



## POLITICAL REFORM ACT

*SB 2609 (Montoya)* would amend the Political Reform Act to impose limitations on the amount that individuals, persons, political committees, and political parties may contribute to candidates for elective office. The Political Reform Act currently sets no limitations on the receipt or transfer of campaign contributions.

The bill would also require candidates to file with the Fair Political Practices Commission a statement of intent to seek a specific office prior to the solicitation or receipt of any contribution or loan. The bill would impose a trust on these contributions, requiring that they be used only for election expenses associated with that office or expenses associated with holding that office.

*SB 2609* would prohibit public officers from spending, and any candidate from accepting, public moneys in the pursuit of elective office. Finally, the bill would limit to \$1,000 the amount of any gift or honorarium which may be accepted by an elected official for any speech, article, or published work on a subject relating to the governmental process from any single source.

The bill was set for hearing in the Senate Elections Committee on April 6. (See *supra* FEATURE ARTICLE for a comparison of two ballot initiatives on campaign finance reform.)

*SB 2548 (Seymour)* would amend the financial disclosure provisions of the Political Reform Act. Among other things, the bill would define "income" for purposes of reporting by elected officials, as including the income of a spouse, other than a gift. The Act currently includes within the definition of "income" only the official's community property interest in the spouse's income.

*SB 2548* would also require elected officials to disclose investments and interests in real property held on the date of assuming office, and income received during the twelve months before assuming office. The Act currently requires only that such persons file statements of economic interests which disclose investments and interests in real property within thirty days after assuming office.

The bill is pending before the Senate Committee on Governmental Organization.

## OPEN MEETINGS

*AB 2561 (Condit, Waters)* would amend the Ralph M. Brown Act to

authorize the legislative body of a multi-jurisdictional drug law enforcement agency to hold a closed session to discuss case records of any ongoing criminal investigation by the agency or by any party to the joint powers agreement, to hear testimony from persons involved in the investigation, and to discuss courses of action in particular cases.

Current law does not recognize an exception in the Brown Act's open meeting requirements for meetings of the legislative body of a multijurisdictional drug law enforcement agency.

*AB 2561* was sent to the Governor in late March.

## TOXICS ENFORCEMENT

*AB 1100 (Elder)* would enact the Local Toxics Enforcement and Training Act of 1989 and would, among other things, establish within the Office of Criminal Justice Planning a program to provide grants for the training of peace officers, local public health officers, and public prosecutors in the enforcement of hazardous materials laws. The bill is pending before the Senate Judiciary Committee.

## AUTOMATIC TELLER MACHINES

*AB 3301 (Calderon)* would require financial institutions operating automatic teller machines (ATMs) outside or away from their premises to comply with certain lighting, landscaping, and location requirements, beginning July 1, 1989. The bill would additionally require the discontinuance of ATM operations during specified times at locations where three or more ATM-related crimes have occurred in a given year. The bill is currently pending in the Assembly Committee on Finance and Insurance.

*AB 3337 (Calderon)* would require financial institutions, as defined, to provide handicap access to ATM machines beginning July 1, 1989. The bill is currently before the Assembly Committee on Governmental Efficiency and Consumer Protection.

## CONSUMER CREDIT

*AB 193 (Peace)* would have required every consumer credit card reporting agency to make certain disclosures and furnish consumer reports, as specified, without charge upon request by the consumer if no more than three requests per year are made by that consumer. The bill would also have required a consumer credit reporting agency to furnish to a customer, at no cost, a copy of

any report that is furnished to a third party relating to that consumer.

Current law requires such agencies to furnish those reports and information without charge only when requested within thirty days after notification of a credit denial or adverse action affecting the consumer's credit rating.

The bill died in committee.

*SB 1948 (Roberti)* would regulate the forms used for retail credit card transactions, generally requiring any person or entity issuing such forms to issue only forms which are either carbonless or which do not render a separate piece of paper or carbon which readily identifies the cardholder by name or number. The bill would impose the same requirements upon persons or entities which accept credit cards used for transactions between a cardholder and retailer. Violation of *SB 1948* would be punishable by civil penalty and would permit the Attorney General to seek an injunction against further violations.

The bill was set to be heard by the Senate Judiciary Committee on April 19.

## PUBLIC RECORDS

*AB 1767 (Nolan)* would provide that records in the custody of, or maintained by, the Governor's office at the time a Governor leaves office are not public records within the Public Records Act or the State Records Management Act, and become the personal property of the exiting Governor for purposes of directing those records as a donation to an appropriate archival facility which guarantees public access to those records.

The bill would specifically provide that all records donated by Governor Edmund G. Brown, Jr., in 1982 to the University of Southern California, are not records subject to the California Public Records Act or the State Records Management Act.

*AB 1767* would additionally specifically exempt enrolled bill reports or records relating to applications for clemency or extradition.

The bill is pending before the Senate Committee on Governmental Organization.

## ATTORNEY FEES

*SB 1737 (Kopp)* would provide that a prevailing complainant in a civil action to appeal or review an administrative determination may collect reasonable attorneys' fees not to exceed \$7,500, computed at \$100 per hour, where it is shown that the determination was the result of arbitrary or capricious action



by a public entity or officer in their official capacity.

Current law sets the maximum legal fee in such cases at \$1,500. The \$1,500 limit has been in place for seventeen years. At this writing, SB 1737 is pending on the Senate floor.

## CHECK CASHIERS

*AB 3977 (Chacon)* would subject check cashiers to regulatory provisions currently applied to check sellers, bill payers, and proraters. The bill proposes a 1% limit on fees charged for cashing government-issued checks, cashier's checks, teller's checks, traveler's checks, money orders, or any payroll or other check required by federal law to be paid within one banking day of deposit. For any other check, draft, or commercial paper, a 1.5% ceiling is provided.

Assemblymember Pete Chacon of San Diego, the bill's principal sponsor, stated that the measure is aimed at the "absolutely unconscionable rates" charged by some California check-cashing businesses. "Commercial check-cashing services are an absolute necessity to the 20% of all Californians, and approximately 40% of low-income Californians who do not have bank accounts," Chacon stated.

AB 3977 is pending before the Assembly Committee on Finance and Insurance.

## CHARITABLE SOLICITATIONS AND CONTRIBUTIONS

*AB 2718 (Hansen)* would limit the amount of proceeds retainable by fundraisers and fundraising agencies which contract with a charity for solicitation or sale solicitation for charitable purposes. The bill would provide that no more than 49% of the total amount of proceeds received could be retained by the fundraiser or fundraising agency. Under existing law, there is no statutory limit on the percentage of proceeds retainable by fundraisers or fundraising agencies.

AB 2718 is pending before the Assembly Committee on Governmental Efficiency and Consumer Protection.

## MONEY EXCHANGE HOUSE REGULATION

*SB 1723 (Deddeh)* would provide for the regulation of money exchange houses by requiring such facilities to post signs concerning the rates of exchange, and to provide receipts to each customer stating, among other things, the rate of exchange for the transaction and the amount of commissions or fees.

The bill defines "money exchange house" as "any individual or business engaged in the business of exchanging or dealing in the currency of the United States, Mexico, or any other country." The bill specifically excludes any bank, savings association, or credit union chartered under state or federal law, and any other business or entity regulated by the Financial Code. Current law contains no specific provision for the regulation of money exchange houses.

This bill is pending in the Senate Appropriations Committee.

## RENTAL CAR CONTRACTS

*AB 3006 (Connelly)* would reiterate existing law requiring the hirer of a thing to use ordinary care for its preservation in safety and in good condition. The bill would additionally provide that any waiver of that provision, or any contract imposing liability contrary to that provision, is void and unenforceable. An exception is recognized in the case where the lessor and lessee of a passenger vehicle, in a lease agreement exceeding a term of twenty days, agree otherwise.

The bill is sponsored by Attorney General John Van de Kamp and is targeted at car rental contracts which require customers to assume all financial risks or pay an extra fee for insurance protection.

As Van de Kamp stated at a March 8 press conference, "Every car rental contract in California has a clause, usually hidden deep in the fine print, that requires renters to give up this legal protection and assume liability for the full value of the car, even if the damage isn't their fault."

"Then once you've signed away your rights, the rental company offers to sell them back to you. For a fee of \$9 to \$12 a day, they will sell you what is called a collision damage waiver, or CDW, which simply means that they will accept responsibility for any damage to the car that isn't your fault."

An additional section of AB 3006 would prohibit rental companies from overcharging customers for the repair of damaged automobiles.

The bill is currently pending in the Assembly Judiciary Committee.