PETE CONATY & ASSOCIATES GOVERNMENTAL RELATIONS

AB1789 Update August 25, 2008

Dave

As you are aware, back in May, both the Senate and Assembly Budget Subcommittees voted (all Democrats-yes, all Republicans-no) to add trailer bill language to restrict suction dredge gold mining to this year's California's Budget Bill.

Through my own sources in the Capital, I found out that the original proposed language would have banned the issuing of all state suction dredge permits for up to three years or until the environmental impact report EIR was completed. Since AB 1789 is a budget trailer bill, it is only a majority vote bill and it would take effect immediately.

By immediately starting a letter writing campaign to the Governor, the New 49'ers have been able to force the Karuk Tribe and its supporters in the California Tribal Business Alliance to back down on this complete ban on issuing permits (for up to three years).

Now, rather than a State-wide ban, their modified proposal imposes restrictions on the suction dredge seasons of some rivers and complete bans on other rivers and streams.

Our opponents view this as a reasonable compromise! We do <u>not</u> accept this and are continuing to fight these restrictions by enlisting the support of the Republican Leaders of the Senate (Senator Dave Cogdill from Modesto) and Assembly (Assemblyman Mike Villines from Fresno), and they are carrying our objections to the Governor's office.

Because the majority Democrat Party has not amended the anti-dredging language into AB1789, it has been like shadow boxing an opponent you can't see. Regardless, we were able to obtain a copy of the proposed language and are using that language to continue to fight against this language. Please tell everyone that your letters are making a difference and to keep up the good work! We have already delivered over 700 letters to the Governor's office.

If people have not yet sent their letter in, it is not too late & they should do it immediately. We do not know if or when a compromise agreement on the entire state budget package will be reached and the budget passed – it could happen anytime. California's budget is now almost 2 months overdue.

I will keep you posted. But we may not know if we are successful until the state budget crisis is finally solved and a budget is passed and signed.

Pete Conaty Covaly