



INTERNAL GOVERNMENT REVIEW OF AGENCIES

three departments within the Health and Welfare Agency (agency) and nonprofit organizations. From 1980 through 1982, the legislature enacted direct service contract reforms for departments within the agency to follow in their award of such contracts to nonprofit organizations and their administration of those contracts. The purpose of the reforms was to ensure that, before awarding direct service contracts to nonprofit organizations, departments within the agency would provide these organizations with the appropriate information to enable them to faithfully execute the contracts and meet the audit standards that are established by agency departments.

The Department of Aging, the Department of Health Services, and the Department of Social Services had the greatest number of direct service contracts with nonprofit organizations in fiscal year 1987-88, so OAG reviewed their compliance with the direct service contract reforms. During its review of contracts for fiscal year 1985-86 through fiscal year 1987-88 at these departments, OAG found that the departments did little to comply with the statutory reforms. Specifically, OAG found that the three departments did not identify the programs for which they awarded direct service contracts. In addition, the departments did not always follow all of the procedures required during the process of bidding and awarding direct service contracts. Furthermore, the departments did not ensure that the direct service contractors had the required financial and compliance audits. Finally, the departments did not meet the goal of resolving disputes with nonprofit organizations within sixty days. OAG recommended that the agency inform its departments of the requirements of the Direct Services Contracts Reform Act and ensure that they follow its procedures.

COMMISSION ON CALIFORNIA STATE GOVERNMENT ORGANIZATION AND ECONOMY (LITTLE HOOVER COMMISSION)

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The Little Hoover Commission was created by the legislature in 1961 and became operational in the spring of 1962. (Government Code sections 8501 *et seq.*) Although considered to be within the

executive branch of state government for budgetary purposes, the law states that "the Commission shall not be subject to the control or direction of any officer or employee of the executive branch except in connection with the appropriation of funds approved by the Legislature." (Government Code section 8502.)

Statute provides that no more than seven of the thirteen members of the Commission may be from the same political party. The Governor appoints five citizen members, and the legislature appoints four citizen members. The balance of the membership is comprised of two Senators and two Assemblymembers.

This unique formulation enables the Commission to be California's only truly independent watchdog agency. However, in spite of its statutory independence, the Commission remains a purely advisory entity only empowered to make recommendations.

The purpose and duties of the Commission are set forth in Government Code section 8521. The Code states: "It is the purpose of the Legislature in creating the Commission, to secure assistance for the Governor and itself in promoting economy, efficiency and improved service in the transaction of the public business in the various departments, agencies, and instrumentalities of the executive branch of the state government, and in making the operation of all state departments, agencies, and instrumentalities and all expenditures of public funds, more directly responsive to the wishes of the people as expressed by their elected representatives...."

The Commission seeks to achieve these ends by conducting studies and making recommendations as to the adoption of methods and procedures to reduce government expenditures, the elimination of functional and service duplication, the abolition of unnecessary services, programs and functions, the definition or redefinition of public officials' duties and responsibilities, and the reorganization and or restructuring of state entities and programs.

MAJOR PROJECTS:

Report on California's Board and Commissions (July 1989). In response to the substantial increase in the number of boards and commissions in California during the last twenty years, the Little Hoover Commission initiated this survey into the roles, functions, staffing, and budgets of these organizations. After reviewing California's boards and commissions for over ten months and con-

ducting a public hearing on the matter, the Commission released a report containing its findings.

The report focused on the following four basic types of boards and commissions: (1) advisory bodies, which are created to provide appropriate input on particular issues; (2) regulatory bodies, which are charged with oversight responsibilities for particular occupations or industries; (3) administrative bodies, which cover a wide variety of responsibilities ranging from increasing public awareness of particular issues to promoting employment of the disabled, and which also include the many "authorities" within state government, whose primary responsibility is to provide financing for specific types of projects through the sale of bonds and tax-exempt notes; and (4) marketing orders, which are self-help, industry-government marketing programs which may provide for advertising and sales promotion, research into production, processing, and distribution methods, the establishment of quality standards accompanied by an inspection program, supply management, and the prohibition of unfair trade practices. The Commission found that 361 organizations fall into these four categories; it then focused its attention on the 325 such organizations with annual budgets of under \$5 million.

The Commission found that wide differences exist in the budgets, staffing, responsibilities, and legal authority of similarly titled organizations. However, the study concluded that underlying the creation of these organizations are similar goals, including the following: encouraging broader participation in government by citizens who would not otherwise be actively involved; allowing the airing of competing or differing viewpoints in open forums; bringing together a group of informed and responsible citizens to deliberate and seek a consensus; insulating executives from undue pressure from special interests; and reducing the possibility of arbitrary action by an executive official.

The report then outlined reasons to exercise restraint or caution in the creation and use of boards and commissions, including the following: the more people involved in the decisionmaking process, the more difficult it becomes to fix responsibility for results; a plural body by its very composition cannot decide or act as expeditiously as a single executive; special interest representatives on a board may have an undue influence that is contrary to the general public interest; boards may be expensive due to members'



compensation and expenses, staff time to prepare for meetings and respond to requests, and duplication of staffing with the related executive agency; and boards tend to become isolated from the normal governmental processes of legislative policy formulation, executive leadership, and administrative and fiscal audit control.

Further, the report stated that the "total cost of board and commission operation cannot be measured but may be considerable. To the extent that these bodies are influenced by special interests, obscure responsibility and function free from certain of the restraints or checks exercised over executive agencies generally, their actions can commit the State to substantial expenditures not carefully related to overall financial plans or priority schedules."

Using all of this information as a guideline, the Commission reviewed the existing processes for creating, operating, and eliminating boards and commissions in general. The report noted that an overall pattern emerged reflecting a lack of oversight and, potentially, a lack of control. In particular, the report noted that statutory boards, commissions, authorities, associations, committees, and councils are created without systematic evaluation of the most effective approach to solving the perceived problem which justifies creation of the entity. The failure to so evaluate, the report noted, is not because such standards do not exist or would be too difficult to formulate. Illustrating this point, the report referred to the following two-step process created by the University of San Diego's Center for Public Interest Law (CPIL) which should guide a decision to regulate the marketplace: (1) "precisely identify the flaw that the creation of a body is supposed to solve;" and (2) "consider the wide spectrum of alternatives that would address that flaw, ranging from the 'carrot' (such as tax incentives) to the 'stick' (such as criminal prohibitions), with a middle ground of mandated disclosure statements, bond requirements and licensing, permitting, or certifying. The efficacy, costs, and benefits of each alternative in relation to how it meets the need pinpointed in step one must be weighed." The report also quotes CPIL as stating that licensing should be chosen as the means of regulation only when three conditions exist: (1) there likely would be irreparable harm to the public without prior restraint of the occupation; (2) the prior restraint is designed in such a way that it is precisely directed at the possible harm and will lessen its likelihood; and (3) the prior restraint is the most cost-

effective means of lessening the identified harm.

The Commission noted that the state has taken tentative steps toward setting up a systematic, analytical process for evaluating the creation of new regulatory bodies. The Department of Consumer Affairs (DCA) has created a "sunrise model," based on concepts similar to those set forth by CPIL. (See CRLR Vol. 9, No. 2 (Spring 1989) p. 40 for background information.) Under this model, advocates for a potential new licensing category must complete a detailed questionnaire based on the following nine criteria if they want DCA support for the proposal:

- the practice of the occupation would harm or endanger the public health, safety, or welfare if it is not closely monitored and regulated;

- existing protections available to the consumer are insufficient;

- no alternatives to regulation will adequately protect the public;

- regulation will mitigate existing problems;

- practitioners operate independently, making decisions of consequence;

- functions and tasks of the occupation are clearly defined;

- the occupation is clearly distinguishable from other professions that are already regulated;

- the occupation requires possession of knowledge, skills, and abilities that are able to be taught and tested; and

- the economic impact of regulation is justified.

The report noted a few flaws with this system. Initially, the Department's sunrise process is only advisory, not mandatory. Organizations that hope to gain DCA support must be evaluated, but legislation still can create regulatory bodies despite the outcome of the evaluation. Also, the model could be expanded to include advisory and administrative bodies as well as regulatory bodies. Finally, the model is somewhat limited in that it deals with the question of need for a body, but does not address the best type of structure to achieve the desired goals.

In another finding, the Commission stated that few organizations are subject to periodic review subsequent to their creation. In fact, of the 361 organizations that responded to the Commission's study, fewer than 20 are subject to subsequent evaluation of results or need for continued operations. Even those organizations created with a sunset clause in their enabling statute do not necessarily receive an evaluation; the report noted

that the legislature and the Governor regularly extend the life of "sunsetted" entities, often without including new sunset clauses in the statutes. Such continuation may be costly, may obscure responsibility, and may complicate administration. The report stated that the need for assessment extends even beyond the sunset question. The effectiveness of an organization must be examined so that alterations, improvements, or new strategies may be instituted. As an example, the report noted that the State Bar recently directed a complete overhaul of the way in which it regulates the legal profession after the legislature decided that the Bar's discipline system was not working well.

The last finding of the report noted that some boards, commissions, authorities, associations, committees, and councils have overlapping functions. Often this is a result of the passage of time and changing conditions; but in other instances, the overlapping functions exist from the beginning. The report acknowledged that as the roles of existing organizations expand, conflicts in policy and scope of authority occur more often. Areas of focus that may have seemed independent of one other a few years ago now seem to overlap.

After discussing the above findings, the report concluded with the following recommendations:

- The Governor and the legislature should enact specific "sunrise" criteria to determine when autonomous bodies should be created and what form of body is most appropriate for different types of activities. The criteria should encompass the creation of regulatory, administrative, and advisory types of functions.

- The Governor and the legislature should enact a statute requiring "sunset" clauses to be used whenever autonomous bodies are created and to be amended into the statutes authorizing existing entities. This "sunset" provision should set a date for the termination of an organization, require a review of operations by an independent organization, and require the legislature to take positive action to continue an entity's existence beyond the sunset date.

- The legislature should assign the Legislative Analyst the responsibility of developing and performing sunset review procedures.

- The Governor and the legislature should direct the Department of General Services to create and maintain a database of all statutory boards, commissions, authorities, associations, committees, and



councils. In addition, the Department should require each of these autonomous organizations to follow the state's standard administrative, budgetary, accounting, and recordkeeping policies.

-The Governor and the legislature should direct the Auditor General to report on the benefits of combining any or all of the functions of regulatory entities into a single unit.

California State Lottery (May 1989). In its *Review of the Organization, Operation and Performance of the California State Lottery (January 1987)*, the Commission found that the California State Lottery (CSL) needed to improve its financial accountability and control in order to better justify its expenditures and realize the expressed purpose of the California State Lottery Act of 1984. (See CRLR Vol. 7, No. 2 (Spring 1987) p. 33 for background information.) On May 3, 1989, the Commission released an update on one aspect of that report, namely the Lottery's diversion of unclaimed low-tier Lotto prizes away from the Education Fund and into the prize fund.

The Commission noted two major findings in its update. Initially, the Commission found that the purpose of the Lottery Act and the intent of the people in approving it would be better served by mandating the allocation of unclaimed low-tier Lotto prizes to the state Education Fund. The Lottery Act declares that "all unclaimed prize money shall revert to the benefit of public education." The position of the CSL is that low-tier prizes which are paid out by retailers and not directly by the CSL are not considered "unclaimed prizes" should the winners not come forward. In November 1986, CSL promulgated Rule 7(a), mandating that all unclaimed Lotto prizes revert to the Education Fund. However, in December 1988, CSL changed its position and revised Rule 7(a) to authorize the diversion of this money away from the Education Fund. According to the Commission, this about-face by CSL confirms the fact that ambiguity exists and casts doubt on whether this issue should be left to the Lottery's administrative discretion.

As a recommended solution to this issue, the Commission suggested an amendment to the Lottery Act, consistent with its purpose, to clarify that it was not the electorate's intent in enacting the "directly payable by the Lottery" language in section 8880.32 of the Government Code to authorize the Lottery Commission to divert any unclaimed prize monies from the California State Education Fund except in the case of

low-tier instant ticket games.

The Little Hoover Commission also found that CSL's rulemaking process does not provide adequate time for public input. Pursuant to Government Code section 8880.26, CSL is exempt from the Office of Administrative Law's rulemaking process, in recognition of CSL's need to make rapid adjustments in operations in order to maintain profitability and react to changing market conditions. However, CSL used this exemption to promulgate and amend Rule 7(a) with less than one week's notice to the public. The Little Hoover Commission suggested that prior to the promulgation of any rules by CSL which do not concern the operation of lottery games or the fixing of prizes, CSL be required to provide at least thirty days' notice of such action to members of the public requesting such notice, and that such individuals be given the opportunity to be heard by the Commission prior to the rule becoming final.

Meeting the Needs of California's Homeless: It Takes More Than A Roof (June 1989). Following a two-year study of California's various responses to the needs of the homeless, the Little Hoover Commission released this report. As background information on the homeless problem in California, the report noted that estimates of the number of homeless people in the state range from 100,000 to 250,000; sixteen different state programs are specifically targeted at helping the homeless; and more than \$780 million is spent on the various homeless programs in the state (not including bond money, such as the \$450 million bond approved by voters in 1988). As further background on this issue, the report attempted to identify reasons why people become homeless. Although there is no single or even predominant reason, the report stated that the primary cause of homelessness in suburban areas is unemployment; in the downtown areas of cities, alcoholism and mental illness are also major causes.

The Commission found that despite intense interest in meeting the needs of the homeless and the allocation of considerable resources to do so, the state has failed to provide an effective safety net ensuring that people will be adequately housed. In particular, the report found that because of diffused leadership, services for the homeless are fragmented. As a result, some segments of the homeless population are not served or are served inadequately. Because no one agency or individual is in charge of setting priorities for spending, some categories of homeless are left with few or

no programs and there is little control over efficient use of dollars. The report states that there is no lack of coordination or information-sharing among the different organizations; what is missing is a unilateral responsibility for determining the needs of California's homeless population.

In order to create an organized attack on the problem of homelessness, the report recommended the following:

-The diverse state programs dealing with the homeless should be unified under the state Health and Welfare Agency. Although the bulk of state homeless programs are already under this agency, a significant and high-profiled portion of these programs is housed within the Department of Housing and Community Development (HCD), which is under the Business, Transportation and Housing Agency.

-HCD should set up a unit to qualitatively evaluate local homelessness efforts based on state-promulgated priorities and policies; aggressively recommend model programs and alternatives to local regions; and serve as a clearinghouse for information on programs for the homeless.

The Commission also found that availability of the three main types of homeless programs (emergency, transitional, and permanent) is uneven, and there is no efficient, coordinated method of moving the homeless through the different programs. Ideally, programs for the homeless should encompass these three levels of help: they should tackle immediate, short-term needs with emergency shelters; provide transition services appropriate for the specific homeless person, such as ongoing monitoring of medication for the mentally ill; and help secure permanent housing and living situations. Absent a solid linkage between programs, a homeless individual may never make the connection with the program best designed to meet his/her needs.

Recommendations for meeting this need include the following:

-The Governor and the legislature should fund the creation of Homeless Coordinated Intake Centers, funneling one-time grants to counties through HCD.

-The Governor and the legislature should require the Health and Welfare Agency to create a training program for homeless case management workers and provide such training to county personnel.

-The Governor and the legislature should amend the Lanterman-Petris-Short Act to further define "gravely disabled" to allow a wider scope of treatment for the homeless mentally disabled.

-The Governor and the legislature



should investigate the use of state-owned vacant, surplus property for development of transitional housing, particularly for the mentally disabled.

The Commission's final finding was that because there is no cohesive approach to a statewide housing policy, many actions at various levels of government drive up the cost of housing and/or discourage the availability of adequate, affordable housing. For example, building standards and codes which require developers to use higher-cost fire safety systems or not use cheaper materials for aesthetic reasons have the ultimate effect of increasing the cost of building new housing. The Commission made the following recommendations relating to this issue:

- The Governor and the legislature should study the interplay and effect of land use factors including, but not limited to, slow-growth initiatives, locally imposed building fees, general plan housing elements, rent control and restrictive zoning practices.

- The Governor and the legislature should authorize a complete review of the Building Standards Code.

Report on Solid Waste Management: The Trashing of California (July 1989). After almost one year of studying the issue of solid waste management in California, the Little Hoover Commission released its findings. The study was designed to identify issues related to solid waste generation and disposal; determine the role of government in developing policies and systems to manage solid waste; evaluate the success of traditional policies of solid waste management; and identify alternatives, if necessary. As background material, the report noted that Californians generate between 38 and 40 million tons of non-toxic solid waste per year; although the state comprises only about 10% of the nation's population, it generates roughly 24% of the nation's solid waste; on the average, each Californian disposed of over 2,700 pounds of garbage in 1988, or over seven pounds per person each day; and 60% of the waste comes from individuals (the remaining 40% is generated by commercial or industrial sources).

The report described the four basic methods for disposing of or reducing solid waste: landfilling, incineration, recycling (including composting), and source reduction. Landfilling, the most widely used method of solid waste disposal, is basically a matter of burying garbage in large holes in the ground and covering the garbage with dirt. Incineration or burning facilities are either "mass burn"

facilities or "refuse-derived fuel" facilities. Mass burn facilities burn all refuse transported to the facility, and then generate heat, steam, and electricity. Refuse-derived facilities are designed to presort and reformulate refuse prior to its incineration and subsequent energy generation. Recycling is a means by which discarded materials are reused, either in their original form or after alteration. Composting is a method of producing an organic fertilizer created from natural waste products. Finally, source reduction reduces waste by diminishing the volume of waste materials generated at the source.

The Commission's first finding is that California lacks an integrated system for managing its solid waste. Instead, the state continues to rely on landfills to dispose of its garbage and does not place sufficient emphasis on alternative methods of disposal such as recycling and source reduction. Landfills continue to be California's primary method of garbage disposal because the California Waste Management Board (CWMB) has emphasized landfilling in past years and there has been little pressure to develop disposal alternatives. Serious disadvantages to landfilling include the facts that the state is generating more waste than its landfill space can accommodate; some Californians are exposed to health dangers; the environment in some areas is threatened; and the long-run financial costs to the public could be enormous.

The report next found that the state lacks a comprehensive statewide recycling program. The Commission stated that recycling must be a major part of California's system of handling garbage; yet, due to a lack of leadership, the state has not developed a comprehensive recycling program. By creating a successful recycling program, the following objectives would be accomplished: the reduction of solid waste volume to ease the landfill capacity crisis; the reduction of the need for incinerating waste; the removal from the waste stream of toxic materials that make incineration and landfilling unacceptable alternatives; the removal of materials that reduce the efficiency of incineration; the recovery of valuable materials for reuse and economic benefit; the conservation of virgin resources; and the use of landfills and incinerators only as a last resort.

The report recognized that recent attempts to mandate recycling on a statewide level have failed. Five significant recycling bills passed the legislature in 1988, only to be vetoed by Governor Deukmejian. The report noted that many of the authors of these bills are trying

again to pass laws that will become part of a comprehensive statewide recycling program.

Adding to the lack of leadership on the recycling issue is the failure of CWMB to aggressively pursue recycling as a part of the state's comprehensive waste management program. Although CWMB has been less than supportive of recycling legislation, the report states that recent actions by CWMB may be considered favorable to recycling, including the fact that CWMB has strengthened its regulations concerning requirements that counties review recycling opportunities in their solid waste management plans.

As its final finding, the report states that CWMB has been ineffective in meeting its responsibilities to encourage integrated waste management and discourage the use of landfills. Possible explanations for this lack of effectiveness include the following:

- CWMB may be overly influenced by trash haulers who do not stand to benefit from increased recycling;

- Although the law requires that at least two members of CWMB represent the waste industry, the law does not limit the number of representatives from the waste industry. Until recently, four of the nine CWMB members were tied to the waste industry either financially or through employment.

- There is no limit on ex parte communications by anyone appearing before CWMB in a quasi-judicial matter. Thus, interactions between an interested individual and CWMB could greatly influence the Board's actions but not become a matter of public record.

- Board members and staff are not restricted from working on matters affected by the actions of CWMB after the members or staff personnel depart from CWMB.

In response to its findings, the Commission made the following recommendations:

- The Governor and the legislature should enact legislation that explicitly establishes a statewide program based on a hierarchy in which source reduction is the first priority, recycling and composting are the second priority, environmentally safe incineration is the third priority, and environmentally safe landfill disposal is the fourth and last priority.

The Governor and the legislature should require counties to establish solid waste programs that institute, where possible, systems for collecting garbage fees on a per can or per bag basis, and garbage collection billing systems that segregate garbage fees from other county billings.



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-CWMB should establish an aggressive education campaign aimed at teaching consumers the value of conservation and efficient use of resources.

-The Governor and the legislature should enact legislation that requires local governments to prepare, adopt, and implement plans to divert from landfills through source reduction and recycling 25% of the waste generated within the jurisdiction of the local agencies.

-CWMB should conduct a comprehensive study of the financial, environmental, and social effects of recycling.

-CWMB should exist as an independent five-member board, consisting of members with specified credentials.

-CWMB should be subject to conflict of interest controls, including a ban on ex parte communications, and the prohibition of Board members or staff working on any matter affected by the actions of the Board for one year after the person's departure from the Board.

DEPARTMENT OF CONSUMER AFFAIRS

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

MAJOR PROJECTS:

Dispute Resolution Programs. This DCA-sponsored program consists of a network of informal and affordable county-based mediation centers throughout the state, based on the idea that an impartial mediator can often help adversaries reach a mutually satisfactory settlement. It is hoped that the program will defuse many disagreements which might otherwise end up in an already crowded state court system. (See CRLR Vol. 8, No. 2 (Spring 1988) p. 33 for background information.)

DCA is encouraged by the increasing interest in the program as more counties raise funds to qualify for grants. Eighteen counties—approximately one-third of those in the state—are implementing the Dispute Resolution Programs Act, includ-

ing Alameda, Butte, Contra Costa, Fresno, Humboldt, Inyo, Los Angeles, Marin, Mono, Sacramento, San Bernardino, San Diego, San Francisco, San Mateo, Santa Barbara, Santa Cruz, Ventura, and Yolo counties. These counties represent almost 70% of the state's population and 40% of the state's land area.

DCA's Dispute Resolution Advisory Council recently submitted its package of regulations implementing the Act to the Office of Administrative Law (OAL). (See CRLR Vol. 9, No. 3 (Summer 1989) p. 31 and Vol. 9, No. 2 (Spring 1989) p. 40 for background information.) The regulations have been approved by OAL and became effective on October 1.

LEGISLATION:

AB 2113 (Johnson), as amended August 25, repeals the entire Employment Agency Act of the Business and Professions Code, abolishes DCA's Bureau of Personnel Services, and enacts several provisions of the Civil Code relating to employment agencies. DCA is required to submit preliminary and final reports to the legislature regarding the implementation of this act. This bill was signed by the Governor (Chapter 704, Statutes of 1989). (For a detailed discussion of AB 2113, see *infra* agency report on BUREAU OF PERSONNEL SERVICES; see also CRLR Vol. 9, No. 3 (Summer 1989) p. 66.)

The following is a status update of bills discussed in CRLR Vol. 9, No. 3 (Summer 1989) at page 31 and Vol. 9, No. 2 (Spring 1989) at page 40:

AB 1770 (Roos), as amended August 30, would have prohibited consumer credit reports from containing certain information. This bill was vetoed by the Governor on October 1.

AB 1523 (Hansen), which was signed by the Governor on October 1 (Chapter 1212, Statutes of 1989), provides for transfers of DCA agency funds to release time accounts pursuant to a memorandum of understanding.

AB 1526 (Bentley) would have established investigative procedures and disclosure requirements for citizen complaints against peace officers, but was dropped by its author.

AB 1729 (Chandler), as amended August 22, changes the penalty for subverting an examination from revocation of license to classification as a misdemeanor with liability to the agency. This bill was signed by the Governor on September 29 (Chapter 1022, Statutes of 1989).

AB 1529 (Lancaster), as amended August 22, is DCA's omnibus bill which

makes technical changes in numerous statutes affecting DCA agencies. This bill was signed by the Governor on September 29 (Chapter 1104, Statutes of 1989).

AB 320 (Speier), as amended June 15, permits the buyer of a dating service or weight loss contract to cancel within three days. This bill was signed by the Governor on July 14 (Chapter 138, Statutes of 1989).

The following bills have become two-year bills, and may be pursued when the legislature reconvenes in January: *AB 718 (Frazee)*, which would expand disclosure rights of consumers who lease motor vehicles; *SB 1078 (Dills)*, which would prevent 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 pertains to disclosure requirements in the sale of a used car; *AB 552 (Moore)*, which would provide the buyer of a motor vehicle with the right to cancel a motor vehicle contract until midnight of the first business day after the day on which the buyer signed the contract; *AB 1272 (Eastin)*, which would provide for contact between DCA and the consumer programs of each state agency; *AB 459 (Frizzelle)*, which would provide that any business license issued by DCA could be renewed at any time after expiration without reexamination, if continuing education requirements are met and applicable dues are paid; and *AB 1578 (Murray)*, which would broaden the rights of landlords who wish to evict tenants engaged in unlawful activities.

ASSEMBLY OFFICE OF RESEARCH

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Established in 1966, the Assembly Office of Research (AOR) brings together legislators, scholars, research experts and interested parties from within and outside the legislature to conduct extensive studies regarding problems facing the state.

Under the direction of the Assembly's bipartisan Committee on Policy Research, AOR investigates current state issues and publishes reports which include long-term policy recommendations. Such investigative projects often result in legislative action, usually in the form of bills.

AOR also processes research requests from Assemblymembers. Results of these