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Go Search Recent News Archives Web for Back to Home > News > Jobs **Breaking News** Cars Real Estate email this print this a reprint or license this Apartments Posted on Sun, Nov. 26, 2006 Local Shopping Schwarzenegger could have problems All Classifieds · Create an Ad with restless GOP in Legislature Find an Ad · Pets MICHAEL R. BLOOD Dating Associated Press LOS ANGELES - Republican Gov. Arnold Schwarzenegger won re-election by courting News independents and Democrats, but his biggest problem in 2007 may be finding common Breaking News purpose with his own party. Local News Crime & Courts **Politics** Although Republicans are the minority in the Legislature, party leaders do not plan to be San Jose/Valley

passive partners as Schwarzenegger contends with a projected \$5.5 billion budget gap and a dangerously crowded prison system while planning to extend health coverage to millions of uninsured Californians.

With the election behind them, Assembly Republicans have installed a new leader, Mike Villines, R-Clovis, a conservative known to be unafraid of confrontation.

In the Senate, Minority Leader Dick Ackerman, R-Tustin, said members are going to be skeptical of any new, big-ticket programs - health-care included.

"The biggest thing is going to be the budget," Ackerman said, citing the looming deficit. When it comes to holding spending in check, "We are going to be taking a much stronger position on that."

No one in Sacramento is eager to talk about raising taxes, something the celebrity governor has pledged not to do. But that conversation could become inevitable if the economy weakens, the housing slump continues and state spending keeps growing.

Sacramento is churning through more taxpayer dollars than ever before - the size of the budget has expanded steadily since Schwarzenegger took office in 2003, including a projected 11 percent jump in the current year to \$131.4 billion.

About 70 percent of the estimated budget gap in 2007 is related to paying off loans used to cover previous shortfalls, and deficits are forecast for the rest of the decade.

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Some of the pain will be lessened by a \$3.1 billion surplus that will be carried into next year, thanks largely to taxes from stock market gains banked by the richest Californians.

Priorities for 2007 will be closing the gap and restraining growth in the budget, Villines said.

"We have a spending problem," he said.

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Schwarzenegger's agenda in 2006 - fighting global warming, a massive borrowing program to build highways, levees and schools and raising the minimum wage - was enacted after striking deals with the Democratic leadership.

But budget and tax bills require a two-thirds majority for passage, meaning the influence of a Republican minority can be magnified, despite smaller numbers.

Democrats control the Senate 25-15, and the Assembly 48-32.

Tim Hodson, director of the Center for California Studies at California State University, Sacramento, said Republicans eager to see the governor re-elected muted any misgivings about his left-leaning platform in 2006. Those political considerations, however, are now behind them.

"That is going to be the key - how does Arnold Schwarzenegger get enough Republican votes to get to that magic, all-important two-thirds vote," Hodson said.

Schwarzenegger said earlier this month that prison crowding, shaky state finances and other problems can be resolved by blending ideas from both major parties.

"Politics doesn't have to be personal, and government does not have to be gridlocked," he said on election night.

The governor's win in a Democratic-tilting state was a high point in a year when Republicans surrendered control of Congress. Exit polls found he won nine of 10 GOP votes.

But he has never been an easy fit with conservatives who tend to occupy legislative seats. His chameleon-like politics have opened questions about his loyalties. In addition, some party members complain he has done little to help other GOP candidates or to build a farm team for future races, a contention the governor's advisers dispute.

Others have grumbled about the number of Democrats in key positions in the administration. The governor recently appointed two senior health-care advisers from the ranks of the Democratic Davis administration, a move seen to be linked to the coming debate on expanded coverage.

During the campaign, a recording leaked to the Los Angeles Times by Democrat Phil Angelides' campaign revealed the governor and his chief of staff, Susan Kennedy making disparaging remarks about Republican legislators.

Schwarzenegger wonders in the tape if then-GOP Assembly leader George Plescia can "control that wild bunch upstairs." The governor also refers to Assembly Republicans as an "unruly bunch of guys and girls."

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Kennedy, a Democrat who also worked in the administration of former Gov. Gray Davis, said Plescia looks like a startled deer.

It has all tested the governor's ties to his own party.

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With a decisive election win Nov. 7, Schwarzenegger "emerges as a strong governor but he doesn't have strong legislative support," said former state GOP Chairman Shawn Steel, a conservative.

"He has a very liberal Legislature with a very critical group of Republicans that make up the minority," Steel said.



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