



## GENERAL LEGISLATION

The 1991-92 legislative session began on December 3, 1990; the two-year session continues until August 31, 1992. The first year of the session adjourned on September 14, 1991, and the second year convened on January 6, 1992. The following bills were either introduced in 1991 and carried over to the second year of the session as two-year bills, or were introduced at the beginning of 1992, the second year of the session.

Bills which are not passed by the legislature by midnight on August 31 are dead. Bills passed by the legislature and enrolled to the Governor prior to September 1 must be acted on by the Governor within twelve calendar days—unless the twelfth day falls on a Saturday, Sunday, or holiday, in which case the deadline for the Governor's action falls on the following regular work day. The Governor has thirty days to act on legislation enrolled and/or delivered on September 1 or later [California Constitution Article IV, Section 10].

The following is a summary of many general public interest, regulatory, and governmental structure proposals; most of the following bills were described in detail in CRLR Vol. 12, No. 1 (Winter 1992) at pages 201-04.

## BUDGET PROCESS

**AB 2398 (Isenberg)** would create the California Constitution Revision Commission to propose reforms to the state's budget process and deliver a report setting forth its findings to the Governor and legislature no later than November 1, 1993. [A. inactive file]

**AB 2874 (Epple)** would, until January 1, 1995, require all state agencies to stop all studies, with specified exemptions, which require the expenditure of moneys from the general fund, if the studies are not found to be absolutely necessary to protect the health, welfare, or safety of the public. [A. W&M]

**SCR 5 (Alquist)** would establish the California Constitution Revision Commission, which would report to the Governor and legislature with its findings and recommendations regarding the formulation and enactment of the state budget and improvement of the state budget process. [A. W&M]

**SCA 6 (Lockyer)** would amend the California Constitution to provide that the vote of a majority of the membership of each house of the legislature—instead of two-thirds—shall be sufficient to pass the budget bill. [A. ER&CA]

**SCA 35 (Lockyer)**, as amended May 5, would enact the Balanced Budget Act of 1992, providing that at the time the budget bill is enacted, the total of all expenditures that are authorized to be made and the total of all reserves that are authorized to be established by the state for any fiscal year shall not exceed the total of all revenues and other resources, including reserves for prior years, as projected by the Commission on State Finance or its successor, to be available for that fiscal year. [A. ER&CA]

The following bills died in committee: **AB 19 (Speier)**, which would have prohibited payment of legislators' travel and living expenses for each day the legislature fails to pass the state budget by the start of the new fiscal year; and **SCA 1 (Kopp)**, which would have advanced, from June 15 to June 1, the constitutional deadline by which the legislature must pass a state budget, and prohibited the payment of legislators' salaries, travel, and living expenses for each day they fail to pass the budget beyond the June 1 deadline.

## CIVIL PROCEDURE

**SB 711 (Lockyer)**, the Sunshine in the Courts Act, as amended April 9, would generally prohibit secrecy agreements in litigation settlements which involve the sealing of court documents regarding a public hazard which involves a product defect, fraud or environmental hazard, without allowing for notification to appropriate regulatory agencies. [A. inactive file]

**SB 10 (Lockyer)** would require all civil actions pending in a trial court, except small claims court, on or after January 1, 1992, and in counties with populations over 350,000, which involve claims of \$50,000 or less arising out of the operation of a motor vehicle, to be submitted for arbitration within 120 days of the filing of an answer to the complaint. This bill is pending in a two-house conference committee.

The following bills died in committee: **AB 2034 (Kelley)**, which would have made provisions of the Carpenter-Katz Small Business Equal Access to Justice Act of 1981 mandatory rather than discretionary, as it relates to court awards of reasonable litigation expenses to small businesses or licensees which prevail over a state regulatory agency in a civil action involving unjustified regulatory action by that agency; and **SB 218 (Hart)**, which would have amended the newsmen's shield law to confer an immunity or privilege upon specified newsmen

who refuse to comply with a civil subpoena.

## CIVIL RIGHTS

**AB 3825 (Brown)**, as amended May 4, is an omnibus civil rights statute which would supersede several recent California Supreme Court decisions which have restricted certain civil rights protections and the remedies available to victims of unlawful discrimination. Specifically, the bill would specify that the existing Unruh Civil Rights Act expressly prohibits all arbitrary discrimination by business establishments; permit the Fair Employment and Housing Commission (FEHC) to award compensatory and punitive damages to victims of unlawful housing and employment discrimination; prohibit housing and employment discrimination based on sexual orientation; codify FEHC's rule prohibiting "English only" rules in the workplace; and conform state disability laws to the federal Americans with Disabilities Act. [A. Floor]

**SB 1257 (Roberti)** would change the name of the Unruh Civil Rights Act to the Roberti-Unruh Civil Rights Act, and would specify that the Act prohibits all forms of arbitrary discrimination by business establishments. [A. Jud]

## CONSUMER PROTECTION

**SB 1586 (Presley)**. Existing law provides that any person who violates the unfair competition laws shall be liable for civil penalties. As amended May 13, this bill would provide that any person performing, proposing to perform, or having performed an act of unfair competition shall be liable for a civil penalty for each act. The bill would provide that an act of unfair competition may result in one or more violations, depending on the circumstances of the action. [S. Floor]

**AB 2999 (Peace)**. Existing law requires a consumer credit reporting agency to provide a free copy of a consumer credit report to a consumer, if the consumer requests the report within thirty days after notification of adverse action or notification that the consumer's credit rating may be or has been adversely affected. As amended May 7, this bill would allow consumers sixty days in which to make this request. This bill would also require all credit services organizations to annually register with the Department of Justice and would require a registration fee. [A. Floor]

The following bills died in committee: **AB 2495 (Bronzan)**, which would have



required creditors to notify a consumer within 30 days after providing a negative credit report to a consumer credit reporting agency, made violators liable for actual damages and willful violators liable for punitive damages of up to two times the actual damages, and allowed the prevailing party in any action to collect damages and his/her attorneys' fees; **AB 2540 (Moore)**, which would have required a credit reporting agency to notify each consumer about adverse credit information in the consumer's file, and to provide an opportunity for the consumer to dispute the completeness or accuracy of a negative report; **SB 893 (Lockyer)**, which would have established the California Financial Consumers' Association to inform, advise, and represent consumers in financial service matters; and **SB 1159 (Marks)**, which would have provided that a borrower on a loan secured by a mortgage or deed of trust on real property containing one to four residential units, one of which is occupied by the borrower, shall have the right to have a representative of the lender available, in person or by phone, to respond to inquiries at the time the borrower signs loan documents to complete the transaction.

## CORPORATE CRIME

**SB 537 (Killea)** would provide that any business which has filed for bankruptcy, or against which an involuntary bankruptcy has been filed, or is in receivership, must notify any prospective buyer of the legal status of the business prior to entering into a contract with the buyer in which the buyer assumes the position of a future creditor. The bill would also prohibit such businesses from soliciting, demanding, receiving, or accepting any deposit, membership fee, down payment, or any other payment from a buyer or prospective buyer at any time after the seller has filed for bankruptcy, and knows that the business will go out of business and be unable to provide the goods or services described in the contract. Any willful violation of these provisions would be a misdemeanor. [*S. inactive file*]

**AB 1313 (Friedman)** is currently a spot bill which its sponsors intend to amend in order to prevent an anticipated effort to repeal the Corporate Criminal Liability Act of 1990 (Chapter 1616, Statutes of 1990). [*11:3 CRLR 142, 10:4 CRLR 132*] [*S. Jud*]

**AB 2026 (Friedman)**, which would have expanded the list of criminal offenses which would subject the violator to forfeiture, died in committee.

## COURTS AND LEGAL SERVICES

**SCA 14 (Hill)** would provide that no court shall have the power to order either the imposition of any tax or local levy or the increase of any tax or local levy, as specified, not expressly authorized by the Constitution or by statute, as a remedy to pay for the support of an unfunded or underfunded government program. [*S. Jud*]

**AB 168 (Eastin)**, which would have established a Board of Legal Technicians within the Department of Consumer Affairs to license and register legal technicians, died in committee.

**AB 683 (Moore)**, as amended April 1, would establish a Legal Access Pilot Program and Advisory Commission within the Department of Consumer Affairs' Tax Preparer Program to, among other things, register and regulate nonlawyer "legal technicians" providing legal assistance; provide that the pilot program be implemented using existing Tax Preparer administration and support staff; and provide for an Advisory Commission to advise the Program Administrator, and specify the duties and functions of the Program Administrator and Commission. [*S. Jud*]

## ELECTIONS

**AB 34 (Wyman)** would require the Legislative Analyst to prepare a condensed analysis of each measure appearing in the statewide ballot pamphlet, including information on the meaning of a "yes" or "no" vote on the measure. [*S. E&R*]

**SB 1475 (Kopp)**, as amended May 13, would—among other things—require that the state ballot pamphlet contain a list of the top five financial contributors who have contributed \$5,000 or more in support of, or in opposition to, each state measure, as well as the amounts they contributed. [*S. Floor*]

**AB 3083 (Chacon)**. Existing provisions of the Political Reform Act of 1974, as amended by Proposition 105 of the November 1988 general election, require that an advertisement authorized or paid for by a committee, as defined, contain specified items of information, including a disclosure of funding sources. Because Proposition 105 has been declared invalid by a final judgment of an appellate court, this bill would repeal the provisions relating to initiative advertisements. [*S. E&R*]

**AB 1068 (Clute)**, as amended April 29, would provide—among other things—

that any late contribution report or late independent expenditure report involving \$1,000 or more in contributions or expenditures is subject to a fine in an amount equal to 10% of the total contributions or expenditures disclosed. [*S. Appr*]

**AB 1075 (Clute)**, as amended April 2, would—among other things—require that in addition to a statement of investments and interest in real property, a candidate for specified state and local office would also be required to disclose any income received during the preceding twelve months, and would require the Fair Political Practices Commission to transmit that statement to the Secretary of State within ten days of receipt. [*S. inactive file*]

**AB 1657 (Chacon)**, as amended April 23, would change the deadline dates for the Department of Finance and Joint Legislative Budget Committee to submit revenue effect estimates regarding the financial impact an initiative may have on state and local government, and provide that the author of an initiative and no more than two persons appointed by the author may draft an argument for the adoption of the measure; alternatively, the bill would permit the author to appoint no more than three persons to draft an argument for the adoption of the measure. [*S. Floor*]

**AB 1590 (Eaves)**, as amended April 20, would—among other things—permit the conduct of an election entirely by absentee ballots if 250 or fewer persons are registered to vote within a precinct on the 88th day before the election. [*S. Appr*]

**AB 2951 (Vasconcellos)**, as amended May 6, would establish the Campaign Finance Reform Act of 1992, imposing limitations on contributions to and expenditures by candidates for elective office, as specified. The bill would create a Campaign Reform Fund, the moneys of which would be continuously appropriated for distribution to candidates who agree to accept payments from the fund and who would be subject to the expenditure limitations imposed by the bill. [*A. Floor*]

**ACA 17 (Farr)** would provide that in order to qualify an initiative petition which amends the California constitution for the statewide ballot, the petition shall contain the signatures of at least 10%, rather than 8%, of the total vote for all candidates for Governor at the last gubernatorial election. [*A. inactive file*]

**ACA 20 (Campbell)** would provide that whenever a proposed amendment or revision to the constitution specifies that a certain percentage of the vote, beyond a simple majority, is required to enact the measure, any subsequent amendment or revision shall be subject to the same vote requirement. [*A. inactive file*]



## GENERAL LEGISLATION

**ACA 24 (Costa)** would provide that the Secretary of State shall not submit an initiative or referendum measure, constitutional amendment, or other statewide proposition at a presidential primary election or special statewide election held on the same day as a presidential primary election, where that presidential primary or special statewide election is not consolidated with the statewide primary election. [A. inactive file]

**SCA 3 (Maddy)** would provide that an initiative measure does not violate the single subject rule so long as the multiple provisions are reasonably germane to the general objective or purpose of the measure and reasonably interdependent with all other provisions. [A. inactive file]

**SCA 4 (Keene)**, as amended May 13, would establish a public financing system of political campaigns for statewide constitutional officers, members of the legislature, and members of the State Board of Equalization, among others. [S. Floor]

**SCA 19 (Marks)** would provide that any initiative statute or referendum shall take effect on the day after the Secretary of State officially certifies the vote or on the 39th day after the measure is submitted for certification, whichever is earlier, or on the date specified in the measure, if that date is more than 39 days from the date the measure is submitted for certification, rather than taking effect on the day after the election. [A. inactive file]

**ACA 16 (Sher)** would establish an indirect initiative process by requiring the Secretary of State, upon receipt of a regular initiative petition which contains at least 80% of voters' signatures necessary to qualify it for the ballot, to notify and submit copies to the legislature during the regular legislative session. [A. inactive file]

The following bills died in committee or otherwise failed during the legislative process: **AB 1047 (Leslie)**, which would have required that whenever a slate mailer includes the name of a candidate for partisan office whose political party membership is different from the political party which the mailer appears to represent, the candidate's party designation shall appear in a print size which clearly differentiates it from the rest of the mailer; **AB 1450 (Sher)**, which would have established an indirect initiative process; **AB 1820 (Costa)**, which would have set the California presidential primary on the first Tuesday in March; **AB 1833 (Hauser)**, which would have provided that courts shall apply the same standards when awarding reasonable attorneys' fees to a prevailing defendant as apply to a prevailing plaintiff in cases involving violations of the Political

Reform Act; **AB 2114 (Bates)**, which would have revised the campaign contribution limits imposed by Proposition 73; **AB 2328 (Johnson)**, which would have added the Ethics In Government and Campaign Contribution Limits Act of 1992 to the Political Reform Act of 1974, and would have reinstated the campaign contribution limits contained in Proposition 73; **SB 423 (Watson)**, which would have allowed a candidate or elected officer who does not have a spouse to expend campaign funds for the "household" expenses of a blood relative, regardless of where that blood relative lives; **SB 609 (Hart)**, which would have imposed a \$50,000 limit on contributions or loans from committees whose principal activity is the support or opposition to either the qualification or passage of a ballot measure; **SB 734 (Roberti)**, which would have required the ballot analysis to contain graphs and charts to make the analysis easier to understand; **SB 1158 (Roberti)**, which would have required an individual who intends to be a candidate for elective office to file a statement of intention with the Secretary of State instead of with the Fair Political Practices Commission; **SCA 22 (L. Greene)**, which would have required initiative petitions to contain the signatures of registered voters in at least ten counties, with no more than 10% of the signatures coming from any single county; **ACA 8 (Harvey)**, which would have provided that a majority of the state's registered voters, rather than a majority of those voting, shall be required to pass a ballot initiative; and **SB 116 (Kopp)**, which would have enacted a Ballot Measure Disclosure Act, requiring committees making expenditures of \$50,000 or more to support or oppose a measure, as defined by the Political Reform Act, to disclose major funding sources whose cumulative contributions equal or exceed specified amounts in advertisements regarding a measure.

### ELECTRONIC MEDIA

**AB 2009 (Lempert)** would prescribe procedures to be followed by the governing board of a school district that enters into written or oral contracts which permit advertisements to be transmitted to students by any electronic media during the school day. [S. Ed]

**SB 741 (Torres)** would prohibit school districts from entering into contracts which require advertisements to be transmitted to students by any electronic media during the school day. The bill would also prohibit the State Board of Education from waiving these provisions. [A. Ed]

### HEALTH CARE

**SB 308 (Petris)**, as amended March 9, would create a payroll tax system of collecting funds from employers and employees to finance a state-operated, universal health care system. Under this proposal, all Californians—not just employees or employers—would be eligible to participate in the universal health care system. [A. Health] **SB 36 (Petris)**, which previously contained these provisions, was rejected by the Senate on January 30.

**AB 321 (Margolin)**, as amended March 19, would enact the California Family Health Plan Act, requiring the Department of Health Services to establish a comprehensive program to provide prenatal services to pregnant women, as well as child health care to children under the age of 18 years of age, and health care for all women and children who are not eligible for Medi-Cal and do not have their own private health insurance. [S. Rules]

**SB 6 (Torres)**, as amended April 20, and **AB 502 (Margolin)**, as amended April 20, would enact the California Health Reform Act of 1992; create the California Health Plan Commission; and require the Commission to establish and maintain for all California residents a prescribed system of universal health care coverage to be known as the California Health Plan. These bills are sponsored by Insurance Commissioner John Garamendi. [A. Ins, S. InsCl&Corps, respectively]

**SB 248 (Maddy)**, as amended April 29, and **AB 2001 (Brown)**, as amended February 27, would enact the Affordable Basic Health Care Act of 1992, requiring every non-exempt employer to provide basic health care coverage to each employee and dependent, including—among other things—payment of at least 75% of the lowest premium for basic health care coverage the employer offers each covered employee and dependent. The bills would require all health insurers to offer to all employers with 100 employees or fewer, within the service area of the health insurer, basic health care coverage; the bills would also require the insurer to charge a single community rate in the same geographic region for basic health care coverage, except that the premium rate offered to those employers would be prohibited from exceeding by more than 30% the community rate for basic health care coverage in the same geographic region, as described. These bills are sponsored by the California Medical Association. [A. W&M, S. InsCl&Corps, respectively]

**AB 14 (Margolin)**, as amended



February 3, would enact a phased-in program to provide health coverage to all currently uninsured California residents through the use of a "pay or play" requirement for employers. All employers, employees, and individuals must either purchase health care coverage on their own ("play") or pay an assessment into the state Health Care Trust Fund which would purchase a basic health plan on their behalf. The "play" requirement applies to employees and their dependents and involves a 75%/25% cost sharing relationship for employees and 50%/50% for dependents, with a 2% cap on employees' share. [S. *InsCl&Corps*]

## LEGISLATIVE PROCESS

**ACA 29 (Bane)** would provide that the legislature may submit any statute which has passed both houses of the legislature by a majority vote, except general obligation bond acts, to the voters at the next statewide election as an alternative to approval by the Governor. If approved by a majority of voters, the legislative statute shall become effective on the January 1 following the election. [A. *inactive file*]

**ACA 36 (Elder)** would provide that three-fifths of voting members, rather than two-thirds of the membership, of each house of the legislature shall be sufficient to override a Governor's veto. [A. *inactive file*]

**SCR 18 (Hart)** would limit the number of bills which a Senator or Assembly member may introduce during the 1991-92 Regular Session and would express legislative intent that the bill introduction limits are necessary because of the post-Proposition 130 staff reductions and budget constraints. [A. *Rls*]

**SCR 2 (Hart)** would limit the number of bills which a Senator or Assembly member may introduce during each two-year session to 65 bills and 40 bills, respectively. The measure would allow the Rules Committee of each house to authorize exceptions to the limit. The introduction of constitutional amendments, resolutions and committee bills would not be subject to the bill limitation. [S. *Rls*]

## LOTTERY

**AB 163 (Floyd)** would, among other things, require the California State Lottery Director to engage an independent firm to conduct research concerning the demographics of Lottery players, and to identify populations of people who are, or who are at risk of becoming, problem or compulsive gamblers. This bill has passed

both houses and is awaiting Assembly concurrence in Senate amendments.

**AB 164 (Floyd)** would provide that any unclaimed Lottery prize money shall be deposited in the California State Lottery Education Fund. [S. *GO*]

The following bills died in committee or otherwise failed during the legislative process: **AB 2028 (Speier)**, which would have increased from 34% to 40% the amount of Lottery revenues which are statutorily allocated to public education, and would have reduced the amount of Lottery revenues available for administrative expenses from 16% to 10%; **SB 309 (Dills)**, which would have reduced the amount of Lottery funds available for administrative expenses from the current 16% to no more than 15%, and would have dedicated the remaining 1% to public education; **SB 311 (Dills)**, which would have abolished the current five-member Lottery Commission and replaced it with a three-member, full-time, paid commission; and **SCA 43 (Leslie)**, which, as amended May 7, would have repealed the Lottery upon action by the legislature to replace the amount of money received from the Lottery for public education.

## OPEN MEETINGS LAWS

**AB 3476 (Burton)**, as amended April 23, and **SB 1538 (Kopp)**, as amended April 21, would each make a number of amendments to the Ralph M. Brown Act, which generally requires the meetings of the legislative bodies of local agencies be conducted openly, with specified exceptions. [A. *Floor*, S. *Appr*]

**SB 1977 (Bergeson)**, as amended May 12, would amend the Ralph M. Brown Act to require the legislative body of any city, county, or special district, before adopting any new or increased general tax or any new or increased assessment, to conduct at least one public meeting, with 45 days' notice, regarding the proposed new or increased general tax or new or increased public assessment in addition to the noticed public meeting at which the legislative body proposes to enact or increase the general tax or assessment. [S. *Floor*]

## PUBLIC RECORDS ACT

**SB 18 (Lockyer)** expands the list of peace officers who are eligible to request at the time of voter (re)registration that their address, telephone number, occupation, and precinct number remain confidential. This bill was signed by the Governor on January 29 (Chapter 2, Statutes of 1992).

**AB 1596 (Floyd)**, which would have revised the California Public Records Act's exemption for records of state agencies responsible for the regulation or supervision of the issuance of securities or of financial institutions, died in committee.

## STATE BOARDS AND COMMISSIONS

**AB 3273 (Floyd)**, as amended May 12, would remove the Secretaries and staff of the State and Consumer Services Agency, the Business, Transportation and Housing Agency, the Health and Welfare Agency, the Resources Agency, and the Youth and Adult Correctional Agency from various state boards and commissions on which they now serve, and would transfer specific state program responsibilities presently assigned to the agencies to constituent departments within the agencies. [A. *Floor*]

**SB 458 (Killea)**, as amended March 11, would establish the California Constitution Revision Commission until February 1, 1995, and require the Commission to report on specified issues relating to alternative structures for state government. [A. *Floor*]

The following bills died in committee or otherwise failed in the legislative process: **AB 1084 (Filante)**, which would have required the Governor to establish a Committee of Health Care Technology within the Medical Board of California to assist in the dissemination of information regarding the safety and effectiveness of emerging, new, and establish medical procedures, practices, and modalities; **AB 2060 (Polanco)**, which would have required state agencies and air pollution control districts to adopt variance and appeals processes, allowing individuals and private entities to apply for relief from regulations and to appeal adverse agency decisions; and **SB 23 (Kopp)**, which would have abolished the Franchise Tax Board and, except as provided in the California constitution, the administrative authority of the State Board of Equalization, thereby transferring all authority over the administration of California's personal income taxes and bank and corporation franchise and income taxes to the Department of Revenue, which would be created by this bill.

