

One cheer, one jeer

by *The San Diego Union-Tribune*

So much bad news has come out of Sacramento in recent months that perhaps Capitol observers are ready to seize on anything as good news. So let's take a closer look at the huzzahs that have greeted two recent developments: Senate Democrats' decision to anoint Sen. Darrell Steinberg as the replacement, beginning next session, for termed-out Senate President Don Perata, and the Legislature's quick work in completing six bills to restrain and even cut some spending in the current fiscal year.

We agree with the conventional wisdom when it comes to Steinberg. The Sacramento lawmaker wins bipartisan kudos for his smarts and affability, and seems unlikely to adopt Perata's domineering, autocratic approach.

In a telephone interview, Steinberg sometimes sounded like a standard Sacramento Democrat, saying criticism of public employee unions is overblown and unproductive. But at other times, he sounded like a throwback to the New Democrats of the late 1980s, who argued that liberals needed to focus like a laser on making government work better and smarter.

"Both parties have a responsibility to look inside," he said - Republicans by rethinking their "rigidity" in opposition to tax hikes, and Democrats by focusing more on "outcome-based government. ... There's nothing wrong with incentivizing public sector [agencies] to have them produce outcomes or even to compete."

Intriguingly, Steinberg is open to Republican efforts to bring much more of a focus to the \$600 million in annual spending of the California Children and Families Commission, which could be used to improve health insurance access for children in poor families. The "First 5" commission - funded by a 50-cent-a-pack cigarette tax - now spends its windfall on a near-random set of programs.

Our conclusion: Steinberg makes a good first impression. We look forward to his ascension.

As for the second ballyhooed recent Sacramento development, we part with Gov. Arnold Schwarzenegger, Assembly Speaker Fabian Nunez and others who say the budget bills passed last week are a harbinger of future bipartisan cooperation in tackling red ink.

The measures lop about \$1 billion off spending this fiscal year by freezing \$505 million in promised but not yet disbursed funds for school districts, postponing some planned expenditures and cutting some health spending.

Any progress is welcome, but this progress is built on gimmicks and reflects the Legislature's usual refusal to make tough decisions. The governor's proposal to actually cut spending by 10 percent in some agencies was simply ignored. For all the howling by education advocates, the fact is total schools spending this fiscal year will still be \$2 billion higher than last fiscal year.

The budget picture, meanwhile, is worsening all the time, thanks to slack revenue. Schwarzenegger's estimate of a \$14.5 billion state deficit from now through July 2009 is almost certainly on the low side.

The need for bold action on the budget is obvious. But despite lawmakers' hearty self-congratulations, that's not what we got.

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