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month when the UC president replaced Brady with UC Davis Chancellor Theodore L. Hullar as head of the new technology transfer program.

Hullar is taking over the program effective May 1 following a performance review at Davis, where his tenure has been clouded by faculty criticism of his management style. Hullar has told top officials at Davis that he turned "overall management of the Davis campus" over to Larry Vanderhoef, vice chancellor and provost for the campus. He'll keep his office at Davis, but for the most part he will not even participate in ceremonial functions there.

By the end of the year, Peltason said in announcing the switch, he will sit down with Hullar to "mutually" determine whether the chancellor will continue handling the economic development assignment. Nothing has been said about his return to Davis, and close observers of campus politics there don't expect him back.

Meanwhile, Brady has been under attack in the San Francisco Examiner for his relationship with East Bay developer Ron Cowan, who was trying to lure UC San Francisco medical school facilities to his Harbor Bay development at Alameda, where the university's technology transfer office is now located.

Both Brady and Hullar appeared in a promotional video tape that Cowan has used to promote his development. Cowan has other ties to the Board of Regents through Assembly Speaker Willie Brown Jr., who has in his law practice represented Cowan. The speaker is a regent, although the last time he attended a meeting was last year, to offer support for former president David Gardner's controversial retirement package.

Hallisey is convinced that Brady and Cowan "were making an active effort to locate a UC San Francisco (Medical School) facility at (Cowan's development) Harbor Bay Isle. They were planning on some temporary lab space, but I think they viewed it as a foot in the door for ultimately a second campus of a million square feet."

The location of the campus facility would be a major development coup, Hallisey suggested, attracting industry wherever it is located.

Under pressure from a number of regents, Peltason agreed in February to conduct an audit of the relationship between university officials and developer Cowan. But not happily.

"I wish to express my distress at the rush to judgement in this matter. The officers of the university deserve your confidence," Peltason wrote the Regents in a confidential memorandum dated Feb. 1. "We sometimes make mistakes. But it is difficult to understand why innuendo is being treated as truth and why judgement cannot await presentation of the facts. Such unwarranted attacks are damaging to university officials and make it increasingly difficult for me to recruit and retain able administrators."

The economic development plan Hullar is taking over is having difficulty in another area as well — with some leading scientists on the faculty. Dr. Paul D. Boyer, founder of UCLA's Molecular Biology Institute, drafted a letter to Peltason signed by 42 other UC scientists, including UCSF Nobel Prize winners J. Michael Bishop and Harold E. Varmus, objecting to the program. They argued that it won't make nearly as much money as Peltason suggests because the private sector is already doing a good job with UC patents. Worse, they suggested, the plan runs the risk of pushing university scientists into practical research and away from pure or theoretical research where they feel the University should concentrate its efforts.

One of Hullar's jobs, Peltason has suggested, will be to deal with faculty reaction to the UC venture into capitalism.

"One of Chancellor Hullar's first priorities will be to continue broad-based discussions with faculty to explore how best to improve and structure the UC technology transfer program," Peltason said in his April 6 announcement of the new assignment. Hullar's relations with the UC Davis faculty were thorny.

Meanwhile, Hallisey suggested, UC watchers should pay attention to just what kind of retirement deal Brady is granted when he leaves in June.

## Hart's surprise reinforces 'unusual' image

A close aide to Sen. Gary Hart insists that his decision to drop out of the race for state superintendent of public instruction, and to leave the senate in 1994, is as simple as his press release suggests: he wants to spend more time with his children before they are grown.

Some observers suggested that he quit because he didn't like fundraising or that he didn't have the stomach for the work involved in the long campaign.

Not so, says Karin Caves, his spokeswoman. He was working hard and making good headway in fundraising and putting together his campaign, almost right up to the announcement on Monday, according to Karin Caves.

But the 49-year-old Southern California native had recently taken a trip East to visit college campuses with his oldest daughter, now 16. That trip reminded him of priorities to be with his oldest girl, and his two other daughters, 10 and 13.

And a stint last fall working part-time as a high school history teacher suggested to him that life as a state senator was "distant" from real life, perhaps even artificial. He had said that much in a recent interview.

It was Hart who crafted the press release announcing his switch in plans. Usually staff would do that. But this one he wanted in his own words; it says simply that as his campaign developed "the amount of time away from my family has been enormous and the prospect of being an absent father over the next one and one-half years with three school-age children is just too high a price to pay."

On Monday, when Hart prepared to announce his decision, Santa Barbara Assemblyman Jack O'Connell was one of the first he called. By Tuesday, disbelieving supporters were calling the office in droves. Hart handled those calls personally, explaining his decision to John Bryson, head of Southern California Edison, and Sacramento education lobbyist Peter Birdsall. Both men figured prominently in the campaign.

The announcement shocked and bewildered other education coalition insiders whom Hart had been pressing to work on his campaign right up to his withdrawal. But it clearly represented a boost for Assembly member Delaine Eastin, a Fremont Democrat who is gearing up to run for the schools post. She'd made it clear that she didn't relish going against Hart, who has been allied with her on many education issues. Now, insiders say, she is likely to pick up a good deal of Hart's existing campaign structure. - *By Larry Lynch*

## Anti-smoking: Pacesetter for nation seen in advancing Friedman bill

Adversaries in the struggle over a new bill in the Legislature that would give California the toughest anti-smoking law in the nation have at least one view on the subject in common.

Assembly member Terry Friedman, D-Los Angeles, the author, and William Wordham, a spokesperson for the Tobacco Institute in Washington D.C., agree that the tobacco

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industry is on the run nationally. And that this is particularly true in California.

"They're in big trouble," said Friedman in an interview. "The handwriting is on the wall. There is no question that by the end of this decade, smoking is going to be banned at work places across this country. And there's going to be a very substantial tax on smoking."

In a move that would add to the anti-smoking momentum and position California at the head of the parade, Friedman has introduced AB 13 that would ban smoking in all indoor workplaces in the state.

Wordham conceded that the tobacco industry is under assault. He and other Tobacco Institute spokespersons do not take issue with statistics that show a rapid decline in the number of smokers. But he said those who do smoke should not be turned into "second-class citizens" by passing legislation like Friedman's AB 13.

"It is extreme," he said. "It doesn't allow any degree of reasonable accommodation for smokers... It does not take into account the personal habits of more than 25 percent of our population who after all are buying a legally sold, legally manufactured product. We always favor separate accommodations (for smoking). We don't see why people who are annoyed or irritated or otherwise affected by smoke should have to be exposed to that smoke but there are many ways of accommodating both preferences without going to the slam-bang, shut 'em all out in the cold type of legislation as proposed by AB 13."

At least for California, Wordham's pegging of the smoking minority at 25 percent is apparently high. A Field Poll survey of California adults in early February found smokers in California making up only 20 percent of those polled, down from 26 percent in a 1984 survey and plunging from 32 percent in a 1980 poll.

Friedman is elated at the progress of his "Smoke-free Workplace Act" in the Legislature this year. It was voted out of the Assembly Labor and Employment Committee, which he chairs, by a 7 to 1 vote March 3. He authored the same legislation last year, when he was also the chair, and couldn't get four votes for it in the same committee.

This time, he has bipartisan support. He points out that a conservative Assembly member, Dean Andal, R-Stockton, voted for it in committee and said he has other Republicans aboard this time, in contrast to a year ago. He said he has 11 or 12 votes lined up to get the bill over its next hurdle: the 21-member Assembly Ways and Means Committee. He also has sponsorship of the bill for the first time from groups like the California Restaurant Association, the California Medical Association and the California Federation of Labor. Some of these groups supported his bill last year but sponsorship means they get their members involved at a greater degree, locally and in testifying in Sacramento.

Friedman credits the increased support this year to several factors: 1-A report by the U.S. Environmental Protection Agency, blaming secondhand smoke for 3,000 deaths of nonsmokers and 300,000 cases of children's diseases annually; 2-A broadening of a coalition to include businesses supporting it, such as Mervyn's retail stores and Southern California Gas Co., and 3-Issuance by Gov. Wilson of an executive order in late February, banning smoking in all state-owned and leased buildings under his jurisdiction.

The California Manufacturers Association and the California Hotel and Motel Association support a rival bill, AB 996, introduced this week by Assembly member Curtis Tucker, D-Compton. However, the California Chamber of Commerce has taken no position as yet on either of the competing

measures. In spite of the sponsorship of the Friedman bill by the 3,600-member California Restaurant Association, some individual hotels, restaurants and taverns back the Tucker bill.

Friedman thinks that there is "a very good chance" Wilson would sign the bill if it passes the Assembly and then the state Senate, where opposition is likely to be even sturdier than in the lower house. He said that Molly Coye, director of Wilson's Department of Health Services, was "a powerful expert witness" at the hearing on the bill before his committee.

"For all of these reasons, the tobacco industry is terrified," said Friedman. "It thinks this bill is on its way and so concocted a spurious alternative."

He was referring to a sudden counterattack represented by introduction of the Tucker bill, which has the backing of the tobacco companies and the services of their two dozen Sacramento lobbyists. Tucker's proposed legislation would impose some statewide restrictions on the sale and advertising of tobacco. Like the Friedman bill, it would pre-empt the field, prohibiting passage of any new local ordinances but it grandfathered in existing local laws that are stricter. It is far less sweeping, however, than Friedman's measure. For example, smoking would be permitted in up to 25 percent of sports arenas and numerous other public places unless the owner decides to make the entire facility non-smoking. It includes boosting the cigarette tax by 15 cents a pack in phases between now and July 1994.

Tucker's proposed package was scheduled for hearing last Tuesday before the Governmental Organization Committee which he chairs but he postponed bringing it up for a week.

Friedman calls the Tucker alternative "a loophole-ridden, thinly-veiled tobacco industry ploy to try to distract attention from my bill and derail it in order to preserve their unfettered ability to purvey their killer product."

With its membership including the tobacco companies, the state chamber is finding it difficult to take a stand on this issue.

Said Dian Kiser, lobbyist for the American Lung Association, which strongly backs the Friedman bill, "There are just big holes in the Tucker bill. It's a sham."

She said she has hopes that the new legislators in the Assembly will give the Friedman bill a boost this year, triumphing over the "the juice, self-serving legislators that we think are going to be in trouble in the future."

Wordham maintained that state pre-emption is a good thing.

"It would make for conformity and conformity is good for business and it's good for the smoker," said Wordham. "It at least helps planning for people in the entertainment business, bar and restaurant business and tourism business."

Wordham maintains that statewide regulations imposed on alcohol in California should be the model for tobacco as well.

Friedman said he will insist that Tucker's legislation be referred to the Labor committee where, of course, he could get his mitts on it. He contended that it is "a clear precedent" for bills involving the workplace to go to that committee.

Referral is up to the Assembly Rules Committee, now chaired by John Burton, D-San Francisco, an ally of Assembly Speaker Willie Brown. In 1991, a bill similar to the Tucker package got killed after a confidential memorandum surfaced about the recommendations made to the tobacco industry by Brown when he was flown by its representatives to New York for a meeting. The memorandum claimed Brown suggested a strategy in which the tobacco companies would yield on some restrictions in return for a statewide pre-emption. A recent study indicated that 53 of the state's 469 cities have

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pecked away at the industry with smoking bans of various severity.

The claim is made that the tobacco firms prefer a statewide law because they can more easily concentrate their influence on the state Capitol.

Stan Glantz, a UC-San Francisco professor of medicine who charts tobacco's political activity, found that its spending on this in California was \$2.7 million in 1991, including \$1.7 million spent on lobbying in Sacramento.

### Sales tax dealing? Business would listen

The horsetrading hasn't yet begun over extension of the state's temporary half cent sales tax imposed in 1991 but there are strong indications that Gov. Wilson will have great difficulty maintaining his insistence on ending it.

With a lot less coming in from the federal government to pay for immigrants than Wilson counted on in his proposed January budget, the big question is where he will get enough to overcome the looming \$8.4 billion deficit for 1993-94. Steve Larson, chief consultant to the state Senate Budget and Fiscal Review Committee, said that even with the \$1.5 billion that the sales tax extension would bring in, the bipartisan view by that committee is that another \$1 billion has to be found.

Said Larson of the sales tax extension, "Other than the governor, I don't detect a huge amount of opposition to it, at least not from the Senate sources that we see. There's a bipartisan sort of nod in its direction in the Senate."

Wilson is in a box, however, because he is apparently planning to run for re-election next year on an anti-tax and anti-crime platform. A temporary calm in the state Republican Party will be shattered if he comes out for the tax.

The big business groups such as the California Taxpayers Association and the California Manufacturing Association have taken no formal position on the tax. They are waiting to see if a trade can be worked out to obtain business tax exemptions for new plants and equipment in return for extending the tax. Assembly Speaker Willie Brown is the author of a bill, AB 1313, which would give those new plan and equipment exemptions. They would cost the state up to \$700,000 in short term revenue but proponents claim this would more than be made up by spurring the economy in the long run. There is also some thought that a trade may be recommended along this line by Wilson's blue-chip conservative representatives from the corporate and academic world serving on his Council of Economic Advisers, headed by former Secretary of State George Schultz.

Allan Zaremberg, lobbyist for the California Chamber of Commerce, maintained that the proposed tax breaks in the speaker's bill could be phased in without that much loss of revenue in the first year. He said it would be a spur to business immediately because the certainty that it was there would enable them to plan for expansion. The chamber took a survey of small business members, who make up half the total membership, at a recent spring conference. The response to a question on whether they had been negatively impacted by the sales tax extension came out 17 percent "yes," and 83 percent "no." Surprisingly, 68 percent said it should be continued.

### MEDIA TIDBITS

Assembly member Valerie Brown, D-Santa Rosa, entered the lions' den last week. She spoke at a luncheon in Sacramento on her bill which would eliminate the state's 148 public information people and also cap salaries for state board and commission members and cut travel in half for state

employees.

The luncheon was sponsored by the Society of Professional Journalists. Brown made few if any converts in the audience of 55. Attending were many information officers.

Robert Fairbanks, chairing the meeting, pretty much summed it up in commenting during the introductions of Brown and two panelists that the author of AB173 was venturing into "hostile territory."

Quipped Brown after stepping to the podium, "Oh, boy. You know it's bad when they don't even clap for you when you get up."

At that remark, she did get some perfunctory applause. Brown didn't realize that journalists and journalist-trained information officers customarily sit on their hands for fear of showing partiality in public gatherings.

"I didn't run a campaign looking for you," Brown explained.

She said she was, however, "appalled" during that campaign at the deadlock last summer over the budget.

She said she concluded that the governor could find cuts preferable to those he was proposing in education and welfare. One of those alternatives she proposed was the package now contained in her bill, AB 173.

"I'm not here to discuss the value of PIOs because quite frankly, I agree with you," she said. "You have value. It is important. You do a good job. That is not the issue."

In this time of serious recession, she said, sacrifices have to be made and one of them is "having somebody designated to wear one hat and give out public information," while wearing other hats as well.

She emphasized that she is a champion of open access in her office.

In rebuttal, Kate McGuire, president of the State Information Officers Council, maintained that AB 173 "limits the public's right to know and have access to its government."

She said that Brown's claim of a \$7 million annual savings from wiping out slackdom is illusory. Said McGuire, "We don't think it will save a penny for the general fund" because many of the PIOs are financed from special funds and many are carrying out state-mandated public awareness programs that will still have to be handled by someone who merely has a different job title.

McGuire said she has posted a bumper strip on her office door stating, "Honk if you want Kate's job."

AB 173 is expected to hit the Assembly floor in a couple weeks. McGuire and Brown parted friends. Both are from Missouri and it came up during their exchange that the symbol of that state is a mule. Nevertheless, McGuire said the SIOC is agreeable to having the cuts in its ranks made "selectively."

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A new collaboration between the San Francisco Examiner and San Francisco TV station KPIX on state government waste produced a winner last weekend. The story was kind of a mini-"60 Minutes" expose in which Assembly member Rusty Arreias, D-Salinas played an embarrassing major role.

As the Examiner's Capitol reporter, Tupper Hull, related in his front-page story in the paper's Sunday edition, KPIX reporter Hank Plant was interviewing Arreias on the sidewalk outside Frank Fat's Restaurant, a popular hangout a block and a half from the Capitol. Arreias had just had lunch there. Plant's subject was possible abuse of the Legislature's sergeants-at-arms, a subject on which Hull had compiled the facts.

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