T

he 1995–96 legislative session began on January 4, 1995. The two-year ses-

sion will continue until August 31, 1996. The first year of the session ends at mid-

night on September 15, 1995, with the legis-

ature scheduled to take a one-month recess

between July 14 and August 14. The last day

for bills to be introduced in 1995 was Feb-

ruary 24; constitutional amendments, ur-

gency measures (requiring a two-thirds vote), tax bills, and resolutions may be intro-

duced beyond the February 24 deadline.

Following are some of the general pub-

lic interest, regulatory, and governmental structure proposals currently pending in

the legislature:

ADMINISTRATIVE
PROCEDURE

SB 523 (Kopp), as amended May 3, is the California Law Revision Commission's bill to standardize and update the provisions of the Administrative Procedure Act (APA) governing state agency adjudication procedures, including the procedures for taking enforcement action against occupational licenses utilized by most Department of Consumer Affairs (DCA) agencies. [14:2&3 CRLR 1; 9:3 CRLR 1] The APA was enacted in 1945, and has not been comprehensively reviewed or amended since that time. Unfortunately, SB 523 fails somewhat of the Commission's 1993 recommendations for sweeping changes in APA adjudicative procedures—due largely to opposition by the Attorney General's Office, DCA, its constituent agencies, and other agencies subject to the APA.

Among other things, SB 523 would permit related cases to be consolidated into a single proceeding; provide for proceedings to compel discovery to be held before an administrative law judge (ALJ) instead of in superior court; extend to an ALJ the authority to order a deposition and provide for notice to the parties of the deposition petition; clarify the availability of alternative dispute resolution (ADR) techniques in an adjudicative proceeding; provide that a settlement conference may be separate from the prehearing conference; allow prehearing conferences to be held by telephone; simplify and broaden the application of restitution provisions; allow agency members to vote electronically whether to adopt or nonadopt the ALJ's proposed decision; and clarify that where an ALJ is required for a formal adjudicative proceeding under the APA, such use is also required if the proceeding is conducted informally or for an emergency decision.

SB 523 would also enact an "Administrative Adjudication Bill of Rights," which would specify the minimum due process and public interest requirements that must be satisfied in a hearing that is subject to the APA, including notice and an opportunity to be heard, written hearing procedures made available to the parties, open hearings, neutrality of the presiding officer, disqualification of the presiding officer, and a written decision based upon the hearing record. The bill would expressly prohibit ex parte communications; extend language assistance requirements to witnesses; require credibility findings of the presiding officer to be given "great weight" upon review; expand provisions governing allegations of sexual conduct, sexual harassment, assault, or battery to apply in all cases; limit the application of the APA to constitutionally and statutorily required hearings of state agencies; and clarify that the APA is not intended to override a conflicting or inconsistent statute or federal law that governs a particular matter.

The bill would also enhance flexibility by creating an informal hearing procedure; providing subpoena power to all adjudicating agencies, presiding officers, and attorneys for the parties; providing for the enforcement of orders and sanctions arising from APA adjudicative proceedings; providing for an emergency decision procedure for decisions in which immediate interim relief is required; allowing the presiding officer to grant motions for intervention; encouraging the use of ADR techniques, such as mediation and arbitration; allowing the use of telephone hearings in certain circumstances with the consent of the parties; and creating a declaratory decision procedure for agency advice. [A. CPGE&ED]

AB 1180 (Morrissey). The APA requires specified state agencies to follow certain procedures with respect to administrative adjudications. As introduced February 23, this bill would permit a small business, as defined, to utilize an alternative hearing procedure when a state agency seeks to impose a civil penalty on that business. [A. CPGE&ED]

AB 1179 (Bordnaro). The APA also sets forth the procedures to be followed by state agencies in adopting or amending regulations. The APA specifies that no administrative regulation adopted on or after January 1, 1993, that requires a report shall apply to businesses, unless the state agency adopting the regulation makes a finding that it is necessary for the health, safety, or welfare of the people of the state that the regulation apply to business. As amended May 4, this bill would instead specify that no administrative regulation adopted after January 1, 1996, shall apply to businesses, unless the state agency adopting the regulation makes a finding that it is necessary for the health, safety, or welfare of the people of the state that the regulation apply to businesses, that the intended benefits of the regulation justify its costs, and the proposed regulation is the most cost-effective of available regulatory options.

The APA requires state agencies to submit specified information to the Office of Administrative Law (OAL) concerning regulations adopted by that agency. OAL is required to review and approve all regulations adopted pursuant to the Act and submitted for publication in the California Regulatory Code Supplement, based on specified standards; OAL is further required to return a regulation to the adopting agency under specified circumstances. Existing law requires the Secretary of Trade and Commerce to evaluate the findings and determinations required of any state agency that proposes to adopt regulations under the APA, and to submit comments into the record of the agency in regard to the impact of the regulations on the state's business, industry, economy, or job base. This bill would require the Secretary of Trade and Commerce to evaluate the findings of the presiding officer to be given "great weight" upon review; expand provisions governing allegations of sexual conduct, sexual harassment, assault, or battery to apply in all cases; limit the application of the APA to constitutionally and statutorily required hearings of state agencies; and clarify that the APA is not intended to override a conflicting or inconsistent statute or federal law that governs a particular matter.

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BOARDS AND COMMISSIONS

SCA 3 (Maddy), as amended May 3, would create the California Gaming Con-

tral Commission and authorize it to regu-

late and license legal gaming in this state, subject to legislative control. The measure would also create a Division of Gaming Control within the Office of the Attorney General, and permit the legislature to impose licensing fees on all types of gaming regulated by the Commission to support the activities of the Commission and the Division. The measure would provide for the regulation of bingo by the Commission, and provide that the proceeds of those games shall be used exclusively to further the charitable, religious, or educational purposes of a nonprofit organization or institution that is exempt from state taxation. This measure would permit the legislature to provide for the regulation by the Commission of both pari mutuel wa-

gering on horse racing and the State Lot-

tery. This measure would exclude the from the meaning of "gaming" merchant promo-
tional contests and drawings conducted incidentally to bona fide nongaming busi-

ness operations under specified condi-
tions, and certain types of machines that award only additional play. The measure would prohibit the State Lottery from using any slot machine, whether mechanical, electromechanical, or electronic; require the legislature to provide for the recording and reporting of financial transactions by commercial gaming establishments; and define the term "casino" for the purpose of the prohibition against casinos. [S. CA]

AB 19 (Tucker), as amended May 11, and SB 10 (Kopp), as amended May 15, would repeal the Gaming Registration Act and enact the Gaming Control Act, create the California Gaming Control Commission, and authorize the Commission to regulate legal gaming in California. [A. Appr. S. Rules]

AB 116 (Speier). Existing law requires or requests state and local agencies to prepare and submit reports to the Governor or the legislature, or both. As amended March 2, this bill would provide that no state or local agency is required to prepare and submit any written report to the legislature or the Governor until January 1, 1997, unless it is among a list of specified reports or certain circumstances exist. This provision would be repealed on January 1, 1997. [S. Rules]

SB 974 (Alquist). Under the State Government Strategic Planning and Performance Review Act, the Department of Finance—in consultation with the Controller, the Bureau of State Audits, and the Legislative Analyst—is required to develop a plan for conducting performance reviews of all state agencies. As amended May 15, this bill would create the Performance Audit Joint Task Force, consisting of the Governor and the Controller, that would be required to periodically identify state executive branch agencies, programs, or practices that are likely to benefit from performance audits. The bill would provide that agencies, programs, or practices that are so identified would be in addition to those otherwise identified under the Act. [A. CPGE&ED]

SB 918 (Hayden). Existing provisions of the California Constitution establish the University of California as a public trust, administered by a Board of Regents of the University consisting of seven ex officio members, and eighteen members appointed by the Governor and approved by the Senate. Existing law also establishes the California State University, which is administered by a board designated as the Trustees of the California State University; the board is composed of five ex officio members, a representative of the alumni associations of the state university selected by the alumni council, a student member appointed by the Governor, a faculty member appointed by the Governor, and sixteen other members appointed by the Governor and subject to confirmation by the Senate. As introduced February 23, this bill would prohibit any Regent or Trustee from donating to, or soliciting or accepting any campaign contribution for, any committee controlled by the Governor, or donating, soliciting, or accepting any campaign contribution with the intent of transferring the donation through a committee, party, account, or other entity with the intent that the recipient of the donation be any committee controlled by the Governor. The bill would require Trustees to be appointed on the basis of their demonstrated interest and proven ability in higher education policy and budgetary issues. The bill also would provide that no person is eligible for appointment as a Trustee if, during a period of three years prior to his/her appointment, he/she donated to, or solicited or accepted any campaign contribution for, any committee controlled by the Governor, or donated, solicited, or accepted any campaign contribution with the intent of transferring the donation through a committee, party account, or other entity with the intent that the recipient of the donation be any committee controlled by the Governor. [S. Ed]

BUDGET

SCA 2 (Kopp). The California Constitution requires the legislature to pass the budget bill for the ensuing fiscal year by midnight on June 15. As introduced December 5, this measure would amend the California Constitution to require the legislature to instead pass the budget bill by midnight on June 30, and to require the forfeiture, in any year in which the budget bill is not passed by the legislature before midnight on June 30, of any salary or reimbursement for travel or living expenses for the Governor and each member of the legislature for the period from midnight on June 30 until the date that the budget bill is passed by the legislature. Under existing law, the California Constitution contains no provision requiring that the total of all state expenditures authorized under the Budget Act for any fiscal year not exceed the total of all state revenues anticipated for that fiscal year. This measure would require that the total of all expenditures that are authorized to be made from the general fund for any fiscal year under the Budget Act and any other statute, combined with the total of all general fund reserves that are authorized to be established by the state for that fiscal year and any general fund deficit remaining from the preceding fiscal year, shall not exceed the total of all revenues and other resources that are available to the state for general fund purposes for that fiscal year.

The California Constitution requires that the legislature establish a prudent state reserve fund in an amount it deems reasonable and necessary. This measure would require that the budget bill enacted for each fiscal year provide for a state reserve fund in an amount equal to 3% of the total of expenditures authorized to be made from the general fund for that fiscal year. This measure would authorize the legislature to appropriate money deposited in the state reserve fund pursuant to the vote requirements set forth in current provisions of the California Constitution, or upon a majority vote for the funding of any programs for which funding is appropriated in the current Budget Act.

The California Constitution empowers the Governor to reduce one or more items of appropriation while approving other portions of a bill, including the budget bill. This measure would require that the annual budget bill include a budget adjustment plan that would set forth budget adjustments to reduce appropriations for that fiscal year or increase general fund revenues, or both, as necessary to eliminate designated imbalances in the general fund budget, as identified by one or more quarterly reports prepared by the Department of Finance and certified for accuracy by the Legislative Analyst. The measure would require that separate legislation be enacted to identify the conditions under which the Governor would be authorized to implement the budget adjustments and, in the event of the exercise of that authority, to make any changes in law that are necessary to the implementation of that plan. The measure would provide that the separate legislation would take effect immediately upon enactment, and would be exempt from the two-thirds-vote requirement that applies to general fund appropriations. The measure would specify that the budget bill would not become operative prior to the operative date of that separate legislation. [S. Rules]

CIVIL PROCEDURE

AB 1927 (Cunneen). Under existing law, in each superior court with ten or more judges, all at-issue civil actions are required to be submitted to arbitration by the presiding judge or the judge designated, if the amount in controversy in the opinion of the court will not exceed $50,000 for each plaintiff. Under existing law, in each superior court with less than ten judges, the court may provide by local rule, when it determines that it is in the
best interests of justice, that all at-issue civil actions shall be submitted to judicial arbitration if the amount in controversy in the opinion of the court will not exceed $50,000 for each plaintiff. As introduced February 24, this bill would change this amount in controversy from $50,000 to $150,000. [A. Floor]

CONSUMER PROTECTION

AB 40 (Baca). The Song-Beverly Consumer Warranty Act provides generally the warranties given in the sale of consumer goods. A specific provision of that Act provides that all new motorized wheelchairs sold at retail or leased in California and paid for pursuant to the Medi-Cal Act shall be accompanied by the manufacturer's or lessor's written express warranty that the wheelchair is free of defects. Existing law also provides that if the written express warranty is not provided to the consumer, the motorized wheelchair shall be nonetheless deemed to be covered by this warranty. Existing law provides that no wheelchair that has been returned for failure to repair a non-conformity after a reasonable number of attempts to conform to the warranty shall be sold or leased again in this state unless the reasons for the return have been fully disclosed to the prospective buyer or lessee. As amended April 17, this bill would revise these provisions to instead require all new and used wheelchairs to be accompanied by a manufacturer's or lessor's written express warranty that the wheelchair is free of defects. The bill would specify that the duration of the warranty shall be at least one year from the date of the first delivery of a new wheelchair or at least 60 days from the date of the first delivery of a used, refurbished, or reconditioned wheelchair to the consumer. The bill would provide that if the wheelchair is out of service for a period of at least 24 hours for repair of a non-conformity by the manufacturer, lessor, or agent thereof, a temporary replacement wheelchair shall be made available for no more than the cost to the provider of this wheelchair to make it available. This bill would provide that these requirements shall not apply to wheelchairs manufactured specifically for athletic, competitive, or off-road use. [S. Ins]

AB 1381 (Speier). The Automotive Consumer Notification Act requires the seller of a vehicle to include a specified “vehicle identification number” decal or notation that the vehicle is free of defects. The bill would provide that if the vehicle has been returned, or should have been returned, to the dealer or manufacturer for failure to conform to warranties. As amended April 26, this bill would revise and recast the Automotive Consumer Notification Act within the provisions of the Vehicle Code. The bill would require the manufacturer to include specific information in a decal or notation that the vehicle is free of defects. The bill would provide that any person damaged by the failure of a manufacturer or dealer to comply with these requirements shall have the same rights and remedies as those provided to a buyer of consumer goods by specified provisions relating to warranty. The bill would provide that it shall apply only to vehicles reacquired by a manufacturer or reconditioned after the effective date of the Act. [A. Floor]

SB 426 (Leslie). Under existing law, it is unlawful for a person to represent that a consumer good which he/she manufactures or distributes is “ozone friendly,” “biodegradable,” “photodegradable,” “re-cyclable,” or “recycled,” unless that article meets specified definitions or meets definitions established in trade rules adopted by the Federal Trade Commission. As amended May 15, the bill would repeal this provision.

Under existing law, a person who represents that a consumer good that he/she manufactures or distributes is not harmful to, or is beneficial to, the natural environment, through the use of specified environmental terms, is required to maintain in written form in its records information and documentation supporting the validity of the representation. This information and documentation is required to be furnished to any member of the public upon request and to be fully disclosed to the public, within the limits of all applicable laws. A violation of these requirements is a misdemeanor. This bill would provide that it is unlawful for a person to make an environmental marketing claim that does not meet or exceed the requirements for substantiation or is not consistent with the definitions contained in guidelines established by the Federal Trade Commission, or is identified as a deceptive claim by those guidelines. The bill would make conforming changes. [S. Floor]

AB 1316 (Bustamante). With certain exceptions, existing law prohibits any person accepting a negotiable instrument as payment for goods or services sold or leased at retail from, among other things, requiring as a condition of acceptance that the person paying with the negotiable instrument provide a credit card as a means of identification and from recording the credit card number. Existing law, however, permits the retailer to require a purchaser to produce other reasonable forms of identification, which may include a driver's license or a California state identification card, as a condition of acceptance of the negotiable instrument. As amended May 16, this bill would provide that where one of these forms of identification is not available, this identification may include another form of photo identification. Existing law prohibits, with certain exceptions, any person, firm, partnership, association, or corporation, which accepts credit cards, from requesting or requiring and recording personal identification information concerning the cardholder as a condition of acceptance of a credit card. Existing law, however, permits the person, firm, partnership, association, or corporation to require a purchaser to produce other reasonable forms of identification, which may include a driver's license or a California state identification card, as a condition of acceptance of the credit card. This bill would provide that where one of these forms of identification is not available, this identification may include another form of photo identification. The bill would exempt the person, firm, partnership, association, or corporation from the prohibition described above if obligated to collect and record the personal identification information by federal law or regulation or if the purchaser pays for the transaction with a credit card number and does not make the credit card available upon request to verify this number.

Existing law also prohibits the utilization, in any credit card transaction, of a credit card form that contains preprinted
spaces specifically designated for filing in any personal identification information. This bill would, until January 1, 1997, authorize the use of these credit card forms if the preprinted spaces for personal identification information are not filled in. [A. Floor]

AB 1100 (Speler). Existing law prohibits a business establishment from discriminating against a person because of the gender of the person, and specifies the remedies for a violation of this provision. As amended May 3, this bill would provide specifically that no business establishment may discriminate, with respect to the price charged for services of similar or like kind, against a person solely because of the person's gender. The bill would specify the remedies for a violation of this provision. The bill would provide further that its provisions do not alter or affect the provisions of the Health and Safety Code, the Insurance Code, or other laws that govern health care service plan or insurer underwriting or rating practices. [A. Floor]

ELECTIONS

SB 24 (Kopp). Under the Political Reform Act of 1974, various individuals and entities, including candidates, committees that support candidates and ballot measures, lobbyists, slate mailer organizations, and public officials, are required to periodically file with the Secretary of State or other specified public agencies certain reports that disclose their financial activities. When a report is filed after the deadline for its filing, the person or organization responsible for making the filing is subject to certain civil and administrative penalties under the Act, including a late filing penalty of $10 per day after the deadline until the report has been filed. The filing officer may waive this penalty for all but specifically defined reports if on an impartial basis the filing officer determines that the late filing was not willful and enforcement of the liability will not further the purposes of the Act. In no event may the late filing penalty exceed the cumulative amount stated in the late report, or $100, whichever is greater. As amended April 17, this bill would permit filing officers to assess additional late filing penalties for the failure to timely file reports on contributions of $1,000 or more made or received by candidates or defined committees, independent expenditures of $1,000 or more made for or against any specific candidate or measure, and payments of $1,000 or more made to slate mailer organizations, before the date of the election but after the closing date for the last campaign statement required to be filed prior to the election by that candidate or organization. The additional late filing penalties would be assessed at 10% per day of the total amount of contributions, expenditures, or payments stated in the report that was filed after the deadline, but could not exceed the total amount stated in the report. [A. E&R]

SB 754 (Lockyer). The existing Political Reform Act of 1974 defines as a late contribution any contribution including a loan that totals in the aggregate $1,000 or more and is made to or received by a candidate, a controlled committee, or a committee formed or existing primarily to support or oppose a candidate or measure before the date of the election at which the candidate or measure is to be voted on but after the closing date of the last campaign statement required to be filed before the election. As amended April 17, this bill would prohibit any person from making, and would prohibit a candidate for elective office and a committee from soliciting or accepting, any contribution or loan before the date of the election at which the candidate or measure is to be voted on but after the closing date of the last campaign statement required to be filed before the election if the total amount of contributions or loans made during this time period from a particular contributor exceeds $1,000. The bill would exclude from these limitations the contribution by a candidate of his/her personal funds to his/her own campaign contribution account. [A. ER&CA]

SB 68 (Hayden). The existing Political Reform Act of 1974 requires committees, as defined, to file certain information concerning their contributions and expenditures for various political campaigns. As amended April 25, this bill would require the Secretary of State, not later than January 1, 1997, to develop an electronic reporting process for use by certain committees to file campaign statements required by the Act. The bill would also require the Secretary of State, in conjunction with the Fair Political Practices Commission (FPPC), to establish a training program on the electronic reporting process and make the process and data available to any committee that files a campaign statement pursuant to the provisions of the bill and the public. This bill would require any committee that either receives contributions or makes expenditures totaling $200,000 or more in any calendar year to support or oppose a candidate for elective state office, or to support or oppose a measure, to file the campaign statements otherwise required by the Act in the electronic format prescribed by the Secretary of State. This bill would require these committees to comply with the electronic format developed by the Secretary of State not later than two years from when the section added by this bill takes effect. [A. ER&CA]

SB 198 (Kopp). Existing provisions of the Political Reform Act of 1974 require committees formed primarily to support or oppose a ballot measure, among other committees, to file campaign contribution statements. As amended April 18, this bill would enact a State Measure Disclosure Act requiring committees making expenditures to support or oppose a state measure, as defined by the Act, to disclose major contributors whose cumulative contributions total $50,000 or more in advertisements regarding a measure. [A. ER&CA]

SB 524 (Kopp). Existing provisions of the Political Reform Act of 1974 require a lobbying firm to, among other things, register with the Secretary of State, keep detailed records of various payments received and made by the firm, and file periodic reports with the Secretary of State detailing certain payments received and made by the firm. Existing provisions of the Act prohibit a lobbying firm from, among other things, making a gift in excess of $10 in a calendar month to elected state officers, state candidates, and other specified state officials. The Act defines a lobbying firm to include, among other things, a business entity that receives any compensation, other than reimbursement for reasonable travel expenses, to communicate with specified state officials for the purpose of influencing legislative or administrative action, if a sub-
stancial or regular portion of the activities for which the business entity receives compensation is for that purpose. As amended April 17, this bill would amend the definition of lobbying firm to include a business entity that receives any compensation, other than reimbursement for reasonable travel expenses, to solicit or urge other persons to communicate directly with specified state officials for the purpose of influencing legislative or administrative action, if a substantial or regular portion of the activities for which the business entity receives compensation is for that purpose. This bill would require a business entity that is a lobbying firm solely because it meets the new definition, to designate itself as a “lobbying firm—direct communicator” when registering with the Secretary of State. [A. ER&CA] SB 753 (Lockyer). Existing law does not impose limitations on the amount that may be contributed to a candidate for statewide elective office. As amended April 17, this bill would prohibit any person from making, and any candidate from soliciting or accepting, any contribution or loan that would cause the total amount contributed or loaned by that person to that candidate, including contributions or loans to all committees controlled by that candidate, to exceed $10,000 per primary or per general election cycle and per local or per runoff election cycle. The bill would define the terms “primary election cycle,” “general election cycle,” “local election cycle,” and “runoff election cycle” for these purposes.

Existing law imposes no limitation on the amount of personal funds a candidate may expend on his/her election to office. This bill would require any personal loan made by a candidate to his/her committee, including any committee controlled by the candidate, to be repaid only with contributions that were deposited in any of those committee accounts on or before the date of the election immediately following the date the loan was made if his/her name appears as a candidate on the ballot of that election. The bill would apply this restriction only to loans made on or after January 1, 1996. The bill would render any candidate who violates this prohibition liable for a fine in an amount equal to the amount of the loan repaid in violation of this provision. [S. Floor]

SB 752 (Lockyer) and AB 1814 (Bowen). Existing provisions of the Political Reform Act of 1974, as amended by Proposition 73 of the June 1988 direct primary election, prohibit the expenditure of public funds to finance election campaigns, impose contribution limitations on a fiscal year basis, as specified, and prohibit in-tradecand and intercandidate transfers of campaign contributions. A decision of the U.S. Ninth Circuit Court of Appeals declared that those contribution limitations and the contribution transfer prohibitions violate the first amendment. [12:2&3 CRLR 273-74] SB 752, as amended May 10, and AB 1814, as amended April 5, would repeal these provisions and enact the Campaign Financing Reform Act of 1996. The bills would impose various limitations on contributions that may be made to candidates for legislative office at regularly scheduled primary and general elections and special primary and general elections, and SB 752 would impose expenditure limitations on candidates for legislative office at regular elections. SB 752 would also establish a Legislative Election Fund; eligible nominees for legislative office would be allowed to obtain public funds from that fund for qualified campaign expenditures, provided certain thresholds were obtained.

Under the existing California Personal Income Tax Law, there is no provision allowing taxpayers to transfer part of their income taxes to political campaigns for candidates seeking election to legislative offices. These bills would allow taxpayers to designate on their personal income tax returns that $5, or $10 in the case of married individuals filing a joint return, shall be transferred to the Legislative Election Fund, as created by these bills, to be distributed among the eligible nominees. [S. Appr. A. Rev.&Tax]

AB 1816 (Bowen), as amended April 5, would also enact the Campaign Financing Reform Act of 1996. The bill would impose various limitations on contributions that may be made to candidates for legislative office at regularly scheduled primary and general elections and special primary and general elections, and impose expenditure limitations on candidates for legislative office in primary and general elections. It would also impose limitations on independent expenditures under certain conditions; provide for the enforcement, and set forth remedies and sanctions regarding violations, of the provisions of the bill; and impose specified responsibility for the administration of the provisions of the bill on the FPPC, the Secretary of State, and the Attorney General. [A. ER&CA] SB 704 (Beverly). Under the Political Reform Act of 1974, various requirements and restrictions govern the reporting of campaign contributions, the reporting of campaign expenditures, the disclosure of a public official’s investments, interests in real property, sources of income, receipt of gifts, the registration of and reporting by lobbyists and their employers, the making of gifts by specified persons, and the receipt of gifts and honoraria by elected officers, candidates for public office, and designated employees and other officials in both the state and local government agencies. Existing provisions of the Act generally establish these requirements and restrictions based upon the amount of campaign contributions received and expenditures made, the fair market value of the public official’s investments, interests in real property, income, and the value of gifts received, among other things. As amended April 18, this bill would increase the amount at which certain campaign contributions and expenditures, particularly those made to and by candidates for elective state office and committees primarily formed to support or oppose candidates for elective state office and state measures, must be reported under the Act, and the value at which a public official’s financial interests, including among other things, his/her investments, interests in real property, and income, must be disclosed.

This bill would add an exception, as specified, to the definition of “contribution” for purposes of the Act’s restrictions and its reporting requirements.

This bill would make the honorarium prohibition and gift restrictions currently applicable to all sources of honoraria and gifts made to members and designated employees of local government agencies applicable only to sources whom that person would have to disclose on his/her statement of economic interests. [A. ER&CA]

SB 986 (Polanco). Existing law requires the Secretary of State to prepare the state ballot pamphlet setting forth, among other things, a copy of each state measure, arguments and rebuttals for and against each state measure, and an analysis of each state measure by the Legislative Analyst. The Secretary of State is required, among other things, to mail a copy of the state ballot pamphlet to voters. As amended May 16, this bill would provide that the Secretary of State, in preparing the state ballot pamphlet, shall ensure that the pamphlet be prepared in the following manner: [S. Floor]

AB 1043 (Speier). Except in special elections, existing law does not limit the amount of contributions that can be made to, or solicited or accepted by, a candidate for office. As amended April 4, this bill
would limit the making of a contribution to, and solicitation or acceptance of a contribution by, a candidate to $10,000 during the twelve days before and including the day of an election. This bill would subject violators of this prohibition to criminal penalties and fines, and administrative and civil penalties, of $5,000 to $15,000 for each violation of this prohibition.

Existing provisions of the Political Reform Act of 1974 regulate specified activities by candidates and committees in election campaigns. Persons, such as political consultants, who are compensated for services involving the planning, organizing, or directing of matters regulated by the Act are liable under the Act for purposely or negligently causing any other person to violate provisions of the Act. Existing provisions of the Act do not require the registration of political consultants or otherwise regulate their activities. This bill would require political consultants, as defined, to register with the FPPC and prohibit political consultants from acting in that capacity: (1) during any calendar year in which they receive income from a state agency; (2) for two years following completion of incarceration, parole, or probation for a conviction of perjury or any other crime in involving the making of false representations in connection with an election or government service; or (3) for two years after a judgment has been entered against them for a claim based upon defamation in an election or government service. This bill would subject political consultants to the Act's criminal penalties and fines, and administrative or civil penalties, of $5,000 to $15,000 for each violation of this bill's provisions. [A. ER&CA]

SB 2 (Kopp). Existing law does not authorize the imposition of limitations on the number of terms that persons may serve on governing bodies of local governmental entities. As amended April 17, this bill would expressly authorize the governing bodies of county boards of education, school districts, community college districts, or other districts, any board of supervisors or city council, or the residents of those respective entities, to submit a proposal to the voters to limit or repeal a limit on the number of terms a member of the governing body, board of supervisors, or city council may serve. The bill would require that a term limit proposal apply prospectively only, and would make the operation of the proposal contingent upon the approval of the proposal by a majority of the votes cast on the question at a regularly scheduled election. [A. ER&CA]

SB 834 (Hayden). Under the Political Reform Act of 1974, a lobbyist is generally defined as an individual who is employed or contracts for economic consideration to communicate directly, or through any agent, with defined state officials for the purpose of influencing legislative or administrative action. Administrative regulations of the FPPC, the agency that is primarily responsible for administering and enforcing the Act, interpret the Act's definition of lobbyist to include only those individuals who either receive at least $2,000 in a calendar month in compensation to engage in the defined communications with state officials, or who receive any compensation to engage in the defined communications with state officials on at least 25 separate occasions in two consecutive calendar months. As amended April 17, this bill would change the definition of lobbyist to cover any individual who either receives $1,000 or more in economic consideration in a calendar year, or whose principal duties as an employee are, to communicate directly or through an agent with defined state officials for the purpose of influencing legislative or administrative action. [S. E&R]

SB 904 (Leslie). Under the existing Political Reform Act of 1974, the value of all in-kind contributions of $100 or more is required to be reported in writing to the recipient upon the request in writing of the recipient. As amended April 17, this bill would require any candidate or committee that makes a late contribution that is an in-kind contribution to notify the recipient in writing of the value of the in-kind contribution to the recipient within 24 hours of the time the contribution is made. [A. ER&CA]

AB 1712 (McPherson), as introduced February 24, would require every slate mailer sent by a slate mailer organization using as a part of its name the name of a qualified political party or derivative to contain a notice in at least ten-point Roman boldface type stating: "NOT AN OFFICIAL PARTY DOCUMENT." [A. ER&CA]

AB 1924 (Conroy). Existing law requires the county elections official, within eight days of the filing of a statewide initiative petition, to determine the total number of signatures affixed to the petition and to transmit this information to the Secretary of State. Existing law provides that if, following a random sampling of signatures, the certificates received from all elections officials by the Secretary of State establish that the number of valid signatures does not equal 95% of the number of qualified voters needed to find the petition sufficient, the petition shall be deemed to have failed to qualify. It further provides that if the random sampling shows that the number of valid signatures is within 5% to 110% of the number of signatures of qualified voters needed to declare the petition sufficient, the Secretary of State shall order the examination and verification of each signature filed. If, following the verification of signatures, the certificates submitted by all elections officials establish the petition's sufficiency, the petition is deemed to be qualified for the ballot. As introduced February 24, this bill would change the threshold percentage of signatures required for purposes of these provisions from 95% to 92%. [A. ER&CA]

AB 1269 (Martinez). Existing law contains various conflict-of-interest requirements and restrictions applicable to legislative employees, but does not prohibit employees of the legislature from receiving compensation for acting as political and campaign consultants or other-
AB 1085 (Martinez). Under existing provisions of the Political Reform Act of 1974, specified persons—including candidates, individuals, and organizations that meet the definition of “committee”—must file periodic reports itemizing certain campaign contributions they receive and contributions and expenditures they make. The Act also sets forth specific campaign reporting requirements unique to certain types of committees. One type of committee subject to specific campaign reporting requirements under the Act is a “primarily formed committee” which, among other things, is a committee that is formed or exists primarily to support or oppose either a group of specific candidates being voted upon in the same city or county election, or two or more ballot measures being voted upon in the same city, county, or state election. A committee that is formed or exists primarily to support or oppose either a group of specific candidates in the same election that takes place in more than one county, or two or more measures being voted upon in the same city, county, or state election, is not a “primarily formed committee” and thus not subject to the reporting requirements for those types of committees. As amended February 23, this bill would provide that committees formed or existing primarily to support or oppose either a group of candidates in the same multicounty election, or two or more measures being voted upon in the same city, county, or state election, is also a “primarily formed committee.” [A. Floor]

AB 1090 (Martinez). Existing provisions of the Political Reform Act of 1974 require specified candidates and public officials to periodically disclose certain gifts and income they receive, limit the amounts in gifts public officials may receive, and prohibit public officials from participating in governmental decisions that foreseeably may have a material financial effect on sources of certain gifts and income to the officials. As introduced February 23, this bill would, for purposes of the Act, exempt from the definition of gift and income any payment received by a person from a governmental agency or bona fide charitable nonprofit organization pursuant to a humanitarian program or entitlement that is generally applicable to all members of the public similarly situated and unrelated to the official’s status as an officerholder, where the payment relates to or arises from a state of emergency proclaimed either by the Governor or by the governing body of a city or county. [A. ER&CA]

AB 1391 (W. Brown). Existing provisions of the Political Reform Act of 1974 permit the FPPC, the agency that administers and enforces the Act, to adopt rules and regulations to carry out the purposes and provisions of the Act. As introduced February 24, this bill would prohibit the Commission from adopting any rule or regulation that abridges freedom of speech or of the press as determined by state or federal courts in their interpretations of the U.S. Constitution. [A. ER&CA]

AB 1709 (McPherson). Existing provisions of the Political Reform Act of 1974 require candidates and committees, as defined, to periodically file reports with the Secretary of State and other specified agencies disclosing their contributions received and expenditures made. Among these required reports is a supplemental preelection statement that candidates and committees must file no later than twelve days before the election for the period ending 17 days before the election when they make contributions totalling $5,000 or more in connection with that election. As introduced February 24, this bill would require that the same report be filed when candidates or committees make independent expenditures, as defined, totalling $5,000 or more in connection with an election. [A. ER&CA]

AB 500 (Bowen), as amended April 6, would repeal existing provisions governing election residency confirmation procedures, and instead add provisions requiring the county elections official to conduct a new annual voter residency confirmation procedure, as specified, to be completed no later than 90 days before a direct primary election. This bill would require the county elections official, based on change-of-address data from the U.S. Postal Service indicating that a registered voter no longer resides at his or her registered address, to send to that registered voter a forwarding address notice to enable the voter to verify or correct the address information. It would also require the county elections officer, based on the change of address information received pursuant to this procedure, to update and correct the voter’s registration, place the voter’s name in a suspense file, or cancel the voter’s registration. [A. ER&CA]

AB 424 (Speier). Existing provisions of the Political Reform Act of 1974 require committees, as defined, to file statements of organization and reports with the Secretary of State and other specified agencies disclosing their contributions received and expenditures made. A committee that is a “sponsored committee” under the Act is required to identify its “sponsor” in the committee’s name on its statement of organization and other reports required by the Act. A committee is a “sponsored committee” under the Act if any one of the following conditions is met: (1) the committee receives 80% or more of its contributions from one “person” or that “person’s” members, officers, employees, or shareholders; (2) one “person” collects all of the committee’s contributions by use of payroll deductions or dues from the “person’s” members, officers, or employees; (3) one “person,” alone or in combination with other organizations, provides all or nearly all of the administrative services for the committee; or (4) one “person,” alone or in combination with other organizations, sets the policies for soliciting contributions or making expenditures of committee funds. The Act defines “person” as “an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, association, committee, and any other organization or group of persons acting in concert.” Candidate-controlled committees and committees whose contributions are received from only an individual are not “sponsored committees.” As amended April 6, this bill would change the definition of “sponsored committee” by excluding “two or more associations, committees, corporations, or unions, or any combination thereof, acting in concert” from the definition of “person” unless those corporations or organizations are members of a single industry, trade, or profession. This bill would further change the definition of “sponsored committee” so that a committee is “sponsored” for purposes of the Act only if one of the following conditions is met: (1) the committee receives 80% or more of its contributions from one “person” or that “person’s” members, officers, employees, or shareholders; (2) one “person” collects all of the committee’s contributions by use of payroll deductions or dues from the “person’s” members, officers, or employees; or (3) the committee receives 50% or more of its contributions from one “person” or its members, officers, employees, or shareholders, and that “person,” alone or in combination with other “persons,” sets the policies for making expenditures of the committee’s funds. [A. ER&CA]

AB 497 (Horcher). Under existing law, when a false statement is made in a campaign advertisement or communication by a candidate, a committee controlled
by a candidate, a committee controlled by a state measure proponent, or a sponsored committee, the candidate or the person who controls the committee may be liable in a civil action for libel or slander brought by the victim of the alleged libel or slander. No government agency is responsible for bringing libel or slander actions in political campaigns. As amended April 27, this bill would amend the Political Reform Act of 1974 to prohibit, for a defined period during election campaigns, candidates, controlled committees of candidates, and agents thereof from making a libelous statement in political campaigns about other candidates or elected officials, if the statement is made with the knowledge that it is false or where the person making the statement has a reckless disregard for whether or not the statement is false. This bill would authorize the FPPC to seek administrative penalties of up to $2,000 for each violation of this prohibition. This bill would alternatively authorize the FPPC, and other persons as specified in the Act, to seek damages in court of up to $2,000 for each violation of this prohibition.

This bill would require that each violation of this prohibition be supported by a finding of clear and convincing evidence and a finding that the violation was perpetrated with actual malice. This bill would prohibit the FPPC from making an order requiring a potential violator to cease and desist from making allegedly libelous communications, but permit the Commission to seek an order from a court of law. This bill would prohibit the application of the Act's criminal remedies to violations of this chapter. [A. ER&CA]

**INFORMATION TECHNOLOGY**

SB 1 (Alquist). The Office of Information Technology (OIT) in the Department of Finance is charged with identifying new applications for information technology, improving productivity and service to clients, and assisting agencies in designing and implementing the use of information technology; OIT operates under the direction of the Director of the Office of Information Technology, who is prescribed specified responsibilities. As introduced December 5, this bill would replace OIT with the Information Services Agency and that Agency would be managed by the Secretary of Information Services, who would have prescribed responsibilities. The Agency would be charged with improving the state's ability to apply information technology effectively, and assisting state agencies in identifying, designing, and implementing these applications. This bill would require the Information Services Agency or its Secretary to, among other things, create a Department of Information Services within the Agency to perform the operational duties and responsibilities of the Agency, including performing the duties and responsibilities of the former OIT, as modified; consolidate state information technology services in a manner to be determined by the executive branch, which may include the consolidation of existing data centers; establish policies regarding an independent validation and verification of state information technology projects; perform responsibilities currently performed by the Department of General Services with respect to the acquisition of information technology and telecommunications goods and services; and form user committees and advisory committees. [S. GO]

AB 4 (Bates), as introduced December 5, would require OIT to work with all state agencies, appropriate federal agencies, local agencies, and members of the public to develop and implement a plan to make copies of public information that is already computerized by a state agency accessible to the public in computer-readable form by means of the largest nonproprietary, nonprofit cooperative computer network at no cost to the public. This bill would require the plan to be completed no later than January 1, 1997, and require OIT to report to the legislature by certain dates on the progress or obstacles in developing or implementing the plan. The provisions of this bill would be implemented only if the state receives federal funding for this purpose. [A. CPGE&ED]

**LEGISLATIVE PROCESS**

SCA 18 (Lewis). Existing provisions of the California Constitution provide that the initiative is the power of the electors to propose statutes and amendments to the California Constitution, and to adopt or reject them. As amended May 3, this measure would prohibit a statewide initiative measure from including or excluding any political subdivision of the state from the application or effect of its provisions based upon approval or disapproval of the initiative measure, or based upon the casting of a specified percentage of votes in favor of the measure, by the electors of the city, charter city, county, charter county, or any part thereof. [S. E&R]

SB 662 (Boatwright). Under existing law, any person who testifies under oath before any competent tribunal, including a legislative committee, and willfully states as true any material matter which he/she knows to be false is guilty of the crime of perjury. As amended April 18, this bill would provide that any person who knowingly makes any unsworn false statement as a witness testifying voluntarily before a committee is punishable by imprisonment in the state prison, or by imprisonment in the county jail not exceeding one year. The bill would provide that any person who as a witness before a committee offers any document or other writings to the committee knowing that it is false or fraudulent is punishable by imprisonment in the state prison, or by imprisonment in the county jail not exceeding one year. [S. Appr]

**LOTTERY**

AB 218 (Richter). The California State Lottery Act of 1984 provides, among other things, that during the life of a prize-
OPEN MEETINGS

SB 725 (Craven). Existing law relating to open meetings of local agencies requires that, before adopting any new or increased general tax or any new or increased assessment, the legislative body of a city, county, special district, or joint powers authority must conduct at least one public meeting allowing public testimony. As amended April 24, this bill would specifically make this requirement applicable to school districts and community college districts, and make a technical conforming change in that provision of law. [A. LGov]

SB 785 (Calderon). Existing law exempts from liability for libel or slander any publication or broadcast made by a fair and true report of the proceedings of a public meeting if the meeting was lawfully convened for a lawful purpose and open to the public, or the publication of the matter complained of was for the public benefit. As introduced February 23, this bill would make privileged the publication of the matter complained of if it was in the public interest or for the public benefit. [S. Jud]

PUBLIC RECORDS

AB 141 (Bowen). The California Public Records Act (PRA) requires state and local agencies to make records subject to disclosure under the Act available to the public upon request, subject to certain conditions. As amended May 11, this bill would prohibit state and local agencies from selling, exchanging, furnishing, or otherwise providing a public record subject to disclosure under the PRA to a private entity in a manner that prevents a state or local agency from providing the record pursuant to law. [S. LGov]

AB 142 (Bowen). The PRA provides, among other things, that any person may receive a copy of any identifiable public record upon payment of fees covering the direct costs of duplication or any applicable statutory fee. As amended April 3, this bill would expressly provide that any agency that has information that constitutes an identifiable public record that is in an electronic format shall, unless otherwise prohibited by law, make that information available in an electronic format, when requested by any person. It would specify that direct costs of duplication shall include the costs associated with duplicating electronic records.

Existing law provides for the state and local administration of a system for the registration of certain vital information on prescribed forms, and specifies the procedure for maintaining that information, including the availability and confidentiality of certain information. This bill would define "vital records" for this purpose, expand the authority of the State Registrar to adopt related regulations to include confidential portions of any vital record, and require applicants for copies of vital records to submit an application with prescribed information under penalty of perjury.

The Information Practices Act of 1977 regulates the collection, maintenance, and dissemination of personal or confidential information. This bill would provide that "vital records," as defined, are not authorized to be disclosed under that act except as provided in the law pertaining to vital statistics. [A. LGov]

SB 1059 (Peace). Under the PRA, state and local law enforcement agencies are required to make public the current address of every individual arrested by the agency and of every victim of, or witness to, a crime or incident reported to the agency, subject to certain exceptions. As amended March 29, this bill would delete these requirements. [A. GO]

AB 1158 (Kuykendall). Under the PRA, public records are open to inspection during the office hours of state and local agencies, with specified exceptions. As introduced February 23, this bill would add an exception for records pertaining to the retention, location, or expansion of a company within California. [A. Floor]

AB 958 (Knight). Under the PRA, public records of state agencies are required to be available for inspection. The Act exempts from disclosure certain records, including test questions, scoring keys, and other examination data used to administer an academic examination. As amended May 17, this bill would require, upon the request of any member of the legislature, the disclosure to that member of any test questions or material provided by the State Department of Education and administered as part of a statewide testing program to pupils enrolled in the public schools. The bill would state that the member shall keep this material confidential. [A. Appr]

AB 1581 (Hoge). Under the PRA, public records are open to inspection during the office hours of state and local agencies with specified exceptions; one specific exception is investigatory or security files of law enforcement agencies. As introduced February 24, this bill would expressly add to that exception investigatory or security files compiled by the Gang Reporting Evaluation and Tracking System. [A. GO]

SB 323 (Kopp). Existing provisions of the PRA require each state and local agency, as defined, to make its records open to public inspection at all times during office hours, except as specifically exempted from disclosures by law; the Act also defines the term "writing." As amended May 16, this bill would revise the definitions of the terms "local agency" and "writing" and would define the term "public agency." The bill would also provide for public inspection of public records and copying in all forms, as specified; the bill would further require public agencies to ensure that systems used to collect and hold public records be designed to ensure ease of public access. The bill would also amend language in one of the Act's exemptions to restore the meaning of words inadvertently deleted by a prior statute.

Existing law requires an agency to justify withholding any record by demonstrating that the record in question is exempt under express provisions of the PRA, or that under the facts of the particular case, the public interest served by not making the record public clearly outweighs the public interest served by disclosure of the record. This bill would require the agency to identify the provision of law on which it based its decision to withhold a record or, if withholding is based on the public interest, to state the public interest in disclosure and the public interest in nondisclosure.

The PRA authorizes the filing of a petition in superior court alleging that certain public records are being improperly withheld from the public. This bill would prohibit a public official or agency defending the withholding of records against a petition in the superior court from offering a rationale not given by the official or agency in denying the disclosure of the public records. [S. Appr]

STATE OFFICIALS

ACA 6 (Boland). The California Constitution establishes the office of the Lieu-
tenant Governor and provides, among other things, that the Lieutenant Governor is President of the Senate, shall become Governor when a vacancy occurs in the office of Governor, and shall act as Governor during impeachment, absence from the state, or other temporary disability of the Governor or of a Governor-elect who fails to take office. As introduced January 31, this measure would abolish the office of the Lieutenant Governor and would transfer specified duties of the Lieutenant Governor to the Attorney General. [A. CPGE&ED]

AB 220 (Boland), as introduced January 31, would delete all statutory references to the Lieutenant Governor and, among other things, would replace the Lieutenant Governor on the State Lands Commission with a public member appointed by the Governor and approved by the Senate, and abolish the Commission for Economic Development within the Lieutenant Governor’s office. This bill would not become operative unless and until a constitutional amendment that abolishes the office of Lieutenant Governor is approved by the voters. [A. ER&CA]

AB 1871 (Mazzoni). Existing provisions of the Political Reform Act of 1974 prohibit a designated employee of a state administrative agency, among others, from representing any other person before any state administrative agency or officer or employee for which he/she worked for twelve months before leaving employment if the appearance or communication is for the purpose of influencing administrative action, as defined, among other things. As amended April 26, this bill would include within the prohibition described above an appearance or communication that is made for the purpose of influencing any legal enforcement proceeding. [A. Floor]