



should direct the Office of AIDS to streamline its grant procedures in order to reduce administrative costs. If these goals are not achieved in a timely manner, the Auditor General should be directed to examine the Office of AIDS and make recommendations for any necessary new procedures.

The Department of Health Services should formulate and report to the legislature a timeline and budget requirements for those recommendations in the state AIDS Strategic Plan it intends to implement; the Department should further produce a list of goals and a timeline for the future activities of the California AIDS Leadership Committee.

DEPARTMENT OF CONSUMER AFFAIRS

Director: Michael Kelley
(916) 445-4465

In addition to its functions relating to its 38 boards, bureaus, and commissions, the Department of Consumer Affairs (DCA) is charged with carrying out the Consumer Affairs Act of 1970. The Department educates consumers, assists them in complaint mediation, advocates their interests before the legislature, and represents them before the state's administrative agencies and courts.

MAJOR PROJECTS:

Dispute Resolution Programs. Under the Dispute Resolution Act of 1986 (DRA), counties may increase filing fees for civil actions by up to \$3 to fund local dispute resolution programs. DCA oversees the statewide process for the establishment and funding of these programs. (See CRLR Vol. 9, No. 4 (Fall 1989) p. 36 and Vol. 8, No. 2 (Spring 1988) p. 33 for background information.)

Eighteen counties have been collecting the increased fees pursuant to DRA; all but a few of these have already distributed grants. Los Angeles County has raised over \$7 million and has awarded funds to eleven organizations which provide mediation services.

DCA is in the process of collecting and analyzing information from the state's funded alternative dispute resolution programs and from participating counties. Preliminary reporting shows that between June and December 1989, DRA programs have accomplished the following results: 42 programs have been funded; more than 34,000 disputants have participated in the program; 46% of the 2,224 cases have been

resolved, with more than one-half of these cases coming from the Los Angeles County Bar Association's Program; and, perhaps most significantly, the average waiting period between filing and resolution is only twelve days.

Consumer Education. In response to the needs of California's growing immigrant population, DCA has launched an initiative to translate consumer education brochures into other languages, beginning with small claims court and landlord-tenant brochures. *California Tenants* is currently available in Spanish and is being translated into Vietnamese. The small claims brochure should be available in Spanish soon.

Additionally, DCA has received a tentative grant from a private foundation to create a brochure in ten languages which will help recent immigrants function in a credit-based society. A new toll-free telephone line (800-344-9940) offering recorded information on landlord-tenant issues, sales and promotions, automobiles, and credit will also be translated into Spanish and Asian languages in the near future.

Consumer Conference. On March 29-30, DCA hosted "It's 1990! What's Happening in the Consumer Marketplace?" in Los Angeles. Approximately 300 people attended DCA's first consumer conference and heard panelists discuss such consumer issues as energy, finance, telephone and cable communications, judicial systems, food and nutrition, health care, and global economics.

Assemblymember Delaine Eastin, Chair of the Assembly Committee on Governmental Efficiency and Consumer Protection, presented the opening address. Keynote Speaker Bonnie Guitton, Special Advisor to President Bush and Director of the U.S. Office of Consumer Affairs, addressed consumer issues. The conference also included a breakfast forum featuring most of the contenders for Insurance Commissioner.

Of particular interest to the legal community was the judicial systems forum. The panelists—representing the Judicial Council of California, the American Bar Association, and consumer advocates—discussed access to the court system, small claims, and alternative dispute resolution. Mary Alice Coleman, Staff Counsel for DCA's Legal Services Unit, moderated the panel and directed questions concerning these issues from an audience comprised of consumer advocates, legal services providers, and private individuals who expressed concerns about the costs of litigation. The panelists responded to these concerns by pointing out the successes of alternative dispute resolution programs (discussed above).

LEGISLATION:

AB 2572 (Eastin), as amended May 29, would require the Joint Legislative Budget Committee, prior to the enactment of legislation creating any new state board, to review a plan developed by the author of the legislation for the establishment and operation of the proposed state board. The bill would specify the contents of the plan, including the reasons why the proposed board was selected to address the problem giving rise to the legislation. At this writing, AB 2572 is pending in the Senate Rules Committee.

AB 2984 (Floyd), as amended June 11, would specifically require the DCA Director's permission before any DCA board, commission, examining committee, or other agency may institute or join any legal action against any other agency within state or federal government. At this writing, this bill is pending on the Senate floor.

SB 2241 (Watson), as amended May 29, would require the Governor and every other appointing authority, in making appointments to state boards, councils, committees, and all statewide panels, to be responsible for nominating or appointing a variety of competent persons of diverse backgrounds, abilities, interests, and opinions, and who are reflective of the numerical composition of all segments of the state's population, including but not limited to women and ethnic minorities. SB 2241 passed the Senate on June 13 and is awaiting committee assignment in the Assembly at this writing.

AB 2787 (Chacon) would provide that it is the policy of the state that the composition of state boards and commissions be broadly reflective of the general public, including all ethnic minorities and disabled persons. This bill is pending in the Senate Rules Committee.

AB 3242 (Lancaster), as amended May 15, would revise the Business and Professions Code to make it unlawful for any person to fail to surrender to the issuing authority upon written demand a license, registration, permit, or certificate which, among other things, has been issued in error or has expired; and to provide that a person who engages in any business for which a license is required may not bring an action for compensation for performance of any act for which a license is required without proving that he or she was licensed during the time of the performance of the act. This bill, which is DCA's omnibus bill and contains provisions pertaining to numerous DCA agencies, is pending in the Senate Business and Professions Committee.



SB 2823 (Garamendi) would delete the January 1, 1992 sunset date in the statute which authorizes DCA's dispute resolution advisory council and for dispute resolution programs to be operated pursuant to contract by counties who desire to participate under specified circumstances. This bill passed the Senate on June 1, and is awaiting committee assignment in the Assembly at this writing.

AB 3345 (Floyd), as amended May 15, would expand the list of agencies subject to the California Public Records Act, thereby requiring those state agencies to establish guidelines for accessibility of public records. This bill is pending in the Senate Governmental Organization Committee.

AB 2757 (Moore), as amended May 15, would require the directors of specified state agencies to each conduct a study on the operational changes which would be needed to facilitate the operation of its offices on an extended hours basis, as defined. This bill passed the Assembly on May 21 and is pending in the Senate Governmental Organization Committee.

AB 3167 (Speier), as amended June 12, would require all state agencies (with specified exceptions) and offices maintained by the legislature which provide over-the-counter information and services directly to the public to provide those services during specified lunch hours. At this writing, this bill is pending in the Senate Governmental Organization Committee.

The following bills is a status update on bills reported in detail in CRLR Vol. 10, No. 1 (Winter 1990) at page 41:

AB 1272 (Eastin), which would have provided for contact between DCA and the consumer programs of each state agency, failed passage in the Assembly on January 24.

AB 718 (Frazee), which would have expanded disclosure rights of consumers who lease motor vehicles; *SB 1078 (Dills)*, which would have prevented the imposition of fines for violations of unfair business practices statutes where the violator has paid other penalties for the same conduct; *SB 787 (Rosenthal)*, which would have altered disclosure requirements in the sale of a used car; *AB 552 (Moore)*, which would have expanded buyers' rights of cancellation for motor vehicle purchase contracts; and *AB 1578 (Murray)*, which would have broadened landlord rights to evict tenants engaged in unlawful conduct, all died in committee.

LITIGATION:

In *J.J. & J. Porter, Inc., dba Check-*

X-Change v. Municipal Court of Sacramento County, Small Claims Division, No. 362792 (Sacramento County Superior Court), DCA filed an *amicus curiae* brief supporting the policy of many small claims divisions which prevents check-cashing companies from filing in small claims court. The issue in *Check-X-Change* is whether check-cashing companies are assignees who are prohibited from collecting in the small claims division by section 117.5 of the Code of Civil Procedure. The Sacramento Municipal Court's policy is endorsed by the Attorney General's Office and DCA.

Mary Alice Coleman, staff counsel for DCA's Legal Services Unit, argued in the brief that allowing check-cashers access to small claims court would clog a forum reserved for legally unsophisticated litigants who have disputes of \$2,000 or less. DCA is concerned that individual claimants may be unable to file because the number of cases filed by check-cashing companies will clog the small claims court's docket. The brief also raises the issue of whether it is fair to allow a more sophisticated claimant who has charged a fee to cash a check to use a resource developed for one-on-one disputes.

The Sacramento County Superior Court granted *Check-X-Change's* petition for writ of mandamus. The Municipal Court appealed the decision to the Third District Court of Appeal, where it is pending at this writing (No. 3 CIV C008320). DCA intends to file an *amicus curiae* brief in support of the appellant small claims court.

LEGISLATIVE ANALYST'S OFFICE

Legislative Analyst: Elizabeth G. Hill
(916) 445-4656

Created in 1941, the Legislative Analyst's Office (LAO) is responsible for providing analysis and nonpartisan advice on fiscal and policy issues to the California legislature. LAO meets this duty through four primary functions. First, the office prepares a detailed, written analysis of the Governor's budget each year. This analysis, which contains recommendations for program reductions, augmentations, legislative revisions, and organizational changes, serves as an agenda for legislative review of the budget.

Second, LAO produces a companion document to the annual budget analysis which paints the overall expenditure and revenue picture of the state for the com-

ing year. This document also identifies and analyzes a number of emerging policy issues confronting the legislature, and suggests policy options for addressing those issues.

Third, the Office analyzes, for the Assembly Ways and Means Committee and the Senate Appropriations and Budget and Fiscal Review Committees, all proposed legislation that would affect state and local revenues or expenditures. The Office prepares approximately 3,700 bill analyses annually.

Finally, LAO provides information and conducts special studies in response to legislative requests.

LAO consists of 76 professionally trained analysts and 26 support staff. The staff is divided into ten operating sections, each of which is responsible for a specific subject area. These areas are health, welfare and employment, taxation and economic research, agriculture and natural resources, business and transportation, criminal justice, employee compensation and general service agencies, education, capital outlay, and long-term policy issues.

MAJOR PROJECTS:

Analysis of the 1990-91 Budget (January 1990). As is usual every year, LAO has published an analysis of the Governor's Budget for 1990-91. The analysis contains findings and recommendations on the funding levels proposed in the budget. To enhance legislative oversight of the proposed budget, LAO has separately highlighted major issues facing the legislature. The recommendations are offered to assist the legislature in its efforts to fashion a budget which reflects legislative priorities.

LAO notes that the Governor's Budget assumes that the state's economy will continue to expand at a moderate pace during 1990 and 1991, and that overall revenues will increase by 8.4%. However, general fund revenues for 1989-90 are considerably lower (by approximately \$875 million) than forecast by the Governor's administration last year; that deficit is currently being made up with funds from state's reserve fund, which must be replenished in 1990-91 to the usual 3%-of-expenditures level. LAO estimates that, if the legislature were to approve the Governor's Budget as proposed, the state would be left with a \$1.9 billion "funding gap" relative to the amount of resources that would be needed to maintain existing service levels.

LAO's analysis is accompanied by a companion document entitled *The 1990-91 Budget: Perspectives and Issues*. The purpose of this document is to assist the