honorable Roger Niello

State Should Be Careful with Bonds

By Assemblyman Roger Niello

As one who has a strong interest in seeing our state's infrastructure rebuilt, I am heartened by the recent talk coming from the Governor's office and the legislative leadership about developing a plan to address our state's crumbling infrastructure. After all, it's been roughly 50 years since the state, under the direction of Governor Pat Brown, made a solid commitment to infrastructure spending. No one disputes the neglect that our roads, levies, energy transmission systems, and schools facilities have met over this same period. In terms of deferred maintenance alone, the need is immense, but when you factor in new infrastructure needs to handle the immense population growth that our state will continue to see over the next 20-30 years, the number easily surpasses \$100 billion that will be needed to address these needs.

While the numbers are larger and the need is even greater than 50 years ago, one thing that is troubling to me is that to some, it seems that it's a foregone conclusion that the only way to finance our infrastructure needs are with new general obligation bonds. It seems that it's not a matter of if there will be a bond measure put to the voters, but simply, how big the

proposed bond will be. \$10 billion. \$30 billion. \$50 billion. \$100 billion or more. Those are all numbers that I have heard in the last month and frankly, numbers that should make us all a little nervous.

Bonds aren't free money. As the state's form of a credit card, they come with an obligation to be paid back, at a cost. The levels of the State's debt obligations, both bonded and otherwise, are an important consideration in the evaluation of a state's fiscal health. California's current outstanding General Fund debt to bondholders now totals \$53.3 billion, including \$34 billion of General Obligation Bonds, \$10.9 billion of Economic Recovery Bonds, and \$7.8 billion of General Fund supported lease-revenue bonds. In addition, California also has existing voter-approved authority to issue another \$37.4 billion in bonds. According to Moody's Investors Services, California's existing outstanding debts total \$1,545 for each resident of the state, compared to a median for all states of \$999.

Another way of measuring debt levels is taking the General Fund supported debt services requirements as a percentage of the General Fund revenues. At the current pace, given all the numbers from above, California's projected debt ratios will reach nearly 7% by fiscal year 2009-10. In other words, 7 cents of every dollar the state collects in 2009-10 will go toward debt service. It is at this level that credit rating agencies begin to take a closer look at the state's fiscal picture and try to determine whether a downward adjustment in the state's credit rating needs to take place. And, just like anyone who has applied for a mortgage recently can tell you, lower credit scores increase the

costs of borrowing and give you less purchasing power.

A few years ago, Republican members of the Assembly developed a 20-year plan to pay for infrastructure on an ongoing basis without new bonded indebtedness that would have provided an estimated \$100 billion or more for our current backlog of infrastructure projects. This plan would have protected all current state spending for schools and other existing programs and would have simply set aside a portion of our growth in general fund revenues for infrastructure spending. Growth that has seen California go from just over \$19 billion in revenues in 1980-81 to over \$84 billion in revenues in 2005-06. Unfortunately, as was the case a few years ago, this plan would likely never see the light of day in today's legislature due to the realities of politics.

No one is happier to see the state finally talking seriously about infrastructure spending than I. However, it must be done prudently and in a manner that doesn't put our grandchildren on the hook for paying off debts for years to come. A "pay as you go" plan to fund infrastructure should be on the table for discussion as well as a plan to allow for public-private partnerships which I have discussed in the past as a way to leverage taxpayer dollars for new capital investment. If smaller, project-based bonds are determined to be a prudent financing mechanism for the long-term investment of infrastructure, then they could certainly be a companion to a "pay as you go" plan. But in the rush to suddenly address a problem that many have been talking about for years, the future fiscal viability of our state shouldn't be placed in jeopardy.

**Assemblyman Niello's
Community Meeting Calendar,
Winter 2006:**

All meetings are held at 7:30 a.m.

Citrus Heights
Wednesday, January 4, 2006
Denny's Restaurant
6215 Sunrise Boulevard

North Highlands
Thursday, January 12, 2006
Carrows Restaurant
4601 Watt Avenue

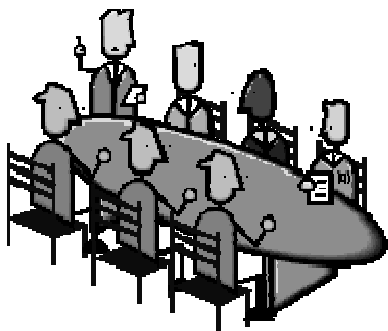
Natomas
Wednesday, January 18, 2006
The Homecoming at Creekside
Community Room
4800 Kokomo Drive

Orangevale
Friday, January 20, 2006
Denny's Restaurant
8841 Greenback Lane

Folsom/Granite Bay
Tuesday, January 24, 2006
My Brother Vinny's Restaurant
718 Sutter Street, #218

Fair Oaks
Wednesday, January 25, 2006
Village Café
10131 Fair Oaks Boulevard

Arden Arcade
Tuesday, January 31, 2006
Mimi's Café
2029 Alta Arden Expressway



**FRED AGUIAR PICKED BY
GOVERNOR
SCHWARZENEGGER AS
CABINET SECRETARY**

It was with great pleasure when we learned that River City's good friend Fred Aguiar was appointed to the post of Cabinet Secretary by Governor Arnold Schwarzenegger on December 11, 2005.

The following is from the San Gabriel Valley Tribune:

MOST of Gov. Arnold Schwarzenegger's decisions lately have drawn howls and objections from one political faction or another. Perhaps the only one that hasn't was his appointment recently of Chino's Fred Aguiar as his new cabinet secretary.

The governor promoted Aguiar from his position as secretary of the State and Consumer Services Agency. Aguiar, a Republican, previously served with distinction as Chino councilman and mayor, state Assembly member and San Bernardino County supervisor.

His new job is considered second in importance only to chief of staff within the governor's office.

Schwarzenegger has been beleaguered by angry conservatives since he appointed a Democrat who served in the Gray Davis administration as his chief of staff.

We see nothing wrong with the governor's appointment of a talented Democrat as his top aide. Schwarzenegger took his agenda to the voters and was trounced in the special election despite Republican backing.

The governor had his head handed to him by voters when he tried to strong-arm his political foes. Now,

he appears to realize that to accomplish anything, he'll have to work with Democratic lawmakers, not around them.

Susan Kennedy, the new chief of staff and Aguiar are two people who can help him do that.

"Fred has the uncanny ability ... to be able to work both sides of the aisle and come up with compromises," Chino Mayor Dennis Yates said of Aguiar. Former state Sen. Jim Brulte called it "an outstanding appointment."

If Schwarzenegger wants to move the state forward with a Democrat-controlled Legislature and a Democrat-dominated electorate, he has to govern from somewhere near the center.

As for those conservatives who are ready to disown him and want to draft actor Mel Gibson as their next gubernatorial candidate - well, all we can say is they must want to guarantee minority status for Republicans for decades to come. If they want to marginalize themselves out of existence, so be it.

Meanwhile, we'll put our stock in politicians who are ready to engage in old-fashioned compromise to bring about effective governance - people like Fred Aguiar.



Fred Aguiar and Carl Burton at our October River City meeting when Fred spoke to our members about the upcoming special election.

CARL'S WASHINGTON BUZZ

On my December trip to Washington DC as a delegate to the White House Conference on aging I want to share with you some of buzz going on.

With DeLay out it seemed House Minority Leader Nancy Pelosi, D-Calif., was calling the shots even though the Democrats are in the minority. Reconciliation was put off so that the lobbyists had a chance to eat away at the Republicans. Rep. Jim Sensenbrenner, R-Wis., who is opposed to the short-term extension of the Patriot Act, was met at his plane upon arrival back in D.C, by high-ranking officials urging him not to make his objection. Patriot Act renewed for 5 weeks.

The State of the Union address is scheduled for Tuesday, Jan. 31, about 10 days later than usual - and the latest in recent history. Congress is not going back in session until that day as well. Or perhaps it gives members of Congress more time to forget what many refer to as the ugliest adjournment in recent years.

GOP House leadership problems:

Although Tom DeLay was an effective House majority leader, a quick resolution for his legal problems is not expected. Republicans are feeling a lot of pressure to go with more permanent leadership. Current House Majority leader Roy Blunt, R-Mo., may solidify forces but has lost votes as he stumbled through adjournment. "Just sloppy," said one of his GOP colleagues.

GOP insiders say that Education and Labor Committee Chairman

John Boehner, R-Ohio, has the inside track for majority leader. And House Speaker Dennis Hastert, R-Ill., is trying his best to stay out of the fray.

New rumors of Jack Abramoff-related indictments are being whispered all over town. Consensus is that the scandal may hit both parties before it's over.

Supreme Court nominee Samuel Alito will sail through the Senate confirmation process, as Democrats worry that President Bush could have the opportunity to appoint another Supreme or two while in office.

Republicans facing re-election are lining the president up early in the election cycle. He can help them raise money next spring. But, unless his approval ratings soar, many are saying they don't want to take the chance on him coming into their districts as we get closer to the November midterm elections.

If Hillary Clinton lands atop the Democrat ticket in 2008, watch Texas Sen. Kay Bailey Hutchison. Insiders say she's looking at the second spot on the GOP ticket if her colleague Clinton runs. I hear that's why she didn't go for governor.

Why Computers Sometimes Crash!



By Dr. Seuss.
(Read this to yourself aloud - it's great!)

If a packet hits a pocket on a socket on a port, and the bus is interrupted at a very last resort, and the access of the memory makes your floppy disk abort, then the socket packet

pocket has an error to report. If your cursor finds a menu item followed by a dash, and the double-clicking icon puts your window in the trash, and your data is corrupted cause the index doesn't hash, then your situation's hopeless and your system's gonna crash!

If the label on the cable on the table at your house, says the network is connected to the button on your mouse, but your packets want to tunnel to another protocol, that's repeatedly rejected by the printer down the hall.

And your screen is all distorted by the side effects of gauss, so your icons in the window are as wavy as a souse; then you may as well reboot and go out with a bang, 'cuz sure as I'm a poet, the sucker's gonna hang.

When the copy on your floppy's getting sloppy in the disk, and the macro code instructions is causing unnecessary risk, then you'll have to flash the memory and you'll want to RAM your ROM, and then quickly turn off the computer and be sure to tell your Mom!

Well, that certainly clears things up for me. How about you



Thank you Bill Gates, for bringing all this into our lives!

Did you enjoy this Fred? I hope this gave you a chuckle or two.

ON THIS DATE IN HISTORY

January 1, 1863 - Emancipation Proclamation takes effect.

January 5, 1903 - President Theodore Roosevelt nominates African-American physician William D. Crum as Collector of Customs over racist objections from Senate Democrats.

January 8, 1867 - Republicans override Democrat President Andrew Johnson's veto of law granting voting rights to African-Americans in D.C.

January 10, 1878 - Republican Senator Aaron Sargent (R-CA) introduces Susan B. Anthony amendment for women's suffrage; Democrat controlled Senate defeated it 4 times before election of Republican House and Senate guaranteed its approval in 1919.

January 26, 1922 - House passes bill authored by U. S. Rep. Leonidas Dyer (R-MO) making lynching a federal crime; Senate Democrats block it with filibuster.

January 27, 1964 - U. S. Senator Margaret Chase Smith (R-ME), first woman to be considered for nomination by a major party, announces candidacy for President; she finishes second at Republican National Convention.

January 31, 1865 - 13th Amendment banning slavery passed with unanimous Republican support against intense Democrat opposition.



GOVERNOR'S CORNER



Arnold Schwarzenegger

From the "California Report" weekly radio broadcast, December 30, 2005 .

It's been a very busy year and the good news is that we have made tremendous progress for our state.

We passed a responsible budget that did not raise taxes and invested billions more into education, transportation and health care to build a stronger, more prosperous California for all of us.

We also continued our economic recovery, adding nearly 200,000 new jobs this year, bringing the total to nearly 450,000 since I came into office.

And next week, several new laws will go into effect, thanks to the work we accomplished with the state legislature.

These laws will help keep us safe from sexually violent predators,

stop identity theft, strengthen vocational education, take the sodas and junk food off our school campuses and much, much more.

And all of this happened because we brought Democrats and Republicans together and did what was best for the people of our state.

I know this bipartisan teamwork is a great foundation to continue the California comeback.

And next week, I will present my State of the State Address, and offer my plan for the coming year.

I want to build even more momentum behind our economic recovery, create even more jobs and produce even more revenues to pay for the government services we depend on most.

And I want to make a historic commitment to prepare our state for the incredible growth that lies ahead with a greater investment in our roads, hospitals, environment, schools, ports, and more.

By taking action today we can create the kind of state we want, not just tomorrow, but 20 or 30 years from now.

This is a winning formula for California and by working together we will make 2006 the year we begin to build the future of our state.

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- Carl Burton, President
- George Bradshaw, 2nd Vice President
- Betty Axup, Membership Secretary
- Florin Ciuriuc, Director
- Richard Eigenheer, Director
- Marion Higdon, Director
- Richard LaFontaine, Director
- Mary Pearson, Director

- Norman Jachens, 1st Vice President
- Robert Evans, Treasurer
- Paul Green, Jr., Past President
- William Chan, Director
- Ed Gorre, Director
- Fred Hildebrand, Director
- Marko Mlikotin, Director
- Barbara Sullivan, Director

The President's Corner



Carl Burton, President of RRC

Report on White House Conference on Aging

The 2005 Conference was the fifth White House Conference on Aging in history. The purpose was to make recommendations to the President and Congress to help guide national aging policies for the next ten years and beyond.

The Conference focus was on the aging of today and tomorrow, including 78 million baby boomers who will begin to turn 60 on January 1, 2006.

It was an honor to be appointed by the White House as a delegate to this Conference and know I helped selected the top 50 resolutions to be presented to President Bush and to the Congress. I also had the opportunity to participate in work groups to develop strategies for implementing the resolutions.

The top 10 resolutions as voted by the delegates are:

1. Reauthorize the Older Americans Act within the first six months following the 2005 White House Conference on Aging; and,
2. Develop a coordinated,

comprehensive long-term care strategy by supporting public and private sector initiatives that address financing, choice, quality, service delivery, and the paid and unpaid workforce.

3. Ensure that older Americans have transportation options to retain their mobility and independence; and,
4. Strengthen and improve the Medicaid Program for seniors; and,
5. Strengthen and improve the Medicare Program; and,
6. Support Geriatric Education and Training for all healthcare professionals, paraprofessionals, health profession students, and direct care workers; and,
7. Promote innovative models of non-institutional long-term care; and,
8. Improve recognition, assessment, and treatment of mental illness and depression among older Americans; and,
9. Attain adequate numbers of healthcare personnel in all professions who are skilled, culturally competent, and specialized in geriatrics; and finally,
10. Improve state and locally based integrated delivery systems to meet 21st Century needs of seniors.

By statute, the final report from the conference will be presented to the President and Congress by June 2006. For a full listing of the 50 resolutions, visit www.whcoa.gov.

As a member of the Sacramento County Transportation and Clean Air Collaborative, I was very happy to see the third resolution dealing with the transportation needs of seniors passed. It has been a major concern of the

collaborative members for the last five years.

I was also pressed into action while back at the conference to help delegates debate the resolutions by becoming web master for a blog.

Would you like to be a contributor to the Republicans of River City newsletter? If so, let us know about it!

Send an email to us at editor@sacrrc.com.

Would you be interested in placing an ad for your business, product or service in this newsletter?

The Republicans of River City newsletter is read by more than 750 Republicans and Republican policy supporters.

If you are interested in placing an ad in the Republicans of River City newsletter, contact Carl Burton at 916-359-5741 or send an email to editor@sacrrc.com.

Carl will discuss ad rates and the terms and conditions of advertising in our newsletter with you. We look forward to helping you reach new customers with your ad.

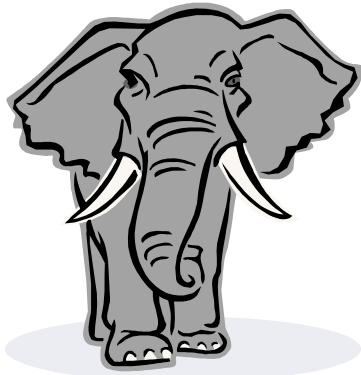
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2595 Capitol Oaks Drive
Sacramento**

**The social hour starts at 6:00 PM and the general
meeting starts at 7:00 PM.**



**Republicans of River City
P. O. Box 1635
Carmichael, CA 95609-1635**

MEMBERSHIP APPLICATION

Your membership in Republicans of River City provides you a monthly newsletter, speakers, and an outstanding opportunity to meet your elected officials and California's finest political strategists. River City is also a great way to network and make new friends.

I am a registered Republican and would like to join Republicans of River City.

Name _____

Spouse _____

Address _____

City _____ Zip _____

Occupation _____

Home Phone _____ Work Phone _____

E-Mail: _____

Yearly Membership:

_____ Regular Membership: enclosed is my check for \$25
(Young Professionals 18-25 \$15 per person)

_____ Couples Membership: enclosed is our check for \$40

Signature _____

Date _____

Mail check to: **Republicans of River City
P. O. Box 1635,
Carmichael, CA 95609-1635**