



INTRODUCTION

Each regulatory agency of California government hears from those trades or industries it respectively affects. Usually organized through various trade associations, professional lobbyists regularly formulate positions, draft legislation and proposed rules, and provide information as part of an ongoing agency relationship. These groups usually focus on the particular agency overseeing a major aspect of their business. The current activities of these groups are reviewed as a part of the summary discussion of each agency, *infra*.

There are, in addition, a number of organizations which do not represent a profit-stake interest in regulatory policies. These organizations advocate more diffuse interests—the taxpayer, small business owner, consumer, environment, future. The growth of regulatory government has led some of these latter groups to become advocates before the regulatory agencies of California, often before more than one agency and usually on a sporadic basis.

Public interest organizations vary in ideology from the Pacific Legal Foundation to Campaign California. What follows are brief descriptions of the current projects of these separate and diverse groups. The staff of the Center for Public Interest Law has surveyed approximately 200 such groups in California, directing contacting most of them. The following brief descriptions are only intended to summarize their activities and plans with respect to the various regulatory agencies in California.

ACCESS TO JUSTICE FOUNDATION

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Access to Justice Foundation (AJF) is a nonprofit, nonpartisan citizen advocacy organization established to in-

form the public about the operation of the legal system; provide independent, objective research on the protection accorded citizens by laws; and guarantee citizens of California access to a fair and efficient system of justice.

AJF publishes a bimonthly report, *Citizens Alliance*, on citizens' rights issues and actions at the local, state, and federal levels. Legislative, judicial, and administrative activities which impact on the public justice system and the exercise of citizens' rights are a major focus of the organization's research and educational activities. AJF is funded by grants and individual memberships.

MAJOR PROJECTS:

AJF's "Voter Revolt to Cut Insurance Rates" initiative (Proposition 103) officially qualified for the November ballot on June 20. An immediate legal challenge by the insurance industry to keep the measure off the ballot was rejected by the Second District Court of Appeal (see CRLR Vol. 8, No. 3 (Summer 1988) p. 18 for background information).

Voter Revolt had raised nearly three quarters of a million dollars by the end of July—from about 74,000 individual contributors, 95% of whom gave amounts under \$100. The campaign hoped to raise at least another million to see it through to the election. By contrast, the insurance industry was expected to raise and spend at least \$43 million on behalf of its two ballot measures and to defeat Proposition 103 as well as Proposition 100.

National consumer leader Ralph Nader campaigned in California for Proposition 103, defending California's legal tort system and attacking the insurance industry's Proposition 104 and 106, which would restrict the amount lawyers can earn when they accept contingency fee cases. Nader said contingency cases are one of the few options available to most poor and moderate-income victims if they want to challenge insurance companies or irresponsible actions by corporations. Nader said those victims simply cannot afford to pay the \$100-\$200 per hour that many lawyers charge. Nader also assailed state Insurance Commissioner Roxani Gillespie, who claimed that some insurance companies might go broke or leave the state if Proposition 103 passes. After saying she would not enforce rate reductions for some insurance companies if Proposition 103 passes, Harvey Rosenfield, coordinator of the Voter Revolt campaign, suggested that Gillespie rep-

resents insurance companies rather than consumers, and called for her resignation.

AMERICAN LUNG ASSOCIATION OF CALIFORNIA

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Redondo Beach, CA 90277
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The American Lung Association of California (ALAC) emphasizes the prevention and control of lung disease and the associated effects of air pollution. Any respiratory care legislative bill is of major concern. Similarly, the Association is concerned with the actions of the Air Resources Board and therefore monitors and testifies before that Board. The Association has extended the scope of its concerns to encompass a wider range of issues pertaining to public health and environmental toxics generally.

MAJOR PROJECTS:

ALAC is a member of the network which supported Proposition 99—The Tobacco Tax and Health Protection Initiative—which appeared on the November ballot. The network is known as the Coalition for a Healthy California, and it estimates the tobacco industry spent \$12-16 million to defeat Proposition 99 (see CRLR Vol. 8, No. 3 (Summer 1988) p. 18; Vol. 8, No. 2 (Spring 1988) p. 24; and Vol. 8, No. 1 (Winter 1988) p. 22 for background information on the initiative).

At a July news conference, Dr. Spencer Koerner, President of the Los Angeles County American Lung Association, said, "Tobacco companies are bringing big money into California to keep our children blindfolded and uninformed about the dangers of tobacco." The "Yes on 99" campaign said it will be lucky if it is able to raise a million dollars to counter the tobacco industry advertising blitz, and will appeal to television and radio stations for free air time to present its messages under provisions of the federal fairness doctrine.

Bruce Herring, President of the San Diego/Imperial Counties American Lung Association, urged voters to reject the credibility of the tobacco industry commercials, saying that California is among the five lowest states in terms of tobacco taxation. Herring said funds raised by the 25-cents-per-package tax under Proposition 99 would support health and medical care for persons with tobacco-related illnesses. He noted



that millions of non-smoking Californians are currently subsidizing the cost of this medical treatment through general tax revenues and increased health insurance premiums.

ALAC is also a member of the Coalition for Clean Air, which participated in the first-ever "Air Quality Summit" in Los Angeles on August 27. Summit sponsors have commissioned six special papers, which are aimed at a significant improvement in Los Angeles basin air quality. Topics of the working papers include: growth and transportation; air toxics and hazardous waste reduction; stationary emissions sources; mobile emissions sources; alternative fuels; and local government coordination, oversight, and consistency of air pollution control strategies.

Clean air activists at the summit charged that unrelenting industry opposition to needed changes threatens to undermine clean air gains and erode political support for air quality controls. Summit participants discussed proposals to charge commuters a fee for driving downtown during peak traffic hours; a campaign for an air quality ballot initiative; and tougher vehicle emissions standards, land use controls, subsidized public transportation, waste recycling, required ride-sharing, and use of cleaner-burning fuels.

NATIONAL AUDUBON SOCIETY

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The National Audubon Society (NAS) has two priorities: the conservation of wildlife, including endangered species, and the conservation and wise use of water. The society works to establish and protect wildlife refuges, wilderness areas, and wild and scenic rivers. To achieve these goals, the society supports measures for the abatement and prevention of all forms of environmental pollution.

MAJOR PROJECTS:

An editorial in the September 1988 issue of *Audubon* magazine criticizes the U.S. Forest Service (USFS) as being historically biased in favor of timber harvests and against other forest uses such as watershed enhancement, wildlife protection, and recreation, as required by Congress in the 1960 Multiple Use-Sustained Yield Act. *Audubon* notes

that USFS' annual budget is \$2.5 billion; this year, \$546 million will be spent on timber-related activities, but only \$205 million on managing fisheries, wildlife, soil, water, and recreation. According to NAS, lip service is being paid to wildlife protection while old-growth forests—home to endangered species such as the spotted owl—are being rapidly cut and fragmented. Ecosystems and wildlife species are thus being destroyed before scientific evidence defining the management practices necessary to protect them can be assembled.

NAS calls upon the new President to appoint USFS leaders who appreciate the multiple uses of forests and recognize that some prime logging areas should not be cut, thus allowing other uses to continue. The formulation of a sound, full-employment strategy for the lumber industry should be based on recognition that "sustained employment requires sustained yield, [and] that the cutting of ancient forests is not sustainable." *Audubon* urges new USFS leadership to recognize the economic returns of wildlife protection, recreation, and water conservation.

NAS' project, the Citizens Acid Rain Monitoring Network, makes use of volunteers in every state to gather and measure rainfall acidity each month. In June, the Network reported data showing that rainfall with an average acidity level below 4 pH scorched fourteen states. Normal rainfall has a pH of approximately 5.6; rainfall with a pH index below 4 can be up to thirty times more acidic than normal. In spite of alarming reports coming in from all parts of the nation and summer air pollution alerts in many cities and even rural areas, *Audubon* laments that Congress continues to procrastinate on S. 1894, clean air legislation supported by NAS and other clean-air groups. (See CRLR Vol. 8, No. 2 (Spring 1988) pp. 13-14 for background information.)

During early summer, biologists from the U.S. Fish and Wildlife Service surveyed waterfowl habitat in the Dakotas, Wyoming, Colorado, and southern Canada, and report worse-than-usual nesting conditions for ducks. According to NAS' *Activist* newsletter, the prairie pothole region—known to experts as the "duck factory" because it produces half the nation's duck population—has been devastated this year by the drought. With duck populations at historic lows, the U.S. Army Corps of Engineers is bulldozing a wetlands drainage project in western Mississippi that will ravage the state's best waterfowl wintering area.

NAS claims the Army Corps' project threatens half of the four-million-acre Yazoo River Delta and even the Yazoo National Wildlife Refuge. If completed, the network of canals and pumps would be the most extensive drainage project in U.S. history, costing at least \$2 billion. Originally authorized in 1936, the intent of the project was to create farmland. *Audubon* says Mississippi Senator John Stennis has been using his position as chair of the Senate Appropriations Committee to keep the project alive. NAS believes it is illogical to drain wildlife-rich wetlands to create cotton and soybean fields, when the government currently pays millions of dollars to farmers to keep their farmlands out of production.

The Mono Lake controversy heated up over the summer. In June, the Third District Court of Appeal temporarily withdrew its May 23 decision ordering the Water Resources Control Board to commence proceedings to determine whether Los Angeles must reduce its water diversions from streams feeding Mono Lake in order to protect fish populations (*California Trout, Inc. v. State Water Resources Control Board*) (see CRLR Vol. 8, No. 3 (Summer 1988) pp. 117-18 and Vol. 8, No. 2 (Spring 1988) p. 14 for background information). The court will consider Los Angeles' contentions that its earlier decision contains factual errors.

Presently, Los Angeles obtains about 20% of its water supply from streams flowing into Mono Lake. The stream water diversion has meant an average drop in the lake's water level of 18 inches per year. Mono Lake has dropped a total of 45 feet and has doubled in salinity. A study released last spring by the Community and Organization Research Institute of the University of California at Santa Barbara said that if Los Angeles continues to drain water from creeks that empty into Mono Lake, the existing lake ecosystem could cease to function by 2012. Los Angeles would have to give up about 10% of its water supply in order to preserve the present level of the lake, according to the scientists who prepared the report.

BERKELEY LAW FOUNDATION
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The Berkeley Law Foundation



(BLF) is an income-sharing organization of Boalt law students and faculty which provides funding to public interest law projects. BLF is an "attempt to institutionalize financial, moral and directional support for public interest work within the legal profession, thereby avoiding dependence on outside foundations or governmental largesse."

BLF is a nonprofit corporation governed by a seventeen-member Board of Directors elected directly by the membership. The Board includes attorneys in both public and private practice, community representatives and law school faculty members, as well as members of the Foundation.

Foundation grants are designed to provide subsistence support and start-up funding for recently-trained attorneys committed to public interest work. BLF also provides a summer grants program to help law students undertake summer projects under the auspices of a sponsoring public interest organization.

MAJOR PROJECTS:

BLF's chair presented the Foundation's twelfth annual report to its members in late April. The BLF Board of Directors decided to fund three full-time grants during 1988-89 because of the exceptionally high quality of grant finalists. The three \$20,000 grants will provide needed legal services to prisoners who are victims of AIDS, for San Francisco Bay area homeless persons, and to the Berkeley Community Law Center Project.

The BLF grant for Bay area homeless is called the "Homeless Advocacy Project." In San Francisco alone, approximately 6,500 homeless people spend each night in doorways and on streets. They have a wide range of legal service needs related to welfare, entitlements, immigration, domestic relations, and criminal defense. The project has six major components, including informational assistance to service providers to help them understand the rights and legal issues of the homeless; recruitment and training of legal volunteers to assist homeless people; forums and clinics to provide preventive legal advice; direct legal service and representation; creation of a hotline service staffed by volunteer attorneys; and a program to effect policy changes through advocacy and impact litigation.

The AIDS in Prison Project recognizes that with prison facilities in the state at 200% capacity, prisoners with AIDS suffer under even more inhumane conditions than the general prison pop-

ulation, with grossly inadequate medical care and lack of access to libraries and educational programs. AIDS prisoners spend 12-14 hours per day in 7x14' cells, have access to very small exercise rooms, and are barred from family visitations.

The BLF grant for prisoners with AIDS will help provide many of these patients with direct representation, education, and advocacy on their behalf at policymaking levels. Services will include assistance in writing wills and powers of attorney; applications for compassionate releases provided for under the Penal Code; and general protection of their rights. The project will also prepare an educational manual for prisoners with AIDS, outlining their legal rights and explaining various procedures for legal services. Information will be compiled on health care facilities, social programs, and hospices for parolees. The project will work with the Department of Corrections to develop a long-term plan to combat the spread of AIDS in prisons.

The Berkeley Community Law Center project is known as "Bringing Legal Services Back to the Berkeley Community." The Center provides free and low-cost legal services to the Berkeley area and an opportunity for law students to work in a clinical setting, developing skills as legal and social advocates. The Center opened in September 1988, staffed by experienced attorneys and interns from Boalt Hall and the School of Social Welfare. BLF's grant funded one of two 1988 graduating students who submitted the grant proposal to work at the Center. BLF's board wrote to the Dean urging the law school to fund the salary of the other law student who wrote the grant proposal.

BLF's student organization raised enough money (\$29,000) to fund eleven summer grants for students working on diverse legal issues, such as housing discrimination, juvenile rehabilitation, farmworker conditions, elder abuse, parental consent and minor privacy rights, rape law reform, and racial discrimination in death penalty cases.

CALIFORNIA CONSUMER AFFAIRS ASSOCIATION

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California Consumer Affairs Associ-

ation (CCAA) is a statewide affiliation of local consumer protection agencies. The Association was founded in 1974 to establish and facilitate an avenue of communication among agencies concerned with the protection of consumers. CCAA actively represents the interests of California consumers in legislative and regulatory arenas. It serves its members and the public by providing workshops, training sessions, and forums, and by preparing and publishing educational materials and legislative summaries. Member groups provide their constituencies with counseling, information, and informal mediation services when marketplace transactions result in disputes. Some member agencies act as small claims court advisors.

Membership in CCAA is open to federal, state, and local agencies which are primarily funded by the government, with a mandate of consumer protection and/or assistance. Nonprofit organizations devoted to consumerism may also be eligible for membership. In addition, CCAA membership includes representatives of federal, state, and local law enforcement entities. Association structure is divided into northern and southern California divisions. CCAA convenes annually to involve members in setting goals and policies and to elect new officers. An executive committee composed of a vice president from each division and other CCAA officers ensures coordination.

MAJOR PROJECTS:

CCAA convened its annual conference in Sacramento on October 13 and 14. Three workshops were featured, including a discussion of the five insurance initiatives on the November 8 ballot; how to prepare a case for a district attorney; and the nature of mail fraud operations and other white collar crimes. Michael Kelley, Director of the state Department of Consumer Affairs (DCA), was the keynote speaker on October 13. He discussed DCA's 1989 legislative agenda. Senior Assistant Attorney General (Consumer Law Section) Herschel Elkin was the featured speaker at the conference luncheon on October 13. San Francisco Postal Inspector Wayne Gray presented the October 13 workshop on mail fraud.

The Association's southern division met on September 16 in Santa Monica to discuss the agenda of the statewide conference; issues relating to automobile lease and purchase contracts; and whether CCAA would take positions on November ballot propositions.



CALIFORNIA PUBLIC INTEREST RESEARCH GROUP *1147 S. Robertson Blvd., Suite 203 Los Angeles, CA 90035 (213) 278-9244*

CalPIRG is a nonprofit statewide organization founded and primarily staffed by students from several California universities. It is the largest student-funded organization of its kind in the state. There are CalPIRG chapters on four campuses of the University of California and at the private University of Santa Clara.

MAJOR PROJECTS:

In July, CalPIRG released a report entitled "Dumping on the Clean Water Act," which exposes fourteen major California city sewage treatment plants which routinely violate federal discharge standards. The study was conducted by two graduate students at the UCLA School of Architecture and Urban Planning. The fourteen municipal sewage plants were examined from October 1985 through December 1987, and all the violations were reported to the federal government by the facilities. During the two-year period, a total of 1,703 violations occurred, with the Los Angeles Hyperion Sewage Treatment Plant accounting for 69% of the excessive discharges and 90% of all toxics violations. According to the report, the Los Angeles toxics violations resulted in the discharge of cadmium, arsenic, chromium, and lead. San Diego's Point Loma treatment plant had 55 violations.

CalPIRG urged the state and federal governments to take immediate enforcement action to improve sewage treatment facilities and reduce the flow of pollutants into the environment. The study recommended that the treatment facilities be upgraded to full secondary treatment capacity. Secondary systems remove up to 90% of the suspended solids and oxygen-sapping organisms from wastewater prior to discharge. CalPIRG said it found a disturbing pattern of laxity in the application of federal and state wastewater laws and regulations. CalPIRG criticized City of San Diego officials for failing to make necessary and timely decisions to develop secondary treatment facilities. Rather than applying for federal grants for the upgrading when they were available, the City instead sought waivers to avoid compliance with federal Clean Water Act requirements. According to the report, the City's tardiness in addressing the issue will cost sewage rate-

payors a good deal more. The federal and state governments jointly filed a lawsuit against San Diego in July to force compliance with the Clean Water Act.

Priority state legislation advocated by CalPIRG this year included the following:

-SB 1198 (Marks), the "truth in initiative labelling" bill, requires opponents and proponents of ballot initiatives to publicly disclose major sources of funding for all campaign advertising. This bill was signed by the Governor on September 22 (Chapter 1155, Statutes of 1988).

-SB 2711 (Alquist) would have required a \$5 deposit on the sale of all lead-acid batteries to encourage consumers to return them to the place of purchase for recycling; however, the bill failed to pass the legislature.

-SB 722 (Hart) provides tax credits to employers who establish child care facilities for their employees. This bill was twice vetoed in past years by Governor Deukmejian, but was signed on September 23 (Chapter 1239, Statutes 1988).

-AB 4513 (Tanner), signed by the Governor on August 29, expands the state's "lemon law" provisions to cover the sale of mobile homes.

-SB 2767 (Petrus), the Toxics Use Reduction Act and CalPIRG's major legislative priority, was killed by the Senate Committee on Toxics and Public Safety Management. Senator Petrus has said he will reintroduce the bill in January (see CRLR Vol. 8, No. 3 (Summer 1988) pp. 20-21 for background information).

-AB 4097 (Connelly), the Food Safety and Pesticide Enforcement Act and another bill strongly supported by CalPIRG, was killed by the Assembly Agriculture Committee (see CRLR Vol. 8, No. 2 (Spring 1988) p. 15 for details).

During late summer, CalPIRG joined with a coalition of consumer groups in an unsuccessful effort to stop SB 2592 (Dills), which removes the current cap of 18% on retail credit card interest rates. In some states where the cap has been removed, interest rates have climbed 25-50%. CalPIRG was disturbed when the bill passed and was signed by the Governor.

In mid-August, CalPIRG held news conferences in several cities around the state to criticize the practice of using pesticides for cosmetic improvement of produce which is processed into products such as orange juice or tomato

sauce. Spokespersons said the chemicals used to prevent harmless blemishes or worm damage to oranges and tomatoes can cause cancer and birth defects. A CalPIRG-commissioned report estimated that 40-60% of pesticides used on processed tomatoes simply make them look better before they are ground up for ketchup or taco sauce. CalPIRG's study recommended that agribusiness look for new markets for cosmetically damaged fruits and vegetables produced without chemicals.

On the national front, U.S. PIRG announced figures in late August showing that the national coal and utility industries and related businesses have spent over \$6.5 million on a massive lobbying effort to stifle congressional legislation aimed at forcing reductions in the levels of acid rain contamination. U.S. PIRG said the industry lobbying group is known as "Citizens for Sensible Control of Acid Rain," and has received its contributions directly from U.S. coal producers and electric utilities since its founding in 1983. According to the public interest group, few citizens realize that their local utility company could be bankrolling the campaign to block clean air legislation while contributing heavily to the air pollution problem.

CALIFORNIANS AGAINST WASTE

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In 1977, Californians Against Waste (CAW) was formed to advocate for a recycling bill in the legislature which would require a minimum refundable deposit of five cents on beer and soft drink containers. After being repeatedly thwarted legislatively by well-financed industry opponents, CAW sponsored and organized a coalition for a statewide citizen initiative which appeared on the ballot in 1982 as Proposition 11. That measure failed after can and bottle manufacturers and their allies raised and spent \$6 million to defeat it. CAW worked for passage in 1986 of AB 2020 (Margolin), the "bottle bill" which in its final compromise form establishes a redemption value of one cent per container, with the amount increasing to three cents if specified recycling goals are not achieved. The bill requires recycling centers to be located within one-half mile of supermarkets with over \$2 million in annual sales.



MAJOR PROJECTS:

CAW's priority legislation—AB 3298 (Killea, Cortese)—passed the Legislature but was vetoed by the Governor. AB 3298, the "Recycling Act of 1988," would have required comprehensive recycling plans to be submitted by all cities and counties by 1990-92, and implemented by 1993-95.

CAW also lobbied diligently for passage of AB 3160 (Margolin), which would have increased the refund for recycling bottles and cans to five cents for two containers—up from the current penny-per-container rate. During committee hearings, Assemblymember Margolin told legislators that the one-cent refund is not attracting a large enough volume and that up to one-half the state's recycling businesses have begun to close. Assemblymember Byron Sher, Chair of the Assembly Natural Resources Committee, agreed that the statewide recycling program is in danger of collapsing because of the low redemption rate. In spite of this support, AB 3160 died in committee.

According to CAW, only 57% of aluminum cans, 24% of glass bottles, and barely 1% of plastic bottles are now being turned in at recycling centers under the one-cent-per-container refund. CAW believes that by increasing the refund to five cents for two containers, 90% or more of all bottles and cans in the state will be recycled. The group also cites studies showing that a more effective bottle bill would reduce solid waste by more than 6%, thereby conserving valuable landfill space. By 1999, all current landfill space in the state will have been used.

Also during the summer, CAW organized support for AB 3761 (Connelly), which would have banned the use of polystyrene foam packaging (styrofoam). Polystyrene is nondegradable and virtually nonrecyclable. Chlorofluorocarbons, used in the manufacture of polystyrene, have been linked by scientists to the rapidly depleting ozone layer which protects the earth against excessive ultraviolet radiation. However, the Governor vetoed AB 3761 on September 30.

In its efforts to reduce the amount of plastic used, CAW urges its members and consumers not to accept plastic bags at the grocery checkout. Von's and Lucky markets have recently begun to promote a new type of plastic bag that starts to break down into small pieces after about six months when exposed to direct sunlight. CAW insists this product is not a solution to the plastic problem as landfills become filled and as animals

in the marine environment eat the bags and die as a result of intestinal blockage, choking, or starvation. CAW suggests that consumers request biodegradable, recyclable paper bags, and that they write to Von's and Lucky stores' management demanding the grocery chains use recyclable, biodegradable grocery bags made from at least one-third recycled materials.

CAMPAIGN CALIFORNIA

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In July 1986, the Campaign for Economic Democracy (founded in 1977) became Campaign California. The 25,000-member organization, with offices in Sacramento, San Jose, and San Francisco and headquarters in Santa Monica, continues as the largest progressive citizens action group in the state. Each office of the organization operates a door-to-door and telephone canvass, providing direct contact with voters regarding issues; facilitating fundraising and signature collection drives; and resulting in registration of new voters.

Campaign California supports efforts to frame workable, progressive solutions to problems in the areas of child care, education, environment, transportation, personal safety, insurance, and health care. It targets the private entrepreneur as a source of economic growth, jobs, and innovation.

MAJOR PROJECTS:

Campaign California sponsored AB 4039 (Hayden), the Employee-Employer Child Care Cooperation Act of 1988, which would have encouraged the state's Child Care Advisory Committee to promote employee-sponsored child care programs and benefits. AB 4039, which was vetoed by the Governor on September 29, would have persuaded employers to inform workers about programs such as the Dependent Care Assistance Plan, through which money paid for child care costs becomes tax-exempt. The plan is currently available, but has not been widely promoted because the Internal Revenue Service has not published information about it and was slow in drafting regulations on the tax-exempt provisions.

According to Campaign California, both parents work in 80% of California families, and 25% of single parents work outside the home. Approximately one million children in the state are now in

need of child care. Public opinion surveys show that a majority of Americans believe employers should accept more responsibility for providing child care; in one poll, 72% agreed that the government should help pay child care expenses for those who cannot afford to. Campaign California asserts that child care costs and responsibilities should be shared by the public and private sectors, because such programs provide long-term benefits for communities by providing businesses with productive, stable workforces and a higher quality of life.

The Campaign California-backed Sacramento initiative (Measure B) to close the Rancho Seco nuclear power plant failed narrowly in the June 7 primary election by less than one percentage point. The national nuclear power industry poured \$1.5 million into the campaign to defeat Measure B and pass Measure C, which will keep the plant operating for at least another eighteen months. (See CRLR Vol. 8, No. 3 (Summer 1988) p. 22 and Vol. 8, No. 2 (Spring 1988) p. 17 for background information.)

The nuclear industry supported Measure C, which was placed on the ballot by a majority of the Board of Directors of Sacramento Municipal Utility District (SMUD). Measure C requires a second public vote on keeping Rancho Seco open after the eighteen-month trial period. Another provision of the winning measure requires electric rates to remain stable. According to Campaign California, that element was violated on election day; before the polls closed on June 7, the SMUD Board of Directors announced that it plans a 16% rate increase.

Campaign California Chair and Assemblymember Tom Hayden co-facilitated the first-ever "Air Quality Summit" in Los Angeles on August 27. The event was sponsored by the Coalition for Clean Air, Campaign California, and the Los Angeles Environmental Quality Board. Mayor Tom Bradley and City Councilor Marvin Braude addressed the meeting. The objective of the air quality summit was to facilitate the discussion of strategies and policies which can move Los Angeles toward significant air quality improvements. Hayden suggested that if governmental agencies fail to move within two years to enact tough new air quality proposals which could reduce smog by 40%, a city- or statewide clean air ballot initiative would be organized. Plans have already begun to raise up to \$400,000 for such an initiative campaign.



On July 22, Campaign California celebrated its second anniversary. Executive Director Cathy Calfo said the group has grown to over 97,000 members statewide. She noted the group's success in raising over \$270,000 in helping to pass Proposition 65, the Safe Drinking Water and Toxics Enforcement initiative in 1986; its participation and contribution of \$50,000 in the effort to close the Rancho Seco nuclear plant; and its membership in the Coalition for a Healthy California, which is backing Proposition 99, the November ballot initiative which would raise the tax on tobacco by 25 cents. Campaign California assisted by collecting over 98,000 signatures and contributing \$75,000 to the tobacco tax initiative. Campaign California's current agenda also includes an extensive voter registration and "get-out-the-vote" program throughout California this fall; continuing work on rent control issues and child care programs; and a project to improve air quality in the Los Angeles region.

CENTER FOR LAW IN THE PUBLIC INTEREST

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The Center for Law in the Public Interest (CLIP), founded in 1971, provides public interest law services. Some legal services for the Center are provided by the law firm of Hall and Phillips, while a number of legal cases are handled on a contract basis by outside attorneys. The Center's major focus is litigation in the areas of environmental protection, civil rights and liberties, corporate reform, arms control, communications and land use planning.

MAJOR PROJECTS:

In its summer newsletter, CLIP announced it would no longer employ a full-time legal staff to handle its public interest cases, but would instead use outside counsel. CLIP co-founders Carlyle W. Hall, Jr. and John R. Phillips said the organization would split into a small nonprofit law center and a private law firm. The new Hall and Phillips partnership is located in the offices formerly occupied by CLIP. Hall and Phillips will be the outside legal counsel handling several ongoing CLIP cases at below market rates, while having the freedom to take on other client-paid cases. One-third to one-half of the firm's

cases will produce fees, while the remainder will be managed by the nonprofit center, which will move to a separate location.

Under Internal Revenue Service rules, CLIP is limited to collecting only 60% of its budget from court-awarded fees for cases won, and cannot charge fees to clients. Hall and Phillips said that obtaining legal fees in controversial cases from an increasingly conservative judiciary is becoming riskier. Even when a case is won, collection of any fees awarded can take years. CLIP said it is also becoming harder to raise funds by other means.

The Santa Barbara Mountain Park Association, a citizens group in northwest Los Angeles County, recently asked CLIP for legal assistance in challenging a County Board of Supervisors-approved 350-acre housing development in the Santa Barbara Mountains. The citizens group forced county preparation of an environmental impact report (EIR) on the development, and has asked CLIP to prepare comments on the draft EIR. The mountains are the primary connecting wildlife corridor from the Sierra Nevada range to the San Gabriel and Santa Monica ranges. Environmentalists believe the new housing tract will disrupt this wildlife connector, surround the wildlife's only year-round water supply with homes and pavement, and could destroy or harm endangered species of birds, reptiles, and plants.

CLIP has settled its first case under the federal False Claims Act which rewards whistleblowers who report fraud against the taxpayers. Soon after CLIP filed suit on behalf of a whistleblower at Scripps Clinic and Research Foundation in San Diego, Scripps—without conceding fault—settled the claims and paid the U.S. Treasury \$355,000 (see CRLR Vol. 8, No. 1 (Winter 1988) pp. 22-23; Vol. 7, No. 4 (Fall 1987) p. 16; and Vol. 7, No. 3 (Summer 1987) p. 16 for background information).

In a 6-1 decision, the California Supreme Court rejected an appeal by CLIP and an Irvine citizens group for the right to vote on use of developer fees for construction of three freeways in Orange County (see CRLR Vol. 8, No. 2 (Spring 1988) p. 18 for details). The Committee of 7,000 gathered signatures for a local initiative which was ordered off the ballot by the court of appeal. The Supreme Court said the freeways are authorized by state statute, are of statewide importance, and are not subject to local initiative. The Irvine

City Council has agreed to place an advisory measure on an upcoming ballot asking voters whether developer fees collected by the city should be used to pay for the highways.

CENTER FOR PUBLIC INTEREST LAW

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The Center for Public Interest Law (CPIL) was formed in 1980 after approval by the faculty of the University of San Diego School of Law. The faculty selected Robert C. Fellmeth, a law faculty professor, as the Center's director. CPIL is funded by the University and private foundation grants.

The Center is run by six staff members, including an attorney in San Francisco, and approximately forty law students. Students in the Center attend courses in regulated industries, administrative law, environmental law, and consumer law, and attend meetings and monitor activities of assigned agencies. Each student also contributes quarterly agency updates to the *California Regulatory Law Reporter*. After several months, the students choose clinic projects involving active participation in rulemaking, litigation, or writing.

The Center is attempting to make the regulatory functions of state government more efficient and more visible by serving as a public monitor of state regulatory agencies. The Center studies approximately sixty agencies, including most boards, commissions and departments with entry control, rate regulation, or related regulatory powers over businesses, trades, and professions.

MAJOR PROJECTS:

On September 1, Professor Fellmeth released the Third Progress Report of the State Bar Discipline Monitor (see CRLR Vol. 8, No. 3 (Summer 1988) p. 23; Vol. 8, No. 2 (Spring 1988) pp. 18-19 and 124-26; and Vol. 7, No. 3 (Summer 1987) p. 1 for background information). The Report states that a number of the harsh criticisms contained in prior reports remain valid, especially the Bar's failure to eliminate a serious backlog of cases. However, it also credits the Bar with major administrative changes and for its support of the Monitor's reform legislation, Senate Bill 1498 (Presley), which was signed by the



Governor on September 22 (Chapter 1159, Statutes of 1988). (For more detailed information on SB 1498, see *infra* agency report on STATE BAR.) The Third Progress Report also focuses on issues of compensation and prevention, including compulsory malpractice insurance, continuing education and retesting, deregulation of "legal technicians", and alcohol/drug abuse intervention and diversion programs.

On September 28, CPIL filed a petition for a writ of mandate in the Fourth District Court of Appeal against the Fair Political Practices Commission (FPPC) and the Franchise Tax Board (FTB). On September 22 (and over the Center's objection and testimony), the FPPC adopted its staff's recommendation that the Campaign Reform Fund established in Proposition 68 conflicts with a prohibition in Proposition 73 against the use of "public monies" to finance political campaigns, and is thus null and void. Also at the September 22 hearing, a representative of the FTB testified that the FTB would immediately act upon the FPPC's decision, and begin to print the 1989 state income tax forms without including the Proposition 68 Campaign Reform Fund checkoff section.

The Center strongly supported Proposition 68 in the June election. Propositions 68 and 73—both pertaining to campaign finance reform—were both passed by a majority of the voters in the June election and both must be implemented. But Proposition 73 received more votes; thus, in areas of "irreconcilable conflict", Proposition 73 controls. The Center argued before the FPPC that Proposition 68's Campaign Reform Fund does not qualify as "public monies" under the definition of that term provided in Proposition 73; therefore, implementation of the Fund would not violate the prohibition against the use of "public monies" for campaigns in Proposition 73. After the FPPC rejected the Center's arguments, the Center filed its petition for a writ of mandate. The Fourth District ordered the agencies to respond to the merits of the petition by October 10. At this writing, FTB has agreed to refrain from printing the 1989 tax forms until November 8, 1988.

On September 6, CPIL and Common Cause filed a petition with the Department of Insurance seeking an immediate \$43 million reduction in insurance rates for consumers. Over the summer, the insurance industry announced its plans to spend that amount in support of its November ballot insurance initiatives

(Propositions 104 and 106) and in opposition to two consumer group-sponsored insurance initiatives (Propositions 100 and 103). CPIL and Common Cause concede the industry's first amendment right to publicize its views, but dispute its right to assess policyholders for the cost of the campaign. The groups have asked Insurance Commissioner Roxani Gillespie to require that all funding for the political campaign come from stockholder dividends and not consumer premiums. In an analogous area, an established policy has been applied to private utilities: such political campaign funds must come from stockholder profits and dividends, and not from ratepayers. The Department of Insurance was scheduled to rule on the petition in mid-October.

CPIL continues to represent ratepayers in ongoing telecommunications matters before the Public Utilities Commission (PUC). (See CRLR Vol. 8, No. 2 (Spring 1988) p. 19 for background information.) CPIL has filed extensive testimony, as the PUC seeks to reconsider its basic regulatory framework over telecommunications post-AT&T divestiture. Hearings are scheduled throughout November.

CPIL is preparing a number of proposals for submission to the PUC's Education Fund Committee. The Fund was created by a PUC order disciplining Pacific Bell for deceptive marketing tactics, and will fund educational projects on telecommunications for consumers.

The Center is also entering both general freight and household mover trucking proceedings before the PUC on behalf of consumers. CPIL advocacy is focusing on deregulation, including abandonment of entry barriers, rate caps, and minimum price floors which inflate trucking costs and consumer prices. Hearings are expected from November through January.

COMMON CAUSE

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California Common Cause (CC) is a public affairs lobbying organization dedicated to obtaining a "more open, accountable and responsive government" and "decreasing the power of special interests to affect the legislature."

MAJOR PROJECTS:

Common Cause says that California voters sent legislators a strong message

on June 7 when both Propositions 68 and 73 regarding campaign finance reform were approved. Citing a last-minute and effective campaign of deception, CC says the weaker and more limited Proposition 73 won more votes and will supercede Proposition 68, which CC authored and supported, in some respects (see CRLR Vol. 8, No. 3 (Summer 1988) pp. 23-24 and Vol. 8, No. 2 (Spring 1988) pp. 1 and 19 for background information).

In its July/August *Common Cause* magazine, CC noted that Democrats took the lead in opposing Proposition 68, and that the Republican Governor and Republican and Democratic leaders in both the Senate and Assembly fought the reform measure. CC criticized Assembly Speaker Willie Brown, Jr., Senate Democratic President pro Tempore David Roberti, and key Congressmembers Howard Berman and Mel Levine for battling against Proposition 68. National CC President Fred Wertheimer said opponents of 68, including the California Medical Association (CMA), raised funds and placed Proposition 73 on the ballot as a ploy to confuse voters and ensure that neither proposition passed. CMA then formed and financed a committee to oppose both initiatives, which was managed by Michael Berman, brother of Congressman Howard Berman.

According to Wertheimer, the Michael Berman-managed campaign used scare tactics in television ads, saying that Ku Klux Klan-type groups would be able to obtain taxpayer funds via Proposition 68 to run for political office. CC says finance reform opponents used deceptive ads to imply that Attorney General John Van de Kamp opposed both initiatives, when in fact he was a major backer of Proposition 68. On the eve of the primary election, the Michael Berman campaign sent three million slate mailers to Democrats which falsely appeared to be from the Democratic party and implied that both presidential candidates Michael Dukakis and Jesse Jackson opposed Proposition 68. Common Cause will continue to advocate implementation of Proposition 68 wherever Proposition 73 does not take precedence.

In the November election, Common Cause endorsed both Proposition 100, the "Good Driver Initiative," and Proposition 103, the "Voter Revolt to Cut Insurance Rates Initiative" (see CRLR Vol. 8, No. 3 (Summer 1988) pp. 18 and 27 for details). On September 9, CC called a Los Angeles news conference to announce formation of "Californians for



Honest Insurance Reform," a new committee to fight three other ballot initiatives backed by insurance companies (Propositions 101, 104, and 106). Walter Zelman, CC's California Executive Director, said the over \$43 million being spent by the insurance industry for nearly 9,000 television ads would be the most expensive and extravagant political campaign in California history. Joining CC in forming the new committee were the University of San Diego's Center for Public Interest Law (CPIL), Consumer Federation of California, National Insurance Consumer Organization, and Consumer Federation of America.

On September 6, CC joined CPIL in petitioning state Insurance Commissioner Roxani Gillespie to require insurance premium reductions to consumers totalling \$43 million—the amount the industry will spend to promote its own Propositions 104 and 106. The two groups insisted that political efforts of the insurers should be paid for from stockholder dividends, not consumer insurance premium monies. If Gillespie rejects the request, the groups may file a petition for writ of mandate, asking the court to force the Department to act on the request.

CC is asking its members nationwide to lobby Congress for federal campaign finance reform by urging representatives to cosponsor H.R. 2717, which would limit spending in House races within a system of partial public financing and place an overall limit on the amount of special interest political action committee (PAC) monies which congressional candidates may accept. The bill had 91 cosponsors in early summer. CC wants House members to go on record with their positions on H.R. 2717 before the November elections, even though the bill may not pass this session, to demonstrate support for cleaning up the discredited federal campaign finance system. CC wants the leadership of both parties to make firm commitments to support the bill next year if it is not acted upon this year.

According to CC, it has been ten years since the House last acted on any legislation to establish campaign finance limitations; and during the 1986 election, nearly half the members of the House received 50% or more of their contributions from special interest PACs. PACs made record contributions that year of \$65.5 million to House incumbents, compared to only \$8.6 million to challengers. As a result, CC says, the reelection rate for incumbents in 1986

was 98%. CC claims the present federal campaign finance system has become the ultimate incumbent protection system.

CONSUMER ACTION

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San Francisco Consumer Action (CA) is a nonprofit consumer advocacy and education organization formed in 1971. Most of its 2,300 members are in northern California but significant growth has taken place in southern California over the past year. CA is a multi-issue group which since 1984 has focused its work in the banking and telecommunications industries.

CA has filed petitions with and appeared before the California Public Utilities Commission (PUC) in the field of telephone rates. Statewide pricing surveys are published periodically comparing the rates of equal-access long distance companies and the prices of services offered by financial institutions. The purpose of the pricing surveys, which are released to the public, are to encourage consumers to comparison shop, to stimulate competition in the marketplace, and to compile data for use in advocating reforms. In 1986, more than 18,000 consumers requested survey information.

Once each year, CA publishes consumer service guides for the San Francisco Bay area and the Los Angeles area which list agencies and groups offering services to consumers and assisting with complaints. A free consumer complaint/information switchboard is provided by CA, and the group publishes a regular newsletter which includes the pricing surveys.

MAJOR PROJECTS:

On August 10, CA called news conferences in Los Angeles and San Francisco to release its second annual home equity survey, and accused California financial institutions of enticing homeowners into risking their equity on frivolous purchases, vacations, and investments. (See CRLR Vol. 7, No. 4 (Fall 1987) p. 18 for results of CA's first survey.) CA found that many bank brochures promoting home equity loans fail to warn consumers about high interest rates on the credit; annual percentage rates which understate the actual cost of the loan by failing to mention set-up fees; and that many lines of credit allow the lender to unilaterally change loan

terms. The study surveyed 25 credit lines and 42 second mortgage loan products at 28 financial institutions. CA's home equity survey is available free to consumers who send a self-addressed, legal-sized envelope with 45 cents postage to the group's San Francisco address.

In July, the Telecommunications Research and Action Center (TRAC), consumer advocate Ralph Nader, and CA called on the Federal Communications Commission (FCC) to invoke regulatory authority to control alternative operator services (AOSs). (See CRLR Vol. 8, No. 2 (Spring 1988) p. 20 for background information.) The consumer groups want the FCC to reverse its past policies regarding AOSs and require the companies to obtain FCC authorization to operate and to file rate tariffs. AOSs provide operator assistance services at hotels, hospitals, college dormitories, prisons, and to owners of private pay phones. CA, TRAC, and other consumer groups believe AOSs have been gouging consumers around the nation by charging prices for calls that are two, three, and five times as much as those approved for AT&T. CA argues that AOS companies should not be allowed to charge more than AT&T.

Several consumer groups from around the nation (including CA) released a survey on June 8 which studied banking services. The consumer network found that costs to customers for routine banking services have increased while interest rates paid to them on their deposits have declined in the past year. Consumer Federation of America (CFA), CA, CalPIRG, and nineteen other groups examined 110 banks and 84 thrifts (savings and loan companies and savings banks) in fifteen states. Major findings include the following:

- The net cost of interest-bearing checking (NOW) accounts climbed 9.9% in the year ending April 1988, following similar increases in the three previous years. Consumers with small and moderate account activity now pay about 56% more for interest-bearing checking accounts than they did in 1984.

- While the prime rate, mortgage rates, and other lending rates increased over the last year, only 22 of 132 surveyed institutions increased the rates they paid to consumers for NOW account deposits.

- Low-cost, alternative basic banking services are not widely available, despite industry claims. Just over 20% of the institutions surveyed that have checking accounts also offer low-cost alternatives.

- Thrift institutions pay consumers



more interest and charge lower fees.

Copies of the new banking survey are available to the news media through CFA (202-387-6121). (Individual consumers are advised not to request the report since banking institutions are not identified by name.)

In July, Pacific Bell proposed a new regulatory plan that would freeze its rates for four years, make touch-tone service part of the basic rate (it now costs extra), and lower the cost of some of its services. CA cautioned consumers that the company's "rate stability" plan would do more for PacBell's profit margin than it would for consumers. CA objects to that part of the plan which proposes to split excess company profits between shareholders and ratepayers.

CA supported AB 3006 (Connelly), which would halt the controversial auto rental company practice of selling "collision damage waiver" (CDW) coverage. A CDW provides coverage for physical damage to the rental car, but for many drivers this is unnecessary because their own auto insurance covers them when they rent a car. Under the bill, rental companies cannot require the purchase of a CDW, optional insurance, or any other optional good or service; they must provide a clearly readable statement of the charge for a CDW and a statement that it is optional; and CDWs are limited to \$9 per day. AB 3006 was signed by the Governor on September 29 (Chapter 1523, Statutes of 1988).

CONSUMERS UNION

1535 Mission St.
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Consumers Union (CU), the largest consumer organization in the nation, is a consumer advocate on a wide range of issues in both federal and state forums. At the national level, Consumers Union publishes *Consumer Reports*. Historically, Consumers Union has been very active in California consumer issues.

MAJOR PROJECTS:

Citing a recent court judgment, Consumers Union recently claimed that Proposition 101 (one of the five insurance initiatives on the November ballot) would cost taxpayers more and raise the price of health insurance. CU made its claims in a proposed ballot argument against Proposition 101. Assemblymember Richard Polanco, chief sponsor of Proposition 101, filed suit challenging CU's ballot argument. In mid-August, a

superior court judge left intact most of the key allegations in CU's ballot argument, striking down only portions of the wording. The court found that because of vague wording in Proposition 101, any source of insurance—from private health coverage to state disability—could be targeted to pay claims.

The Polanco initiative would change the system under which claims are paid for medical costs. Currently, auto insurance companies are required to pay accident claims including bodily injuries. According to CU, Proposition 101 would require compensation to be paid first by private health insurance policies, Medi-Cal, or other health insurance coverage, before the auto insurance policy would be tapped. Victims would be able to make claims on auto insurance companies only when no other form of insurance is available. CU West Coast Director Harry Snyder argued that other benefits such as sick leave, vacation time, and workers' compensation coverage would have to be exhausted before auto insurance policies would be forced to pay for accident claims. The consumer group called on Assemblymember Polanco to repudiate the measure. Polanco rejected the demand, and denied CU's claims.

Consumer advocates, including CU, changed their position on AB 3756 (Stirling), after it was amended to allow the prevailing "plaintiff" (rather than "party") to recover attorneys' fees under the Consumers Legal Remedies Act. Before it was amended, the bill would have required a consumer who brings an unsuccessful suit to pay the defendant's attorneys' fees. The Consumers Legal Remedies Act gives consumers the right to file individual or class action lawsuits, and to recover actual and punitive damages, as well as other relief at the discretion of the court. The Governor signed AB 3756 on September 26. Attorney General John Van de Kamp and the California Trial Lawyers Association also supported the bill.

SB 2592 (Dills), which deletes the current 18% maximum on retail credit card interest rates, passed and was signed by the Governor in August. CU and other public interest groups had lobbied hard against SB 2592, calling it the "worst consumer bill of the year" (see CRLR Vol. 8, No. 3 (Summer 1988) p. 25 for background information). Consumer advocates were joined in opposing the bill by Assemblymember Lloyd Connelly (D-Sacramento), who said the federal Department of Commerce had concluded that "...deregula-

ting retail interest rate ceilings...is both unwise and unnecessary," and creates an extremely high potential for abuse. Opponents of Dills' bill reported a common practice in other states where such deregulation has occurred: some department stores have raised their credit card rates up to 50%.

ENVIRONMENTAL DEFENSE FUND

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The Environmental Defense Fund (EDF) was formed in 1967 by a group of Long Island scientists and naturalists concerned that DDT was poisoning the environment. EDF was a major force behind the 1972 federal ban of DDT.

Staffed by scientists, economists, and attorneys, EDF is now a national organization working to protect the environment and the public health. Through extensive scientific and economic research, EDF identifies and develops solutions to environmental problems. EDF currently concentrates on four areas of concern: energy, toxics, water resources and wildlife.

MAJOR PROJECTS:

In a report which grew out of meetings sponsored by EDF, leading scientists and policymakers call for prompt action to avert or limit the global warming trend caused by excessive carbon dioxide and other human-made gases—the so-called "greenhouse effect". Other participants in the gatherings were the Beijer Institute of the Royal Swedish Academy of Science and the Woods Hole Research Center. The meetings took place last fall in Villach, Austria and Bellagio, Italy.

EDF's newsletter reports that EDF staff scientist Dr. Michael Oppenheimer and staff economist Dr. Daniel J. Dudek testified at Senate hearings on global warming in June, presenting the "Bellagio Report's" agenda for priority action, which includes recommendations to:

- ratify, implement, and consider strengthening the Montreal accord, an international agreement reached last year to reduce chlorofluorocarbon (CFC) emissions, which contribute to atmospheric warming and ozone depletion (see CRLR Vol. 8, No. 3 (Summer 1988) p. 26 and Vol. 8, No. 1 (Winter 1988) p. 29 for background information on the



Montreal accord);

- reduce fossil fuel burning by increasing energy efficiency and developing non-fossil energy systems;

- further reduce deforestation (especially destruction of tropical rain forests), which releases carbon dioxide and other gases; and increase forest acreage, which absorbs carbon dioxide; and

- limit emissions of other gases by currently available techniques, including smog controls, tapping methane from landfills, and pursuing development of technological solutions. Copies of the new report, entitled "Developing Policies for Responding to Climate Change," may be ordered for \$10 from EDF, 1616 P St., NW, Washington, D.C. 20077-6048.

EDF has published a guide for citizens on how to get involved in preventing ozone depletion without waiting for government and industry policies to take effect. "Protecting the Ozone Layer: What You Can Do" may be ordered through EDF for \$2. EDF believes consumer action can be a powerful tool in helping to solve this major environmental threat. Some of the simple and economical steps outlined in the guide to reduce ozone-depleting chemicals include: recovery and recycling of CFCs and halons; citizen advocacy of legislation at the local and state levels requiring that refrigerants be removed from air conditioners and refrigerators before the units are repaired or junked; and reduction of ozone depletion through substituting new products and processes.

In its September newsletter, EDF accused the U.S. Environmental Protection Agency (EPA) of abdicating its responsibility to protect Americans from environmentally-induced diseases. In April, EPA announced a new policy which concluded that a risk of death as high as 1 in 180 for persons exposed to toxic air pollutants is "safe", and that standards which reduce emissions to that level fulfill its legal duty under the Clean Air Act to protect public health. EDF believes that federal government approval of EPA's "acceptable risk" standard would mean acceptance of the current national incidence of environmentally-induced cancer (currently estimated by EPA at 1 in 100-200). According to EDF, such a policy would mean that little more will be done in the battle against lung cancer; and if the new "acceptable risk" standard is applied to other public health protection laws, most drinking water contaminants will remain in the water supply and few

Superfund-eligible toxic waste dumpsites will ever be cleaned up.

An EDF lawsuit against the EPA for broader government use of recycled products was recently settled in a consent decree approved by the U.S. District Court for the District of Columbia. (See CRLR Vol. 8, No. 1 (Winter 1988) pp. 26-27 for background information.) The agreement compels EPA to issue regulations requiring federal agencies to purchase paper, tires, insulation, and lubricating oils which are made from recycled materials. EDF claimed that for twelve years, EPA had ignored a provision under the 1976 Resource Conservation and Recovery Act which requires it to stimulate markets for recycled materials. According to EDF, EPA failed to issue the necessary purchasing guidelines which would enable agencies to locate and purchase the recycled products.

FUND FOR ANIMALS

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Founded in 1967, the Fund works for wildlife conservation and to combat cruelty to animals locally, nationally, and internationally. Its motto is "we speak for those who can't." The Fund's activities include legislation, litigation, education, and confrontation. Its New York founder, Cleveland Amory, still serves without salary as president and chief executive officer.

MAJOR PROJECTS:

The Fund was part of a broad coalition of wildlife and environmental groups which fought to prevent the issuance of state licenses to hunt the mountain lion (cougar) by the Department of Fish and Game. Environmentalists believe the cougar population in California is still dangerously low. In May, the Mountain Lion Preservation Foundation filed suit to prevent the authorized killing of up to 190 cougars (see CRLR Vol. 8, No. 3 (Summer 1988) pp. 26-27 for background information). On June 20, San Francisco Superior Court Judge Lucy Kelly McCabe ruled for the second consecutive year that the Department's justification for the proposed hunt is inadequate and that the agency has still failed to comply with her 1987 order to study the environmental impact of the sport hunt. A spokesperson for the wildlife groups said the ultimate solution must be state

legislation to outlaw sport hunting of the big cats.

Fund for Animals and other animal rights advocates lobbied for passage of AB 4500 (Farr) to ban imports of young dogs raised in "puppy mills" in other states for sale in California pet stores. Assemblymember Farr appeared at a news conference on the Capitol steps in August, saying that the puppies are raised in inhumane conditions which breed diseases and are shipped when only eight weeks old. The result is that the animals are stressed and often in poor health when they arrive at pet shops. AB 4500 would have prohibited importation of puppies under twelve weeks old unless they are accompanied by the mother dog. AB 4500 died in the Assembly after passing the Senate and returning to the lower house for concurrence in amendments.

Fund for Animals supported the following legislation over the past session:

- AB 2563 (Bates), which would have banned veal calf enclosures which do not allow the animal to stand, lie down, turn around, and groom itself, died in committee.

- AB 2756 (O'Connell), which allows veterinarians to report to authorities injuries they treat which resulted from cruelty or neglect without incurring civil penalties, was signed by the Governor (Chapter 810, Statutes of 1988).

- AB 2863 (La Follette), AB 4023 (Filante), and SB 2136 (Davis), which would increase the possible penalties for "maliciously and intentionally" torturing or killing an animal, or for overdriving, overworking, or neglecting any animal, were signed by the Governor on September 29.

- AB 2891 (Jones) makes the possession of more than one bear gall bladder prima facie evidence that the possessor intends to sell the organ for profit. Fund for Animals believes AB 2891, which was signed by the Governor, will help enforce anti-poaching laws.

- AB 3397 (Campbell), which would have required the Department of Fish and Game to report to the legislature on the sale and trade of exotic birds, died in committee.

- SB 2620 (Marks), which would have authorized a study to identify alternatives to steel-jaw leghold traps, was vetoed on September 30.

- SB 2629 (McCorquodale), which would have required the Department of Fish and Game to submit a plan to the legislature on how the Department will meet a goal of increasing wetlands by 50% by the year 2000, was refused



passage on the Assembly floor on August 31.

Fund for Animals opposed these bills:
-AB 1960 (Farr), which would have allowed the sale of falcons, their eggs, and semen by breeders, died in committee. Fund for Animals believes AB 1960 would have promoted the sport of falconry, which it considers cruel.

-AB 3156 (Allen) authorizes the imposition of a misdemeanor penalty on those who willfully interfere with hunting, fishing, or trapping. Those found guilty must pay all the expenses of the hunter or trapper. This bill was signed by the Governor (Chapter 1278, Statutes of 1988).

-SB 1741 (Torres), which would have regulated dogs declared vicious by requiring tattoos, warning signs, special liability insurance, and secure enclosures, died in committee.

ICAN (INSURANCE CONSUMER ACTION NETWORK)

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The Insurance Consumer Action Network (ICAN), organized in January 1986, is a coalition of individuals and organizations committed to providing a consumer perspective to balance insurance industry lobbying, and to being involved in the process which shapes and protects insurance consumers' rights and interests at state and national levels. Presently based in Los Angeles, ICAN affiliates include Common Cause, Consumers Union and Public Advocates; it is working to establish a presence in other states. ICAN/Legislate, a network of state legislators who are members of policy committees which consider insurance issues, is intended to offset the influence of a similar industry group and will develop public policy, conduct research, and draft model legislation in the interests of the insurance consumer.

MAJOR PROJECTS:

During the fall, ICAN continued the active campaign in support of Proposition 100, its "Good Driver" insurance reform initiative on the November ballot (for background information on the initiative, see CRLR Vol. 8, No. 3 (Summer 1988) p. 27; Vol. 8, No. 2 (Spring 1988) p. 22; and Vol. 8, No. 1 (Winter 1988) pp. 27-28).

In June, ICAN issued a news release stating that 32% of its campaign contri-

butions derived from the California Trial Lawyers Association (CTLA). ICAN said that a total of \$2.5 million was raised for Proposition 100 from January 1 to June 30, 1988. By some accounts, the Proposition 100 campaign may spend \$8 million or more by November 8.

On August 12, the Third District Court of Appeal rejected the insurance industry's request to have Proposition 100 removed from the ballot. This marked the second time the court repudiated the industry's claim that Proposition 100 violates the state constitution's prohibition against ballot propositions which deal with more than one subject. In May, the appellate court rejected the insurance industry's case without oral argument, but in July the state Supreme Court ordered the lower court to hear oral argument.

Backers of Proposition 100 believe that an August 18 state Supreme Court ruling which shields insurance companies which engage in unfair and deceptive claims handling from "bad faith" litigation (*Moradi-Shalal v. Fireman's Fund Insurance Company*) will bolster support for the "Good Driver Initiative." Proposition 100 includes a provision that would overturn the Supreme Court's decision and reinstate third parties' right to sue insurers for "bad faith" practices. Consumer groups and trial lawyers attacked the 5-2 court decision as a pro-business assault on consumers' rights. Assemblymember Lloyd Connelly (D-Sacramento) said the court's decision would improve the strength of Proposition 100's arguments, especially with newspaper editorial boards. "With informed consumer groups who are supporting Propositions 100 and 103, this is a feature in Proposition 100 that is not available in Proposition 103," Connelly noted.

In mid-September, ICAN's Steven Miller accused state Insurance Commissioner Roxani Gillespie of exhibiting bias toward the insurance industry after she testified before an Assembly committee that Propositions 100 and 103 would force some insurance companies into insolvency, and that she might not enforce some rate reductions called for by the two initiatives if they pass. Later, Gillespie publicly announced she is neutral on all the insurance initiatives. Miller also said that insurers' claims that their no-fault initiative (Proposition 104) is patterned after the New York no-fault system are false, because two-thirds of the insurance industry's measure prevents the regulatory over-

sight that is an essential part of New York's system of consumer protection.

LEAGUE FOR COASTAL PROTECTION

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Created in 1981, the League for Coastal Protection (LCP) is a coalition of citizen organizations and individuals working to preserve California's coast. It is the only statewide organization concentrating all its efforts on protecting the coast. The League maintains a constant presence in Sacramento and monitors Coastal Commission hearings.

MAJOR PROJECTS:

In mid-July, coastal protectionists were elated to announce the delay of oil Lease Sale 95 until at least 1990. Lease Sale 95 would have permitted oil drilling off the coast of southern California in September 1989. (See CRLR Vol. 8, No. 3 (Summer 1988) p. 109 and Vol. 8, No. 1 (Winter 1988) p. 28 for background information.) Several environmentalists credited the delay of the lease sale to Lieutenant Governor Leo McCarthy, who went to Washington, D.C. and convinced Louisiana Senator Bennett Johnston to withdraw an acceleration provision from a federal appropriations bill. One scientist from San Diego noted that each oil drilling rig off the coast would emit contaminants equal to 23,000 automobiles, including organic hydrocarbons, oxides of nitrogen, and sulphur.

Of the coastal bills followed by LCP this session, several died in committee and two were vetoed. AB 284 (Hauser), which would have included tidelands offshore Mendocino and Humboldt counties in the "sanctuary" system of state coastal waters protected from offshore drilling, was vetoed by the Governor. SB 2691 (Hart), which would have created stricter standards and programs for protection of water quality in California's bays and estuaries, was vetoed on September 27. SB 4639 (Friedman) would have banned ex parte communications between Coastal Commissioners and those attempting to influence Commission decisions outside the official public hearing or written record. However, a last-minute caucus meeting by Republican Assemblymembers convinced enough members to switch their votes to kill the bill. SB 2629 (McCorquodale), which failed on the Assembly floor,



would have required the Department of Fish and Game to develop a statewide plan for increasing the total number of wetland acres in the state to 50% by the year 2000. AB 4479 (Hayden) also died. This bill would have created detailed coastal resource protection requirements (air quality, oil spill response plans, safe disposal of waste drilling muds, etc.) which must be satisfied before the Coastal Commission may approve any offshore oil development.

In its Summer 1988 *Coastlines* newsletter, LCP notes that three Coastal Commissioners appointed in 1987 by the Senate Rules Committee have produced an encouraging shift on the body, which is now evenly split between those who generally favor coastal protection and those who favor development. Commissioner Lilly Cervantes, who replaced the pro-development Gilbert Contreras, scored 100% in 1987, according to a voting chart prepared by LCP board member Ann Notthoff. Ratings for the four Senate Rules Committee appointees average 71% pro-conservation—up from 50% the year before. The Governor's four appointees voted pro-conservation only 26% of the time.

NATURAL RESOURCES DEFENSE COUNCIL

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The Natural Resources Defense Council (NRDC) is a nonprofit environmental advocacy organization with a nationwide membership of more than 70,000 individuals, more than 13,000 of whom reside in California. Since 1972, NRDC's western office in San Francisco has been active on a wide range of California, western, and national environmental issues. Most of that work is now grouped under five subject-matter headings: public lands, coastal resources, pesticides, energy, and water supply. In these areas, NRDC lawyers and scientists work on behalf of under-represented environmental quality interests before numerous state and federal forums. Public health concerns are increasingly a priority, in addition to conservation of nonrenewable resources and ecosystem preservation.

NRDC has been active in developing energy conservation alternatives to new power plants and offshore oil drilling, and resource-conserving land use policies in California's coastal counties and

federally-managed lands. Notable recent achievements claimed by NRDC include leadership of coalitions which have developed broadly-supported federal legislative initiatives on pesticide regulation and efficiency standards for household appliances.

Agricultural water supply and drainage issues are taking on growing importance with NRDC, including the widely-publicized contamination of the Kesterson Wildlife Refuge and the broader policy issues underlying that crisis. In California, NRDC appears frequently before the Coastal Commission, Energy Commission, and Public Utilities Commission. NRDC also maintains offices in New York and Washington, D.C.

MAJOR PROJECTS:

In an editorial in its Summer 1988 *Amicus Journal*, NRDC proclaimed that it is time to end the waste, destruction, monopoly control, and fraud that is taking place in the Tongass National Forest in Alaska, and begin to practice conservation. Previous measures passed by Congress have encouraged wholesale clearcutting of the old-growth trees and directed the U.S. Forest Service to provide 13.3 billion board-feet of timber over fifty years to two lumber companies—Alaska Pulp Corporation (owned by the International Bank of Japan), and Louisiana-Pacific Company. In April 1988, the General Accounting Office reported the Forest Service spent about \$257 million between 1981-86 preparing timber sales, more than half of which had no buyers. Tongass trees are sold at the equivalent price of a two-by-four board in a lumberyard, resulting in a net loss to the government of over ninety cents on the dollar. NRDC contends that logging industry employment is declining despite the massive Forest Service subsidies, while the growing \$75 million-per-year salmon fishery and tourist industries are threatened. (For background information on the Tongass National Forest, see CRLR Vol. 8, No. 2 (Spring 1988) p. 14 and Vol. 8, No. 1 (Winter 1988) pp. 18-19.)

Amicus called for passage of the "Tongass Timber Reform Act" legislation, H.R. 1516 (Robert Mrazek, D-New York, and George Miller, D-California), and S. 708 (William Proxmire, D-Wisconsin). The legislation would repeal a permanent federal lumbering subsidy of \$40 million per year to stimulate timbering in the Tongass, which was passed by Congress in 1980. H.R. 1516 and S. 708 would also subject the

U.S. Forest Service to annual congressional appropriation review; require renegotiation of long-term contracts with pulp mills; restrict clearcutting on fragile forest sites; prohibit logging and road building in areas identified as critical fish and wildlife habitat; and generally place the Tongass on equal footing with 156 other national forests.

The Tongass National Forest is the nation's largest forest (16.8 million acres), covering over 80% of the Alaskan southern archipelago and mainland panhandle. NRDC calls Tongass one of the lushest and most beautiful nonequatorial rain forests in the world. Three quarters of a million acres of virgin and old-growth forests (at least 200 years old, with 250-foot spruce and hemlock trees) remain unprotected in Tongass.

NRDC continues its efforts to prevent depletion of the earth's protective ozone layer. (See CRLR Vol. 8, No. 1 (Winter 1988) p. 29 for background information.) NRDC recommends complete phase-out of all chlorofluorocarbons (CFCs) and other ozone-depleting chemicals as rapidly as possible. With a crash program to develop and deploy safe new chemicals and nonchemical alternatives, a total phase-out could be accomplished in the next six to eight years, according to NRDC. This means perfecting new cooling agents for refrigerators and air conditioners and new solvents for electronics manufacturing, and eliminating styrofoam packaging and aerosol propellants.

NRDC says government must act; the group is going back to court to demand stronger regulations, and it will pressure Congress for legislation to phase out the culprit chemicals over six to eight years and recoup CFC producers' windfall profits. The international focus must be on reassessing and strengthening the Montreal accord on CFC reductions signed by over thirty nations since its introduction in September 1987 (thus far, only the United States and Mexico have formally ratified the agreement).

NRDC and other groups have been involved in an eighteen-month campaign to halt development of a new plutonium production plant in Idaho. Plutonium is the raw material for nuclear warheads. In May, both the House and Senate voted to halt construction—at least until March 1989—of the Department of Energy's (DOE) billion-dollar "special isotope separation" facility. NRDC assembled a technical review committee of experts which concluded that the U.S. has an adequate plutonium stockpile;



that claims of economic benefits from the plant are inflated; and that the risks of a serious accident at the facility are far more substantial than DOE has admitted. NRDC also organized a major media campaign against the plant in Idaho and a massive lobbying effort in Congress, which will continue until the project is permanently laid to rest.

NETWORK PROJECT

P.O. Box 1736
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The Network Project (NP) is a nonprofit, tax-deductible consumer research organization established in 1985 to monitor the impact of new technologies on consumers and the exercise of consumer rights in the marketplace. The project focuses on how high technology can be used to both protect consumers and enhance citizen participation in democratic institutions. The bimonthly newsletter *Network* provides subscribers with information on consumer issues, including articles on state and federal consumer-related activities. The *Consumer Alert* bulletin is published periodically to inform members of critical developments on consumer issues.

MAJOR PROJECTS:

The long-awaited report on consumer billing complaints being prepared jointly by Network Project and the Washington, D.C. Center for the Study of Responsive Law has been delayed again. The groups hope to announce completion of the report during 1989. (See CRLR Vol. 8, No. 2 (Spring 1988) p. 23 for background information.)

PACIFIC LEGAL FOUNDATION

55 Capitol Mall, Suite 350
Sacramento, CA 95814
(916) 444-0154

The Pacific Legal Foundation (PLF) is a public interest law firm which supports free enterprise, private property rights, and individual freedom. PLF devotes most of its resources to litigation, presently participating in more than 100 cases in state and federal courts.

MAJOR PROJECTS:

Building on its U.S. Supreme Court victory in *Nollan v. California Coastal Commission* (see CRLR Vol. 7, No. 4 (Fall 1987) p. 24 and Vol. 7, No. 1 (Winter 1987) p. 24), PLF is expanding its efforts to eliminate what it views as

governmental taking of private property. PLF has filed an amicus brief in *Seawall Associates v. City of New York*, currently pending in the Appellate Division of the New York Supreme Court, in support of rental property owners. At issue is a New York City law prohibiting private rental property owners of "single room occupancy" dwellings (SROs) from converting or demolishing the structures. The city believes loss of SROs contributes to the plight of the homeless by eliminating the one-room flats. According to PLF, the only remedy open to property owners is to "buy out" of the city moratorium by paying a fee of \$45,000 per room. In March, a trial court invalidated the SRO ordinance, citing *Nollan*. The city appealed and PLF entered the case. PLF believes the *Seawall* case is important because a favorable outcome would expand the reach of *Nollan* to commercial as well as residential settings.

PLF is continuing its participation in a case which it believes will prompt the U.S. Supreme Court to deal with the legality of rent control ordinances. In *R/L Associates v. City of Seattle*, PLF has challenged an ordinance requiring landlords to pay relocation subsidies to their tenants when they wish to demolish their buildings. (See CRLR Vol. 8, No. 2 (Spring 1988) p. 24 for background information.) PLF believes the relocation assistance ordinance places what should be a community burden onto property owners and ultimately discourages landlords from renting to low-income persons. PLF has filed an amicus brief with the Washington Court of Appeal and is hopeful that the Supreme Court will ultimately review the case, forcing a clarification of this property rights issue.

The California Supreme Court and the First District Court of Appeal have declined to hear PLF's challenge to the constitutionality of the California Coastal Commission's appeal and permit powers, raised in *Smith v. California Coastal Commission* (see CRLR Vol. 8, No. 3 (Summer 1988) pp. 29-30 for background information). This refusal to hear the case leaves PLF and its client free to pursue the case in superior court.

PLANNING AND CONSERVATION LEAGUE

909 12th St., Suite 203
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(916) 444-8726

The Planning and Conservation

League (PCL) is a nonprofit statewide alliance of several thousand citizens and more than 120 conservation organizations devoted to promoting sound environmental legislation in California. Located in Sacramento, PCL actively lobbies for legislation to preserve California's coast; to prevent dumping of toxic wastes into air, water, and land; to preserve wild and scenic rivers; and to protect open space and agricultural land.

PCL is the oldest environmental lobbying group in the state. Founded in 1965 by a group of citizens concerned about uncontrolled development throughout the state, PCL has fought for two decades to develop a body of resource-protective environmental law which will keep the state beautiful and productive.

PCL's promotional literature states that it has been active in every major environmental effort in California and a participant in the passage of several pieces of significant legislation, including the California Environmental Quality Act, the Coastal Protection Law, the act creating the Bay Conservation and Development Commission, the Lake Tahoe Compact Act, the Energy Commission Act, the Wild and Scenic Rivers Act, and laws which enhance the quality of urban environments.

PCL is supported by individual and group membership fees, with a current membership of more than 7,000 individuals. PCL established its nonprofit, tax-deductible PCL Foundation in 1971, which is supported by donations from individuals, other foundations, and government grants. The Foundation specializes in research and public education programs on a variety of natural resource issues. It has undertaken several major projects, including studies of the California coast, water quality, river recreation industries, energy pricing, land use, the state's environmental budget, and implementation of environmental policies.

MAJOR PROJECTS:

In its July *California Today* newsletter, PCL called the June 7 passage of Proposition 70—the California Wildlife, Coastal and Parkland Conservation Bond Act—the most stunning victory in the group's history. (See CRLR Vol. 8, No. 3 (Summer 1988) p. 30 and Vol. 8, No. 1 (Winter 1988) p. 31 for background information on the measure.) The initiative passed with a 65% margin. PCL spokespersons said over 100 conservation groups were involved in the Proposition 70 coalition known as Californians for Parks and Wildlife. About 20,000 volunteers from around the state



worked on the campaign and distributed more than half a million brochures. PCL also expressed gratitude to actors Jack Lemmon and Walter Matthau, who produced effective radio announcements for the campaign at no cost.

PCL is now heavily involved in implementation of Proposition 70, and the campaign coalition steering committee of Californians for Parks and Wildlife will continue to oversee implementation and seek new methods of funding environmental programs. PCL is concerned about the speed with which the state Departments of Fish and Game and Parks and Recreation will move to purchase designated land and distribute funds to local agencies. Environmentalists hope the state will proceed in time to save the old-growth redwoods in the Sanctuary Forest from being cut; head off development in the San Dieguito Valley; acquire easements in Big Sur; and buy critical wildlife habitat in the San Joaquin River Parkway before it is converted to agriculture or subdivisions.

PCL's Board of Directors has endorsed Proposition 97, the November 1988 citizens' initiative to restore the California Occupational Health and Safety Administration (Cal-OSHA). In early 1987, Governor Deukmejian abolished Cal-OSHA's private sector enforcement responsibility by deleting its funding from the state budget. PCL asserts that Cal-OSHA is vital to the quality of the workplace environment because it ensures adequate safety and health standards for all workers, and oversees a wide range of environmental protections, including the disposal of toxic materials. Organized labor qualified the initiative for the ballot, and passage of the measure by voters is a major priority of state labor and environmental groups.

PCL is also working to ensure November passage of Proposition 99, the tobacco tax initiative, including its own fundraising goal of \$150,000. The tobacco industry is expected to spend at least \$16 million to defeat the measure. Proposition 99 would provide \$30 million annually for environmental programs from a 25-cents-per-package increase on tobacco products. The environmental funds derived from the tobacco tax increase could be used to clear clogged stream channels to aid salmon and trout spawning; acquire land for state and local parks; improve water supplies for state waterfowl refuges; and protect habitat for the peregrine falcon and other endangered species.

PUBLIC ADVOCATES

1535 Mission St.
San Francisco, CA 94103
(415) 431-7430

Public Advocates (PA) is a non-profit public interest law firm concentrating on the areas of education, employment, health, housing, and consumer affairs. PA is committed to providing legal representation to the poor, racial minorities, the elderly, women, and other legally underrepresented groups. Since its founding in 1971, PA claims it has filed over 100 class action suits and represented more than 70 organizations, including the NAACP, the League of United Latin American Citizens, the National Organization for Women and the Gray Panthers.

MAJOR PROJECTS:

PA represents a coalition of minority and low-income organizations which in July charged that the money which Pacific Bell has refunded for 976-prefix calls is far below what the company owes its customers. (See CRLR Vol. 8, No. 2 (Spring 1988) p. 25 for background information.) In its filing with the Public Utilities Commission (PUC), PA claims that very little of the 976 refund money has been claimed by minority and/or low-income families. According to PA, the primary reasons for the problem are that PacBell has so far refused to effectively notify its minority and non-English speaking customers that they may obtain refunds for 976 calls made without permission of the subscriber, and because customers are not aware of the charge for the call. PA contends that PacBell owes \$31 million in additional refunds over and above the \$13 million already disbursed under the PUC-ordered refund policy.

PA also represents the Minority/Women's Coalition, a group of eight minority organizations which insists that the defense industry provide more jobs and advancement opportunities to minorities and women. The Coalition's proposal asks Congress to require defense contractors to set a goal of awarding 20% of subcontracting work to businesses owned by women, Asian, black, and Latino minorities. The group also seeks statutory amendments requiring more complete disclosures of the race and ethnicity of the highest-paid defense industry executives, and the racial and ethnic composition of members of their boards of directors; that the affirmative action records of bidders for defense contracts be a key consideration in awarding the contracts; and

that Congress require major defense contractors to annually disclose their charitable contributions, particularly those to organizations that serve minorities and the poor. The Coalition notes that 40% of Californians in the military services are minority members, but that virtually no blacks, Hispanics, or Asians are among the highest-paid defense industry managers.

In August, PA joined about thirty other parties that will scrutinize the proposed merger of Tucson Electric Power Company with San Diego Gas & Electric Company (SDG&E). PA Director Robert Gnaizda said he wants to ensure that the disenfranchised are given more job opportunities and better service from the corporate entity that would emerge from the proposed merger. The merger must be approved by the PUC and hearings are expected to linger through next spring.

Representing the San Diego Chicano Federation, the Mexican American Political Association, the League of United Latin American Citizens, the American G.I. Forum, and the Filipino American Association, PA has written to the president of SDG&E requesting a meeting to discuss the groups' concerns over the merger. PA's clients are interested in ensuring that the new company is responsive to the needs of women, minorities, and low-income communities. PA will seek minority representation on the company's board, an affordable rate structure, job training and management opportunities, a minimum percentage of women- and minority-owned business contracts, a commitment to corporate giving to minority groups, and multilingual outreach. PA has asked Tucson Electric to provide the same information.

PA recently intervened in other merger discussions and successfully reached an agreement with Japanese-owned California First Bank. PA will not object to the bank's acquisition of Union Bank in exchange for new bank policies creating low-interest loans for the disadvantaged, more purchases from minority- and women-owned firms, a guarantee that 60% of new bank managers would be women and minorities, increased charitable contributions, and low-interest checking accounts for low-income customers.

PA has filed a class action suit against the Alameda County Santa Rita Jail asserting that pregnant inmates have not received adequate medical care and have been treated improperly. The complaint also alleges inadequate training of corrections and medical staff,



poor coordination between jail and hospital records, improper dietary standards, and cruel confinement of pregnant women. Settlement negotiations are under way at this writing.

PUBLIC INTEREST CLEARINGHOUSE

200 McAllister St.

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The Public Interest Clearinghouse (PIC) is a resource and coordination center for public interest law and statewide legal services. PIC is partially sponsored by four northern California law schools: Hastings School of Law, University of Santa Clara School of Law, Golden Gate School of Law, and University of California at Davis School of Law. The Clearinghouse is also funded by the California Legal Services Trust Fund and a subgrant from the Legal Services Corporation.

Through the Legal Services Coordination Project, PIC serves as a general resource center for all legal services programs in California and other states in the Pacific region. Services include information on funding sources and regulations, administrative materials, and coordination of training programs.

The Public Interest Users Group (PUG) addresses the needs of computer users in the public interest legal community. Members include legal services programs in the western region of the United States, State Bar Trust Fund recipients, and other professionals in various stages of computerization. PUG coordinates training events and user group meetings, and serves as a clearinghouse for information shared by public interest attorneys.

PIC's bi-weekly "Public Interest Employment Report" lists positions for a variety of national, state, and local public interest organizations, including openings for attorneys, administrators, paralegals, and fundraisers. There is no charge for job listings in the employment report. A job resource library at PIC's office is available for subscribers to the employment report.

PIC's public interest law program at the four sponsoring law schools helps prepare students to be effective advocates for the poor and other disadvantaged members of society. A project known as "PALS"—the Public Interest Attorney-Law Student Liaison Program—matches interested law students with practitioners in the field for informal

discussions about the practice of law.

PIC's Academic Project promotes and facilitates the interaction of law school faculty and legal services attorneys in furtherance of law in the public interest. Faculty members assist practicing attorneys with legal services cases, and staff attorneys help faculty with research and course materials.

The Clearinghouse's quarterly newsletter, *Impact*, keeps the public interest community up-to-date on developments in litigation and legislation, and reports on activities of other public interest advocates. PIC also publishes the *Directory of Bay Area Public Interest Organizations*, which lists over 600 groups and information on their services and fees.

PIC also publishes the *Public Interest Advocate*, a newsletter of its public interest law program. The newsletter prints information on part-time and summer positions available to law students. It is published August through April for law students in northern California. Listings are free and must be received by the 10th of the month.

MAJOR PROJECTS:

In its spring 1988 *Impact* newsletter, PIC examines the consumer class action lawsuit and ways in which that tool may be more receptive and responsive to real consumer concerns. According to the article, a "legitimacy crisis" exists because recent "consumer" litigation has left the impression that only the lawyers involved—and not consumers—benefit from the action. *Impact* suggests that in many cases class action lawsuits serve to define public policy, and that "the real purpose of consumer class actions is not to compensate consumers for past wrongs, but to change the way institutions behave in the future: in effect, to reform the relationship between a corporation and its customers."

The article describes the "town meeting" litigation model, which encourages broad-based community participation and sensitivity to a wide range of citizen interests. Use of this litigation model could result in a kind of judicially-assisted collective bargaining on behalf of consumer interests. According to *Impact*, class action settlements based on institutional reform rather than direct monetary payments to consumers could provide cost-effective and socially responsive solutions that give consumers a true voice in the policies of complex corporate bureaucracies.

A recent innovation discussed in *Impact* is the use of the consumer trust fund (or "equitable trust") as an alternative to direct payment of damages in

consumer class actions. This method places damages or awards from class actions in the hands of trustees who can then disburse the funds for consumer-oriented projects.

PIC's Public Interest Computer Users Group (PUG) has developed two new projects, including the Technical Assistance Project (TAP), which recruits computer experts from the private bar to assist legal aid offices on a pro bono basis. TAP is a joint project of PIC and the Bar Association of San Francisco's Law Office Automation Section. PIC is also working with the Los Angeles County Bar Association and hopes a similar project will begin there soon.

PUG has also begun a computerized network known as "Legalnet", which will electronically link legal aid providers. The system should be operative by the end of the year and will allow every legal service office with an IBM- or Apple-compatible computer to access timely information, transfer documents and files, post requests for assistance, and electronically communicate with other legal aid providers 24 hours a day.

SIERRA CLUB

Legislative Office

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The Sierra Club has 155,000 members in California and over 400,000 members nationally, and works actively on environmental and natural resource protection issues. The Club is directed by volunteer activists.

In California, Sierra Club has 13 chapters, some with staffed offices. Sierra Club maintains a legislative office in Sacramento to lobby on numerous state issues, including toxics and pesticides, air and water quality, parks, forests, land use, energy, coastal protection, water development, and wildlife. In addition to lobbying the state legislature, the Club monitors the activities of several state agencies: the Air Resources Board, Coastal Commission, Department of Health Services, Parks Department, and Resources Agency. The Sacramento office publishes three newsletters: *Legislative Agenda* (25 times per year); and *Toxics Insider* and *Coastal Insider* (each about four times per year). The Sierra Club Committee on Political Education (SCCOPE) is the Club's political action committee, which endorses candidates and organizes volunteer support in election campaigns.



The Sierra Club maintains national headquarters in San Francisco, and operates a legislative office in Washington, D.C., and regional offices in several cities including Oakland and Los Angeles.

MAJOR PROJECTS:

On June 30, the California Sierra Club gave its official endorsement to Lieutenant Governor Leo McCarthy for the U.S. Senate; the Club called McCarthy an environmental champion, saying he has been one of the most effective leaders in the state on environmental issues. Citing his record as Speaker of the state Assembly, the Sierra Club praised McCarthy for working to strengthen air quality laws, backing tough nuclear power safety regulations, improving drinking water standards, and fighting to create wilderness protection designation for a large area of the California desert.

In reviewing incumbent Senator Pete Wilson's six-year environmental record in the Senate based on thirty important votes, the Club said Wilson does not deserve to call himself an environmentalist. Wilson was found lacking in the areas of toxic waste clean-up, pollution control enforcement, clean air legislation, and parks and wilderness policy. Sierra Club spokespersons emphasized that Wilson has the fourth-worst environmental record of any senator up for reelection this year.

On July 14, the San Diego County Water Authority voted to suspend its effort to build the controversial Pamo Dam project near the town of Ramona. The San Diego Sierra Club has waged a four-year campaign to stop the project (see CRLR Vol. 8, No. 1 (Winter 1988) pp. 32-33 for background information). The county water agency said it isn't abandoning the dam, only suspending the application for a permit from the U.S. Army Corps of Engineers. Sierra Club leaders explained they will use the time to obtain federal protected status for the Pamo Valley area and will attempt to create a public park there. The water authority said it would spend about \$250,000 for a new study to examine the region's need for water storage projects, which would include an investigation of possible alternatives to inundating the Pamo Valley.

Sierra Club was aggravated by Governor Deukmejian's July 8 decision to slash nearly \$1 million from the Coastal Commission's budget. In the past six years, Deukmejian has cut the agency's funding by one-third. The Club said this latest cut effectively eliminates the Com-

mission's ability to enforce the state Coastal Act. Violations will go undetected due to inadequate staff, and the funding reduction will make it virtually impossible for citizens to obtain information necessary to participate in the coastal planning process, according to Sierra Club spokespersons.

Several bills supported by Sierra Club passed the legislature and were sent to the Governor for approval:

-AB 2595 (Sher), the California Clean Air Act, requires clean-up targets of 5% annually in all areas of the state which exceed air quality standards. It also empowers local officials to impose increased fines against polluters and broadens the legal authority of local air quality districts. This bill was signed by the Governor on September 30.

-AB 2930 (Sher) reauthorizes and strengthens the acid deposition and monitoring program, which would have expired this year. Investigations would be required regarding the effects on public health of acidity in fog; the effect on agriculture and forests of the combined exposure to acids and smog; and the chemical and atmospheric mechanisms by which acidity is formed and transported. AB 2930 was signed on September 29 (Chapter 1518, Statutes of 1988).

-AB 3180 (Cortese) directs a government agency acting on an environmental impact report (EIR) to also adopt a monitoring program to ensure compliance with any mitigation requirements identified in the EIR. This bill was signed on September 3 (Chapter 1232, Statutes of 1988).

-SB 714 (Roberti) would have encouraged businesses to reduce their production of hazardous wastes. Producers of large quantities of hazardous wastes would have been required to develop and implement source reduction plans and establish a reasonable schedule for implementing the plans. The Governor, however, vetoed SB 714 on September 30.

TURN (TOWARD UTILITY RATE NORMALIZATION)

693 Mission St., 2nd Floor
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(415) 543-1576

Toward Utility Rate Normalization (TURN) is a nonprofit advocacy group with about 40,000 members throughout California. About one-third of its membership resides in southern California. TURN represents its members, com-

prised of residential and small business consumers, in electrical, natural gas, and telephone utility rate proceedings before the Public Utilities Commission (PUC), the courts, and federal regulatory and administrative agencies. The group's staff also provides technical advice to individual legislators and legislative committees, occasionally taking positions on legislation. TURN has intervened in about 200 proceedings since its founding in 1973.

MAJOR PROJECTS:

In late August, TURN joined with the National Association of State Utility Consumer Advocates (NASUCA) in demanding that the Federal Communications Commission (FCC) eliminate or suspend all scheduled increases in the federally-mandated monthly telephone access line charge. Residential telephone customers currently pay \$2.60 per month nationwide for each line. Consumer groups claim the charge should be reconsidered since it has failed to accomplish its intended purpose and because it imposes an unfair burden on small residential and commercial telephone subscribers who rarely make long distance calls, but are nonetheless forced to pay the subscriber charge.

According to TURN, the FCC imposed the access line charge on the theory that a charge on all telephone users, regardless of long distance usage, would have the effect of keeping long distance rates low enough to thwart "bypass" of existing telephone networks by large corporations and institutions. The FCC plans to raise the fee to \$3.50 per line by April 1989. NASUCA's petition with the FCC seeks to block any increase in the charge. Expert testimony by three prominent telecommunications economists accompanying NASUCA's petition claims that bypass is not a major problem. TURN and NASUCA urge their members to write or call the FCC and their representatives in Congress, demanding a halt to any increase in the subscriber line charge.

At a news conference in mid-August, TURN charged Pacific Gas & Electric Company (PG&E), the state Attorney General, and the PUC's Division of Ratepayer Advocates (DRA) of a cover-up of the facts after those parties settled PG&E's \$5.8 billion request for ratepayer payment of the Diablo Canyon nuclear power facility. San Luis Obispo Mothers for Peace and the Redwood Alliance joined TURN in calling on the PUC to reject the settlement and continue with the previously-adopted hearing schedule to consider all the evidence



in the rate case proceeding. The settlement would allow PG&E to recover the full costs of building the plant over the first five years if the plant operates at a high capacity.

TURN Executive Director Sylvia Siegal found it "shocking" that the DRA, after spending \$10 million for a thorough investigation of the prudence of Diablo costs, would be willing to forego its earlier recommendation of a \$4.1 billion disallowance for management, design, and construction mistakes. TURN chided the DRA for deceiving the public when its role is purportedly to represent the long-term interest of ratepayers. TURN also claimed that the settlement is based on questionable facts, and argued that future PUC commissioners will not have an adequate record of evidence to examine for assessment of blame or costs for repairs and replacement fuel when future power outages occur.

In April, TURN filed a complaint with the PUC on backbilling by long distance phone companies. (See CRLR Vol. 8, No. 3 (Summer 1988) pp. 32-33 for background information.) In response, Pacific Bell and General Telephone halted the practice of backbilling for calls more than three months old. On August 18, the PUC started public hearings on the complaint. During the hearings, TURN will argue that backbilling violates stated phone company policies and is unfair to customers. TURN has called for an immediate halt to PacBell and GenTel disconnections of customers who are unable or unwilling to pay for calls made up to a year before the bills were received. TURN also insists on reconnection of phone service at no charge for customers who were shut off for failure to pay backbills, and correction of all past bills to refund charges for backbilled calls that were paid by customers.

UCAN (UTILITY CONSUMERS' ACTION NETWORK)

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San Diego, CA 92117
(619) 270-7880

Utility Consumers' Action Network (UCAN) is a nonprofit advocacy group supported by 65,000 San Diego Gas and Electric Company (SDG&E) residential and small business ratepayers. UCAN focuses upon intervention before the California Public Utilities Commission (PUC) on issues which directly impact San Diego ratepayers.

UCAN was founded in 1983 after receiving permission from the Public Utilities Commission to place inserts in SDG&E billing packets. These inserts permitted UCAN to attract a large membership within one year. The insert privilege has been suspended as a result of a United States Supreme Court decision limiting the content of such inserts.

UCAN began its advocacy in 1984. It has intervened in SDG&E's 1985 and 1988 General Rate Cases; 1984, 1985, and 1986 Energy Cost Adjustment Clause proceedings; the San Onofre cost overrun hearings; and SDG&E's holding company application. UCAN also assists individual ratepayers with complaints against SDG&E and offers its informational resources to San Diegans.

MAJOR PROJECTS:

In its Fall 1988 *Watchdog* newsletter, UCAN reports that "mergermania" struck San Diego in June when SDG&E proposed acquisition of Tucson Electric Power Company (TEP), followed by Southern California Edison Company's (SCE) move to absorb SDG&E. UCAN will participate in both merger proceedings at the state and federal levels, which could endure for a year.

On September 1, SDG&E's Board of Directors unanimously rejected Edison's buyout offer and announced its dogged intention to purchase TEP. Some financial experts believe that SCE will persist and eventually take control of SDG&E, creating the largest utility in the nation. According to UCAN, such a mega-company would probably be less accountable to consumers and even more difficult to regulate.

UCAN believes SDG&E's merger with TEP is meant to expand the company and avoid California regulation. UCAN is concerned that TEP has extensive non-utility holding which are mostly unregulated, and believes ratepayers should be protected from the likelihood that the new conglomerate may charge utility ratepayers for non-utility business operating costs. A takeover of TEP means SDG&E would be a multi-state utility, and the Federal Energy Regulatory Commission (FERC) may assert its preemptive federal power and decide to regulate most of SDG&E's operations, thus eroding the power of the state PUC over the company. UCAN says it would be even more difficult and expensive to exert organized ratepayer concerns on a regulatory body 3,000 miles away.

UCAN attacked the passage and

signing into law of SB 987 (Dills), which it claims is an insidious step toward the gradual elimination of low-cost "baseline" gas and electric rates. Customers who conserve energy and use 70 or less therms of gas per month and 240 or fewer kilowatt hours, or who stay close to the baseline allowance, are rewarded with lower bills. SB 987 grants the PUC power to phase out the baseline rates. At this writing, the PUC is conducting hearings on how to implement this anti-conservation bill. UCAN warns that over the next few years, ratepayers will see the gap narrow between baseline and non-baseline rates. "Customers who have worked hard to keep their usage at a minimum will see their less diligent neighbors' bills go down while theirs remain the same. Because oil and gas supplies are plentiful at the moment, legislators and bureaucrats do not see the need to continue encouraging the public to save energy," emphasized UCAN's Executive Director Michael Shames. UCAN urges customers to insist that legislators reverse SB 987, protect baseline rates, and support energy efficiency and conservation.

In July, the PUC rejected UCAN's appeal for an immediate decision on a proposed \$30 million rate decrease for residential customers which even SDG&E advocated in the ongoing General Rate Case proceeding. UCAN is arguing for an \$85 million overall reduction, with at least \$50 million in decreases for residential customers. A final decision in the case is expected by December 31.

In mid-August, UCAN attacked SDG&E for spending over \$500,000 in less than three months and a total of approximately \$1 million by year's end on "image-enhancement" advertising that is being charged to customers. Another million dollars will be spent on the publicity in 1989. UCAN called on the PUC to decide quickly that shareholders should pay for the expensive and self-serving radio, television, and newspaper ads. The PUC declined to rule on the issue until the next General Rate Case in 1991. Meanwhile, ratepayers are burdened with the cost of the ad campaign, which according to UCAN, violates long-standing PUC rules.

