

Water bond violated unwritten Capitol rule

Dan Walters, Sacramento Bee, 8-11-10

When Gov. Arnold Schwarzenegger and the Legislature enacted a sweeping package of water bills that included a \$11.1 billion bond issue last year, they ignored a powerful – albeit unwritten – rule of Capitol life.

That rule says any major policy decree must have virtually unanimous support from every stakeholder group or it will ultimately fail because opponents have so many political ways to kill it.

The corollary to that tenet, of course, is that in a state as complex and fragmented as California, unanimity on any big bill is almost impossible. Or it requires so much tweaking that the final product, such as a 1996 energy deregulation, is unworkable.

Water is an excellent example of how the rule works, in fact. Three decades ago, then-Gov. Jerry Brown pushed a major water bill through the Legislature, authorizing a peripheral canal to carry water around the Sacramento-San Joaquin Delta. San Joaquin Valley farmers and environmentalists formed an odd-bedfellows alliance to kill it via referendum.

Schwarzenegger tried to ignore the rule with a big medical insurance plan that was remarkably similar to the federal program enacted this year. But the more Schwarzenegger refined his scheme to stifle opposition, the more convoluted it became, finally suffering a merciful death in the Senate.

The current water package was pushed through the Legislature despite opposition from some environmental groups, which disliked the new reservoirs and the peripheral canal's resurrection, as well as some conservative, anti-tax groups (and some liberal education and social service advocates) because of its cost and its pork-barrel earmarks.

The lack of unanimity took a heavy political toll. With the state's economy still sputtering, with voters in a sour mood and with a strong opposition campaign developing, Schwarzenegger & Co. became worried that the bond issue, Proposition 18, would fail in November and sought a two-year delay.

Legislation to that effect was hurriedly written – including wording that repealed a provision of the bond measure allowing private water companies to participate in reservoirs the bond would finance. Revelations that mega-farmer and water tycoon Stewart Resnick could benefit from the bond had become a liability that the governor and other pro-bond politicians wanted to neutralize.

Water bond opponents – environmentalists mostly – lined up against the delay, demanding that it be repealed and overhauled rather than postponed. But on Monday, with a deadline for printing November ballots looming, the Senate and then the Assembly voted for delay.

With Schwarzenegger leaving office in a few months, the postponement's practical effect may be to dump California's decades-long water war on the next governor – who, ironically enough, could be Jerry Brown.