

# HIGHLIGHTS OF THE LEGISLATIVE ACCOMPLISHMENTS OF 1998

## California Senate Office of Research October 1998

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### ***Introduction***

This summary highlights some of the significant bills that were sent by the California Legislature in 1998 to the desk of Governor Pete Wilson.

This is not a complete list, but it does illustrate a range of issues considered and actions taken by the California Legislature prior to its year-end recess on August 31. The governor was required to sign or veto all measures by September 30, and his actions are noted here. Most of the bills signed into law by Wilson will take effect January 1, 1999.

This analysis does not review the 1998-99 budget bill, AB 1656 (Ducheny), Chapter 324/Statutes of 1998, signed by Governor Wilson on August 21. The Legislative Analyst's Office has prepared a summary of the \$72 billion budget package, including budget companion bills, titled "Major Features of the 1998 California Budget," which can be found on its web site. Companion bills to the budget, or trailer bills, are discussed in the various applicable policy sections of this "Highlights of the Legislative Accomplishments of 1998" document.

You may use the California Legislative Information Internet site at <http://www.leginfo.ca.gov> to read and print copies of bills noted here and read legislative staff analyses of the measures and issues.

## ***Agriculture***

**SB 175 (Kelley)** -- Makes various changes to the terminology employed in dairy-product labeling consistent with federal regulations. **Signed - Chapter 232/Statutes of 1998.**

**SB 1075 (Johnston)** -- Extends the Delta Protection Commission's authorization to oversee development in the Sacramento-San Joaquin Delta to ensure protection of agriculture and wildlife habitat. **Signed - Chapter 584/Statutes of 1998.**

**SB 1182 (Costa)** -- Strengthens the Williamson Act by offering a package of tax and non-tax incentives to keep lands in a more durable conservation easement program than currently available. Also addresses some of the challenges that agricultural land owners encounter as a result of planning and zoning changes. **Signed - Chapter 353/Statutes of 1998.**

**SB 1835 (Johnston)** -- Requires a landowner and the county to agree when property is transferred from a Williamson Act contract to an easement under the Open Space Easement Act (OSEA), and requires the easement be at least as restrictive as the contract. Removes an ambiguity in legal interpretation of the Williamson Act by making technical changes to the act. **Signed - Chapter 690/Statutes of 1998.**

**AB 1998 (Thomson)** -- Expands the Biologically Integrated Farming System program to provide additional science-based technical assistance to farmers for reducing the use of chemicals in farming operations. **Signed - Chapter 434/Statutes of 1998.**

**AB 2252 (House)** -- Authorizes the state Department of Food and Agriculture to perform services that are needed by agriculture and other businesses to ensure compliance with quarantine or quality requirements imposed by other states or countries on California suppliers. **Signed - Chapter 436/Statutes of 1998.**

**AB 2355 (Olberg)** -- Imposes an infraction punishable by a fine of up to \$500 for willfully obstructing access to or from land owned by another. **Signed - Chapter 271/Statutes of 1998.**

**AB 2759 (Cardoza)** -- Eliminates a requirement to mark an egg container with a "sell-by" date when the eggs are packaged for export or for military sales. **Signed - Chapter 257/Statutes of 1998.**

## ***Animals***

**SB 155 (Kelley)** -- Requires the Veterinary Medical Board to issue renewed licenses only to applicants who have completed at least 36 hours of continuing education every two years. **Signed - Chapter 621/Statutes of 1998.**

**SB 1659 (Kopp)** -- Prohibits using carbon-monoxide gas for dog or cat euthanasia as of January 1, 2000. Also prohibits the use of high-altitude decompression chamber or nitrogen gas to kill a dog or cat. Makes it a misdemeanor to use any unauthorized method for the purpose of killing dogs or cats, punishable by up to six months in jail and/or a fine of up to \$1,000. **Signed - Chapter 751/Statutes of 1998.**

**SB 1785 (Hayden)** -- Extends the length of time shelters must keep animals before they are killed. Establishes that the policy of the state of California is that no adoptable or treatable animal, as defined, should be euthanized. **Signed - Chapter 752/Statutes of 1998.**

**SB 1991 (O'Connell)** -- Requires counseling as a condition of probation for any person convicted of killing, maiming or abusing an animal. **Signed - Chapter 450/Statutes of 1998.**

**SB 2003 (Knight)** -- Requires the Veterinary Medical Board to issue temporary licenses to practice veterinary medicine, changes requirements for testing of applicants, requires and authorizes the board to set appropriate examination and license fees, and creates a one-year temporary license for qualifying internship or residency programs. **Signed - Chapter 1070/Statutes of 1998.**

**AB 2020 (Thomson)** -- Would have prohibited homeowner associations in common-interest developments from preventing a homeowner from having a pet if the homeowner were disabled or regarded by a physician or psychologist as needing a pet. **Vetoed.**

**AB 1635 (Migden)** -- Requires circuses and carnivals to notify the appropriate local entities of their intent to perform within that jurisdiction. The intent of this legislation is to enhance the ability of local animal-control officers to enforce humane protection laws. **Signed - Chapter 579/Statutes of 1998**

**AB 1856 (Vincent)** -- Requires that all animals be spayed or neutered that are released by pounds, shelters and rescue societies in counties with populations over 100,000. **Signed - Chapter 747/Statutes of 1998.**

**AB 2440 (Oller)** -- Deletes provisions that restrict possession of deer, elk, bear, or antelope meat based on identifying the meat with a stamp or seal obtained from the Department of Fish and Game or designee. Adds a provision that deer, elk, bear or antelope meat may be possessed at any time as long as the possessor holds a hunting license and validated tags or copies of those items. **Signed - Chapter 531/Statutes of 1998.**

### ***Civil Rights***

California's civil-rights laws are designed to protect its residents from discrimination, harassment and violence. Most of these laws protect residents on the basis of race, ancestry, national origin, color, gender, religion, disability, marital status, age and sexual orientation. These laws cover residents in the areas of education, employment, housing, public services and business establishments. Civil-rights laws are often interpreted to include related rights such as family and medical leave. Civil and criminal hate-crime laws protect residents from violence against them or their property because of the kinds of persons they are, or the kinds of persons with whom they associate. The following is a partial list of measures which reached the governor's desk in 1998, including measures related to Proposition 209, the 1996 ballot initiative approved by California voters to end discrimination based on race, ethnicity or gender in public education, employment and contracting.

### ***Education***

**AB 499 (Kuehl)** -- Clarifies that a person alleging discrimination in education based on any of the protected categories such as race, gender or disability can bring a private civil action for damages without having to wait longer than a 90-to-135-day "cooling off" period. A person seeking injunctive relief is not subject to the "cooling off" period. Consolidates all anti-discrimination protections covering schools in the Education Code into two chapters, one for K-12 and one for higher education. **Signed - Chapter 914/Statutes of 1998**

### ***Employment***

Two bills were sent to the governor related to age discrimination in employment: **SB 1098 (Kopp) and AB 1643 (Escutia)**. The purpose of these bills was to overturn a recent California Court of Appeals decision, *Marks v. Loral Corp.*, which said that companies could fire their higher-paid employees and replace them with younger, lower-paid employees without facing age discrimination claims. These measures were **vetoed** by the governor.

**SB 654 (Johnston)** -- Makes it an unlawful practice to discriminate in employment on the basis of genetic characteristics. Defines "genetic characteristics" to mean any scientifically or medically identifiable gene or chromosome, or the alteration thereof, that is known to be a cause of a disease or disorder. **Signed - Chapter 99/Statutes of 1998.**

**AB 310 (Kuehl)** was a multi-pronged anti-discrimination measure to:

- Extend sexual harassment protections to contract workers,
- Require that an employer reasonably accommodate a pregnant worker,
- Prohibit employers from engaging in genetic testing, and
- Permit courts to award expert witness fees to the party who wins a lawsuit. **Vetoed.**

**AB 2156 (Keeley)** -- Extends the period for filing a wrongful discharge or discrimination complaint under the Labor Code from 30 days to one year after the occurrence of the violation. **Vetoed.**

### ***Enforcement***

**SB 2176 (Lockyer)** -- Reinforces and expands the role of the Civil Rights Enforcement Unit in the Department of Justice to investigate and prosecute discrimination in public education, employment and business practices. **Vetoed.**

### ***Hate Crimes***

**SB 1404 (Johnston)** -- Expands to public schools an existing felony/misdemeanor hate crime statute outlawing the burning, desecration or destruction of a religious symbol on private property. **Signed - Chapter 414/Statutes of 1998.**

Gender is currently included as a classification in some, but not all of the hate crimes statutes. **AB 1999 (Kuehl)** includes gender as a protected classification in all the hate crime provisions; it also expands the definition of gender to include people with an ambiguous sexual identity. **Signed - Chapter 933/Statutes of 1998.**

**AB 1450 (Shelley)** -- Requires mandatory community service, in addition to existing criminal penalties, for ruining the real or personal

property of a person in a protected class. **Signed - Chapter 850/ Statutes of 1998.**

### ***Housing***

**AB 2702 (Aroner)** -- Clarifies that claims under the Unruh Act such as a landlord not making housing accessible to people with disabilities may be brought in small claims court. **Signed - Chapter 195/ Statutes of 1998.**

### ***Past Civil Rights Abuses***

Educating the public about past human rights abuses such as the Holocaust and the internment of Japanese Americans during World War II and making reparations to survivors of these abuses are two important ways the Legislature has responded to these low points in modern history. This year a number of such bills were enacted. They are:

**SB 1397 (Brulte)** -- Waives income taxes for Holocaust survivors recovering insurance claims, bank deposits or artwork. **Signed - Chapter 962/Statutes of 1998.**

**SB 1530 (Hayden)** -- Gives \$4 million to the Department of Insurance for investigations and other programs to help Holocaust survivors collect unpaid policy claims. **Signed - Chapter 963/Statutes of 1998.**

**AB 898 (Napolitano)** -- Allocates \$148,000 for the creation of a Japanese Fishing Village Memorial on Terminal Island. **Signed - Chapter 568/Statutes of 1998.**

**AB 1915 (Honda)** -- Establishes the California Civil Liberties Education Act to award grants to educate the public about the internment of Japanese-Americans during World War II. **Signed - Chapter 570/Statutes of 1998.**

**AB 2217 (Villaraigosa)** -- Gives \$2.5 million to the Simon Wiesenthal Center - Museum of Tolerance, an institution which educates the public about the Holocaust. **Signed - Chapter 951/Statutes of 1998.**

### ***Privacy***

**SB 262 (Burton)** -- Makes it easier to seek civil damages against people who trespass and invade privacy by taking photographs or making audio recordings. **Signed - Chapter 1000/Statutes of 1998.**

### ***Proposition 209***

**SB 1735 (Polanco)** -- Makes a legislative finding that Proposition 209 does not prevent governmental agencies from engaging in public-sector outreach programs that may include focused outreach and recruitment of minority groups and women if any group is under-represented in entry-level positions or in an educational institution. **Vetoed.**

**AB 1664 (Murray)** -- Provides for statewide participation goals of not less than 30 percent for small business enterprises with respect to professional bond services and state contracts. **Vetoed.**

### ***Religion***

**AB 1617 (Baca)** -- Clarifies the first amendment principle that government should not substantially burden religious practices without very compelling reasons. **Vetoed.**

### ***Volunteers***

**AB 2418 (Olberg)** -- Protects senior citizen volunteers from age discrimination. **Signed -- Chapter 188/Statutes of 1998**

### ***Consumers***

Senate legislation took aim at deceptive practices in sweepstakes contests that sometimes dupe unsuspecting persons, especially the elderly, into spending money in pursuit of prizes they mistakenly believe they have won. **SB 1780 (Chapter 280/Statutes of 1998)**, authored by **Senator Steve Peace**, will prohibit statements that erroneously encourage people to believe they have won prizes. Further, the new law will require sweepstakes solicitations to prominently state that no purchase is necessary to enter and to spell out the contest rules. All participants must have an equal chance of winning whether or not they buy products associated with the contest. The measure codifies major parts of a settlement involving attorneys general from a number of states, including California. **SB 1476 (Chapter 354/Statutes of 1998)** by **Senator Jim Costa** will prohibit sweepstakes companies from using 900 and 976 information-access telephone numbers that can cost those who dial them \$4 to \$6 per minute. People who use toll numbers that are provided by sweepstakes companies to attempt to claim possible winnings may find themselves spending significant sums, only to learn they have won nothing. Proponents of this legislation argued that sometimes people making expensive calls at the urging of sweepstakes companies are asked to participate in lengthy surveys before learning they have won nothing. The new law is aimed at eliminating that situation.

On another front, **AB 1709 (Chapter 286/Statutes of 1998)** by **Assemblymember Elaine Alquist** is designed to make the funeral and cemetery industries -- which generate about 1,200 complaints per year to the state Department of Consumer Affairs -- more responsive to the information needs of consumers. The new law will require funeral homes and cemetery authorities to provide clients a copy of a consumer guide prepared by the department and will impose disclosure requirements on casket sellers. The department's guide, "Consumer Guide to Funeral

and Cemetery Purchases," already in print, includes legal requirements regarding cremation and burial, and telephone numbers of agencies that handle questions and complaints.

In 1997 the average cost of a funeral in California was \$4,600, according to the California Public Interest Research Group, making it the third-most expensive consumer purchase, behind homes and automobiles.

### ***Food Safety***

**SJR 42 (Thompson)** -- Urges President Clinton and the U.S. Department of Agriculture to redraft regulations proposed by the department concerning organic food to reflect the recommendations of the National Organic Standards Board and ensure compatibility with the California Organic Foods Act of 1990. **Resolution Chapter 36/Statutes of 1998.**

**AB 2231 (Aroner)** -- Requires the posting, at public fishing locations, of an advisory relating to fish consumption issued by the Office of Environmental Health Hazard Assessment (OEHHA), should OEHHA actually develop the advisory. The advisory is to contain information regarding the contamination hazards posed by fish and shellfish in the area. **Vetoed.**

**AB 2612 (Migden)** -- Permits food facilities to serve ready-to-eat foods containing a raw egg or less than thoroughly cooked egg as an ingredient if the facility notifies the consumer either orally or in writing that the food contains the ingredient and the consumer does not object to the preparation. **Signed - Chapter 177/Statutes of 1998.**

**AB 1978 (Campbell)** -- Enacts a statewide requirement that food facilities employ at least one person who has passed an approved and accredited food- safety certification examination. Establishes a uniform statewide standard that tells food service operators what they must to employ staff who are knowledgeable about food safety issues. **Signed - Chapter 720/Statutes of 1998.**

**AB 1879 (Prenter)** -- Establishes graduated civil penalties for livestock slaughterhouse violations. **Signed - Chapter 680/Statutes of 1998.**

### ***Estates and Real Property***

**SB 1715 (Calderon)** -- Prohibits anyone convicted of physical or financial abuse of an elderly person from inheriting from the abused person's estate. **Signed - Chapter 935/Statutes of 1998.**

**AB 1195 (Torlakson)** -- Requires a property seller and the seller's agent to notify the buyer if the property is located in any of three natural hazard zones, and requires the disclosure to be made on a natural-hazard disclosure statement. **Signed - Chapter 65/Statutes of 1998.**

**AB 1770 (Kuykendall)** -- Revises the conditions under which a real-estate broker license issued to a corporation may be suspended or revoked. **Signed - Chapter 507/Statutes of 1998.**

**AB 2301 (Wright)** -- Requires a clear and separate disclosure informing consumers they risk losing their property if they default on a contract that contains a lien against their property. States that no home-improvement contract under \$5,000 can contain a security interest in real property. **Signed - Chapter 571/Statutes of 1998.**

### ***Health Care and Social Work***

**SB 1630 (Rosenthal)** -- Requires residential care facilities for the elderly to make available their most recent inspection reports, and requires the Department of Social Services to maintain a file for public view of relevant documents. **Signed - Chapter 306/Statutes of 1998.**

**SB 1663 (O'Connell)**-- Allows licensees and staff of child day care centers to administer inhaled medication to children and requires pediatric first aid training to include training in administering

inhaled medications to children. **Signed - Chapter 625/Statutes of 1998.**

**AB 255 (Thomson)**--Requires a spectacle lens prescription to include specified information and an expiration date, and prohibits a spectacle lens prescription from being filled if it does not contain those items, or if it has expired. **Signed - Chapter 8/Statutes of 1998.**

**AB 332 (Figueroa)**-- Requires a physical exam or review of medical records before a health plan or insurer refuses to authorize services. Requires medical-necessity decisions that result in denial of care to be made only by licensed practitioners. Requires health plans and insurers to disclose to the public upon request the criteria used to determine whether to authorize or deny services. **Vetoed.**

**AB 823 (Papan)** --Prohibits any person from making any decision regarding the medical necessity or appropriateness of any diagnosis, treatment, operation or prescription unless he or she is licensed to practice medicine in California, and provides that this prohibition does not restrict other licensed health care professionals from making decisions within their scope of practice. **Signed - Chapter 1009/Statutes of 1998.**

**AB 1205 (Wright)**-- Makes clarifying changes to the Private Postsecondary and Vocational Education Reform Act format, and outlines externship requirements for pharmaceutical technicians. **Vetoed.**

**AB 1439 (Granlund)**-- Requires health-care practitioners to disclose their practitioner's credentials on a name tag while working, and specifies that a social worker who provides the second signature on a notice of certification to commit a person for up to 14 days of intensive treatment for mental illness or chronic alcoholism must be a licensed social worker. **Signed - Chapter 1013/Statutes of 1998.**

**AB 2006 (Keeley)** -- Prohibits any dentist, beginning January 1, 2000, from administering, or ordering the administration of, oral sedation on an outpatient basis for patients under 13 years old, unless the dentist possesses a:

a) General anesthesia permit;

b) Conscious sedation permit; or

c) Certification by the Board of Dental Examiners to administer oral sedation to minor patients. **Signed - Chapter 513/ Statutes of 1998.**

**AB 2719 (Gallegos)** -- Requires accusations against physicians by the California Board to be brought within seven years of the occurrence. **Signed - Chapter 301/Statutes of 1998.**

### ***Funerals and Cremation***

**AB 1314 (Leach)**-- Increases reporting requirements for cremated remains disposers and imposes a misdemeanor penalty for improper storage of cremated remains. **Signed - Chapter 168/Statutes of 1998.**

### ***Cyberspace***

**AB 1629 (Miller)**-- Prohibits the unauthorized use of electronic mail networks to send unsolicited e-mail advertisements (spam) and exempts specified non-profit organizations from the state's telemarketing regulatory scheme. **Signed - Chapter 863/Statutes of 1998.**

**AB 1676 (Bowen)**-- Prohibits unsolicited commercial e-mail, which is commonly referred to as spam or junk e-mail. **Signed - Chapter 865/Statutes of 1998.**

### ***Charities***

**SB 1836 (Johnston)** -- Requires charitable operations that solicit the donations of vehicles, planes or boats to provide certain information, including the percentage of the donation's value that actually is received by the designated charity. **Signed - Chapter 348/Statutes of 1998.**

**AB 1810 (Davis)**-- Requires "fund-raising counsels" to report specified fund-raising activities to the attorney general, and makes other changes related to the regulation of charitable fund-raising activities. Attorney General Dan Lungren in 1997 reported that commercial fund-raisers give only 37 cents of every dollar they raise to charities. **Signed - Chapter 445/Statutes of 1998.**

### ***Vehicles***

**AB 183 (Richter)** -- Creates a motor-vehicle owner's rights advocate in the Bureau of Automotive Repair to act as the principal proponent for consumers who register automotive complaints about the smog check program. **Vetoed.**

**AB 1848 (Davis)** -- Includes small-business vehicles in the "lemon law" by including a new motor vehicle that is "bought or used for business and personal, family, or household purposes by a person, including a partnership, limited liability company, corporation, association, or any other legal entity, to which not more than five motor vehicles are registered in this state." The lemon law is designed to help consumers enforce the terms of their vehicle warranties. **Signed - Chapter 352/Statutes of 1998.**

**AB 1872 (Baca)**-- Prohibits certain telephonic sellers from using courier or pickup services to obtain a purchaser's payment until after the goods are delivered, and prohibits a person from collecting a fee for attempting to recover certain property prior to seven business days after recovering and delivering such property. **Signed - Chapter 446/Statutes of 1998.**

**AB 2410 (Shelley)** -- Prohibits gag clauses in "lemon law" settlement agreements. **Signed - Chapter 1063/Statutes of 1998.**

### ***Telecommunications***

**AB 1973 (Campbell)** -- Requires the California Public Utilities Commission to submit a report to the Legislature annually on the status of competition in the telecommunications market. **Signed - Chapter 465/Statutes of 1998.**

**AB 1994 (Bowen)**-- Requires disclosure of specified consumer information relating to prepaid telephone calling cards. Clarifies disclosure and labeling requirements for prepaid telephone calling cards and advertisements for them. Also requires disclosure of network access numbers and refund policies. **Signed - Chapter 802/Statutes of 1998.**

**AB 2134 (Escutia)** -- Requires local phone companies to inform their customers about state and federal laws that protect the privacy rights of telephone consumers. **Signed - Chapter 473/Statutes of 1998.**

**AB 2716 (Martinez)** -- Revises the notice and public-input process and changes the transition period involved in the creation of new area codes. **Signed - Chapter 534/Statutes of 1998.**

### ***Other Consumer Legislation***

**SB 1360 (Alpert)**--Provides that any person who has been charged with first- or second-degree murder or voluntary manslaughter in connection with the death of another person relinquishes his or her right to control the disposition of the decedent's remains, and the right of control falls to the next order of kin. **Signed - Chapter 253/Statutes of 1998.**

**SB 1676 (Kopp)** -- Permits county sealers of weights and measures to test and certify the accuracy of parking meters, notify a city of inaccurate meters and close those that need fixing. The legislation was



sparked by a survey of parking meters by an 11-year-old Berkeley girl who found 94 percent of the city's meters were inaccurate. **Signed - Chapter 862/Statutes of 1998.**

**SB 1792 (Mountjoy)** -- Expands a voluntary arbitration program administered by the Contractors' State License Board. **Signed - Chapter 492/Statutes of 1998.**

**SB 1948 (Sher)** -- Requires the state insurance commissioner to prepare a written report by July 2, 1999, on complaints and enforcement actions against insurance companies. This report is to be made available by mail to the public and published on the department's website. **Signed - Chapter 556/Statutes of 1998.**

**SB 1959 (Schiff)**-- Makes verified military training, that is comparable, a substitute for training requirements in certain professions. Specifically, allows applicants for state licensure as barbers, security guards, patrol persons, and smog check technicians to submit comparable military training as a substitute for state licensing education, training, and experience requirements. Provides that licensing boards retain the authority to require individuals covered by this measure who fail licensing examinations to meet existing training standards. **Signed - Chapter 405/Statutes of 1998.**

**SB 2024 (Rainey)** -- Strengthens protections for those who purchase sports memorabilia by requiring a certificate of authenticity that includes the date, location and witness of an autograph signing. The FBI reports that nearly 70 percent of autographed sports memorabilia sold in 1996 was fraudulent, according to the Governor's Office. **Signed - Chapter 494/Statutes of 1998.**

**SB 2175 (Alpert)**-- Seeks to improve the state's travel consumer-protection program by, among other things, reducing frivolous and ineligible consumer-restitution claims, easing some of the regulatory requirements on sellers of travel (SOTs) and extending the state's SOT regulatory program for seven years. Increases the annual level of the SOT restitution fund from \$1.2 million to \$1.6 million to accommodate, in part, the fund's expanded claim coverage. Establishes a \$50 minimum consumer loss and refundable \$35 filing fee for a consumer to file a reimbursement claim. Clarifies which expenses are eligible for reimbursement, excluding lost wages, pain and suffering, and emotional distress. **Signed - Chapter 924/Statutes of 1998.**

**AB 1987 (Aroner)** -- Requires that security bars on windows of licensed community care facilities have safety-release features that meet state and local guidelines. **Signed - Chapter 343/Statutes of 1998.**

**AB 2237 (Escutia)** -- Requires environmental agencies to consider disproportionate human health and environmental effects, as well as funding trends, when awarding environmental loans and grants. The bill was sparked by studies that found minority-dominated communities were three times more likely than other areas to be exposed to unsafe levels of air pollutants and had over three times the hospitalization rate for asthma, congestive heart failure, hypertension, diabetes and emphysema. **Vetoed.**

### ***Domestic Violence***

Addressing domestic violence has been a priority for the California Legislature in the last few years. Legislation introduced in the 1997-98 session continued to acknowledge the severity and prevalence of this hidden crime by proposing new prevention programs, helping victims and improving the criminal and civil justice system's response to battering. The following is a partial list of bills submitted to the governor in 1998:

### ***Prevention***

**AB 285 (Honda)** -- Requires some training on domestic violence recognition and prevention for teachers and persons seeking teaching credentials. Requires the School/Law Enforcement Partnership to provide information on domestic violence and sexual assault to school districts and county offices of education. **Vetoed.**

## ***Confidentiality Issues***

**SB 489 (Alpert)** -- Keeps the addresses of some victims of domestic violence confidential by setting up a confidential process through the Secretary of State's Office for service of process, general mail and voting. **Signed - Chapter 1005/Statutes of 1998.**

**AB 1900 (Cardenas)** -- Authorizes courts to keep names and addresses of victims and their family members confidential for interstate child support matters. **Signed - Chapter 511/Statutes of 1998.**

## ***Medical Examinations***

To provide sensitive medical services to seriously injured victims of domestic violence and do a better job of documenting injuries, **SB 1830 (Lockyer)** requires the Department of Justice, in collaboration with the Department of Health Services, to develop standard forms and examination procedures to be followed when forensic evidence is collected from a domestic violence victim. Local law enforcement agencies and local government agencies would bear the costs for these medical exams. **Vetoed.**

## ***Unemployment***

**SB 165 (Solis)** -- Permits persons who are forced to leave their employment because of domestic violence to receive unemployment insurance. **Signed -Chapter 411/Statutes of 1998.**

## ***Law Enforcement/Courts***

**SB 1682 (Solis)** -- Gives prosecutors more flexibility when introducing previous acts of domestic violence as evidence. Reforms domestic violence-related funding disbursements by the state to local law enforcement and to statewide training and education programs. **Signed - Chapter 707/Statutes of 1998.**

**SB 1796 (Leslie) and AB 2351 (Hertzberg)** -- Address the crime of "cyberstalking" by updating stalking and harassment laws to include stalking by electronic technologies. **Signed - Chapters 825 and 826/Statutes of 1998.**

In 1996 the Legislature passed **AB 2116 (Alby)**, which allowed misdemeanor warrantless arrests for assaults and batteries against a spouse, a cohabitor, or the parent of the offender's child which took place outside the presence of an officer. **SB 1470 (Thompson)** expands this law to include former spouses, former cohabitants, engaged or formerly engaged persons, or other persons related to the suspect. **Signed - Chapter 182/Statutes of 1998.**

**AB 1201 (Murray)** -- Expands the list of people entitled to receive a "Victim of Domestic Violence" card to include victims of a dating relationship battery or corporal injury on a spouse. This card refers victims to counseling and services. **Signed - Chapter 698/Statutes of 1998.**

**AB 1767 (Havice)** -- Expands the coverage of the misdemeanor domestic-violence statute to include "engagement" relationships; expands the coverage of the warrantless arrest statute to include a person with whom the defendant has or had a "dating" relationship (See also SB 1470 above). **Signed - Chapter 699/Statutes of 1998.**

**AB 2172 (Sweeney)** -- Enhances law enforcement training with respect to signs of domestic violence, enhances law enforcement standards with respect to transporting victims to medical treatment when necessary, and assists victims in safe passage from their residences. **Signed - Chapter 701/Statutes of 1998.**

**AB 2700 (Kuehl)** -- Requires the Judicial Council to compare and evaluate "domestic violence courts" now operating in California and other states and to report its findings to the Legislature by March 1, 2000. A number of counties in California have a court, some just for criminal matters, some for civil matters, and some which handle both criminal and civil, dedicated to handling family

violence matters. **Signed - Chapter 703/Statutes of 1998.**

### ***Restraining Orders***

Temporary and permanent restraining orders are used by victims to keep the batterer physically separate. A number of measures in 1998 seek to make changes in these laws. The following is a summary of several of these measures.

**SB 326 (Leslie)** -- Intended to protect minors from physical and mental abuse by clarifying the role of juvenile courts in enforcing restraining and protective orders. Requires courts to allow minors over the age of 12 to appear in court without a guardian and without counsel to obtain or oppose a protection or restraining order, and authorizes minors under age 12 to appear in court without counsel, but with a guardian, to obtain or oppose a protection or restraining order. **Signed - Chapter 706/Statutes of 1998.**

**SB 1682 (Solis)** -- Expands the information available on the state's computerized restraining order registry, called California Law Enforcement Telecommunications System (CLETS), to include gun restriction information; streamlines the way local law enforcement is reimbursed for providing restraining order data to CLETS. **Signed - Chapter 707/Statutes of 1998.**

**AB 1531 (Shelley)** -- Requires the court or law enforcement to enter a criminal court protective order into CLETS within one business day of issuance. **Signed - Chapter 187/Statutes of 1998.**

**AB 2177 (Kuehl)** -- Insures that protective orders issued by other states or jurisdictions will be enforced by California authorities in the same manner that they would enforce an order issued in California. **Signed - Chapter 702/Statutes of 1998.**

### ***Economic and Small-Business Development***

#### ***Small Businesses***

**SB 412 (Peace)** -- Expands conflict-of-interest provisions to apply to entities that bid on or are awarded electronic-data processing and telecommunications goods and services contracts. Also prohibits a vendor who violates conflict-of-interest provisions from bidding on contracts for a period of six to 24 months. **Vetoed.**

**SB 593 (Rosenthal)** -- Implements an "acceptable alternative mechanism" pursuant to the federal Health Insurance Portability and Accountability Act of 1996 by providing access to health coverage to individuals with prior group coverage and by extending California's small-employer health insurance reform to self-employed individuals, under specified conditions. **Vetoed.**

**SB 702 (Polanco)** -- Repeals and reestablishes a modified manufacturing technology program within the Trade and Commerce Agency, to be overseen by a specified manufacturing council. **Vetoed.**

**SB 1086 (Schiff)** -- Redefines the term "self-service storage facility" and shifts the regulatory burden of such entities away from the Public Utilities Commission, under which moving companies are regulated. **Signed - Chapter 45/Statutes of 1998.**

**SB 1775 (Rainey)** -- Abolishes the California Industrial Development Financing Advisory Commission, transfers some of its functions to the California Pollution Control Financing Authority and allows industrial-development bonds to be used for specified commercial activities. **Vetoed.**

**SB 1849 (Alpert)** -- Streamlines the capital outlay program of the California State University (CSU) by making two changes to the CSU Contracting Law. The first change expands the CSU's existing authority to utilize design-build methodologies for its construction projects. The second increases the CSU's authorization to utilize unit price contracting for specific types of construction services. **Signed - Chapter 307/Statutes of 1998.**

**SB 2014 (Schiff)** -- Grants a refund to a hazardous waste generator if it transfers hazardous materials to an off-site facility for recycling, and the Department of Toxic Substances Control determines that a budget surplus exists that is sufficient to issue refunds. **Signed - Chapter 737/Statutes of 1998.**

**SB 2060 (Kopp)** -- Updates and expands the Corporate Securities Law (CSL) of 1968. Authorizes the commissioner of the Department of Corporations to issue certain orders to stop unsafe practices by agents, broker-dealers, investment advisers and representatives who are regulated under the CSL. **Signed - Chapter 391/Statutes of 1998.**

**SB 2189 (Vasconcellos)** -- Enacts the Capital Access Company Law, which provides for the licensure and regulation by the commissioner of Corporations of capital-access companies to enable those entities to provide risk capital and management assistance to small businesses in the state exempt from the requirements of the federal Investment Company Act of 1940. **Signed - Chapter 668/Statutes of 1998.**

**AB 399 (Gallegos)** -- Extends California's small-employer health insurance reform to self-employed individuals, under specified conditions. **Vetoed.**

**AB 510 (Ashburn)** -- Clarifies that a partnership is a taxpayer under the personal income-tax law and removes references to partnerships in the bank and corporation tax law. **Signed - Chapter 49/Statutes of 1998.**

**AB 1187 (Knox)** -- Changes the name of New Business Incubator Enterprise Program within the Trade and Commerce Agency to the Business Incubation Program and revises program qualifications. **Chapter 577/Statutes of 1998.**

**AB 1664 (Murray)** -- Provides for statewide participation goals of not less than 30 percent for small business enterprises with respect to professional bond services and state contracts. **Vetoed.**

**AB 1848 (Davis)** -- Includes small-business vehicles in the "lemon law" designed to give consumers more authority to enforce their car warranties. **Signed - Chapter 352/Statutes of 1998.**

**AB 1891 (Davis)** -- Forbids individual Small Business Financial Development Corporations (SBFDCs), which administer the state's small business loan guarantee program, from having an outstanding guarantee liability of more than five times their portion of funds on deposit for the purpose of providing loan guarantees. Requires that the Director of the Office of Small Business in the Trade and Commerce Agency meet at least once per fiscal year with the board of directors of each SBFDC. **Signed - Chapter 153/Statutes of 1998.**

**AB 2275 (Kuykendall)** -- Repeals, recasts and modifies provisions of the California Prompt Payment Act guaranteeing timely payment of state vendors. **Signed - Chapter 916/Statutes of 1998.**

**AB 2405 (Leach)** -- Requires the small business advocate in the Department of General Services to provide specified services in assisting small businesses, and requires each state agency to designate a small business advocate as a liaison to small business suppliers. **Signed - Chapter 917/Statutes of 1998.**

**AB 2453 (Campbell)** -- Revises various aspects of the California Small Business Development Center Program within the Trade and Commerce Agency, including the goals of the program and the activities to be performed by local small-business development centers. **Signed - Chapter 684/Statutes of 1998.**

### ***Economic Development***

**SB 567 (Schiff)** -- Authorizes the California Transportation Commission to allocate state and federal transportation funds to the California Department of Transportation to provide loan

guarantees for state and local transportation projects. **Signed - Chapter 664/ Statutes of 1998.**

**SB 1184 (Thompson)** -- Merges the California Infrastructure and Economic Development Bank and the California Economic Development Financing Authority into a single entity within the Trade and Commerce Agency. Authorizes the bank to provide insurance or reinsurance of loans or their debt service, financing for public development facilities, and issuance of revenue bonds. Eliminates a provision in existing law requiring that when state agencies apply for bank funding, the project be submitted to the Legislature for approval through the annual Budget Act or other legislation. Eliminates provisions in existing law requiring that sponsors of a project allow public inspection of supporting documentation for a project 10 days prior to a public hearing. Also eliminates the ability of local agencies to appeal the basis of a bank decision. Redefines and narrows the definition of "public interest," as it relates to the bank. **Signed - Chapter 4/Statutes of 1998.**

**SB 1742 (Karnette)** -- Enacts, until January 1, 2002, the Alameda Corridor Cities Economic and Community Development Act, which requires the Trade and Commerce Agency to work with representatives from specified organizations to develop a strategic plan to foster economic development in local communities surrounding the Alameda Corridor. **Vetoed.**

**AB 3 (Baca)** -- Expands the Local Agency Military Base Recovery Areas (LAMBRA) program by increasing the number of LAMBRA from five to 10 and providing for loan priorities and contract preference points for LAMBRA businesses. **Signed - Chapter 1012/Statutes of 1998.**

**AB 697 (Davis)** -- Requires the Economic Research and Strategic Planning Unit within the Trade and Commerce Agency, in coordination with the Legislature, the Department of Finance, the state auditor, the legislative analyst, and the customers and users of the agency's programs, to develop by July 1, 1999, quantifiable benchmarks, goals, and objectives to determine the success and effectiveness of each of the agency's programs. **Vetoed.**

**AB 901 (Napolitano)** -- Requires the California State World Trade Commission to prepare a state strategic plan for international trade promotion for submission to the Legislature and specified constitutional officers by January 31, 2000. **Vetoed.**

**AB 1881 (Thompson)** -- Encourages state agencies to cooperate with Indian tribes on economic-development matters and requires the Department of Housing and Community Development to report the steps taken by state agencies in cooperating with federally recognized Indian tribes on matters of economic development. **Signed - Chapter 397/Statutes of 1998.**

**AB 2272 (Baca)** -- Requires the Trade and Commerce Agency and the Business, Transportation and Housing Agency, in consultation with the Southern California Association of Governments and the San Bernardino Associated Governments, to review existing studies and ongoing research, and make recommendations on the feasibility of developing a distribution center in the Inland Empire for activity within the Alameda Corridor. **Vetoed.**

**AB 2493 (Bustamante)** -- Appropriates \$135,000 from the state General Fund to the California Department of Food and Agriculture to conduct foreign-market research. **Signed - Chapter 574/Statutes of 1998.**

**AB 2580 (Baca)** -- Authorizes the Trade and Commerce Agency (TCA) to designate new Regional Technology Alliances "upon application." Authorizes TCA to establish criteria for designation that includes, but need not be limited to, criteria previously established by the Defense Conversion Council. **Signed -Chapter 685/Statutes of 1998.**

## ***Education***

### ***Early Childhood through High School***

#### ***Accountability - Comprehensive***

**SB 1561 (Leslie)** -- Creates the Public Schools Accountability Act of 1998, which establishes a

short-term, voluntary accountability grant program for the 250 lowest-performing schools in California and sets up a framework for a long-term accountability program. To qualify for grants, local districts would have to be assessed by external evaluators, develop improvement plans and provide local matching funds. The long-term program, which would require enactment of subsequent legislation, would add new features including multiple indicators of low-performing schools, rewards for high-achieving schools and sanctions for schools that continue to fail. This bill is intended to qualify for the \$50 million that Governor Wilson set aside in the 1998-99 budget for a comprehensive school accountability program. **Vetoed.**

### ***Accountability - Summer School***

**SB 1370 (Polanco)** -- Provides \$105 million for summer school and remedial education programs in schools for students who are falling behind academically. Of this amount, \$75 million funds a new remedial summer school programs for students in grades 2-6, as established by **AB 1639 (Sweeney)**. The remaining \$30 million expands the existing remedial summer school program to cover students who will be retained in their current grades under district policies established by **AB 1626 (Wayne)**. These bills are a part of the accountability and remedial-education program negotiated with the Wilson administration. **Signed - Chapter 942/Statutes of 1998.**

**AB 1639 (Sweeney)** -- Requires school districts to offer direct, systematic and intensive supplemental instruction to students in grades 2-9 who have been retained in school. Supplemental instruction is to be offered during the summer, after-school, on Saturday or between school sessions. This bill implements a part of the school-accountability and remedial-education program negotiated with the administration. **Signed - Chapter 743/Statutes of 1998.**

**AB 2536 (Poochigian)** -- Creates the California State Summer School for Mathematics and Science as a summer program for students statewide in grades 9-12 who have demonstrated high achievement in these subjects. Students would be required to pay up to \$1,000 in tuition to attend the program, although fees could be reduced or waived depending upon student ability to pay. **Signed - Chapter 805/ Statutes of 1998.**

### ***Accountability - Pupil Promotion and Retention***

**SB 1490 (Greene)** -- Prohibits schools from using student scores on the STAR test as the sole determining factor in making decisions about whether to retain a student in their current grade level. **Vetoed.**

**AB 1626 (Wayne)** -- Requires all school districts to adopt policies that identify students at specific grade levels who should be retained or are at-risk of being retained in their current grade level based upon their academic performance. This bill implements a part of the school- accountability and remedial-education program negotiated with the administration. **Signed - Chapter 742/Statutes of 1998.**

### ***Accountability - Student Assessment***

**AB 1763 (Mazzoni)** -- Requires the publisher of the STAR test to disaggregate test score data by several student characteristics, including economic status, gender, designated as limited-English proficient (LEP), redesignated as fluent in English, home language, and type of instructional program. Currently, the publisher is only required to disaggregate student test score data by LEP status. **Signed - Chapter 845/Statutes of 1998.**

**AB 1815 (Migden)** -- Exempts limited-English-proficient students from taking the STAR test during their first 30 months of schooling. Also requires the STAR test to be provided in major languages spoken by California students. **Vetoed**

### ***Adolescent Pregnant and Parenting Teens***

**SB 1064 (Johnston)** -- Reorganizes school programs for pregnant and parenting teens into a new, more comprehensive and accountable school-based program to be entitled Cal-SAFE.

Expansion of the program will be subject to future Budget Act appropriations. Participating school districts and county offices of education will be required to provide a number of educational and nutritional services for teen parents, and child care and development programs for their children. **Signed - Chapter 1078/Statutes of 1998.**

### ***After-School Programs***

**SB 1756 (Lockyer), AB 1428 (Ortiz), AB 2284 (Torlakson)** -- Establish after-school care programs in elementary and middle schools for students in grades K-9. The funds will be available to schools statewide through a competitive grant process, with priority for low-income schools. This new program is intended to provide a safe place for students to go after school and to provide educational enrichment, including tutoring and homework assistance, recreation, health education, and interpersonal skills development activities for students. These are budget trailer bills. **Signed - Chapters 320, 319, and 318/Statutes of 1998.**

### ***Bilingual Education***

**SB 6 (Alpert)** -- Provides comprehensive reforms to improve school programs and services to support LEP students. Provides additional flexibility to school districts in designing and delivering services to meet the needs of LEP students and requires greater school district accountability for the academic outcomes of LEP students. **Vetoed.**

**AB 2620 (Davis)** -- Requires the California Department of Education (CDE) to survey preschool and child care programs serving children aged 3-4 years who are not English proficient. This bill requires CDE to report to the governor and Legislature on the findings of the survey and the best practices for preparing young children to speak English in elementary school. **Vetoed.**

### ***Charter Schools***

**AB 544 (Lempert)** -- Enacts comprehensive changes to charter school law. The bill raises the previous cap of 100 charter schools to 250 charter schools in 1998-99, and allows 100 new charter schools each year afterward. The bill allows parents and teachers to sign the charter school petitions and recognizes charter schools' right to form as nonprofit corporations. Requires local board approval of charters unless specific criteria are met. Requires that charter school teachers be credentialed, with some flexibility for non-academic instructors. **Signed - Chapter 34/Statutes of 1998**

**AB 2417 (Mazzoni)** -- Makes technical and clarifying changes to **AB 544 (Lempert)**. **Signed - Chapter 673/Statutes of 1998.**

### ***Class Size Reduction***

**SB 12 (O'Connell)** -- Expands the 9th grade Class Size Reduction program to reduce class size in one additional core subject including English, math, social studies or science. With the \$44.9 million provided in the 1998-99 budget, schools will be able to reduce class sizes for 9th graders in a total of two core subject areas. The program is intended to extend the benefits of smaller classes, which are so popular in grades K-3, to students who are beginning high school. This is a budget trailer bill. **Signed - Chapter 334/Statutes of 1998.**

**AB 621 (Lempert)** -- Enacts the California Paraprofessional and Career Ladder Program to allow school districts to apply to the Superintendent of Public Instruction (SPI) for grants to train and employ paraprofessionals in grade 1-6 classrooms. This bill would require the SPI to evaluate the program by January 1, 2004. **Vetoed.**

**AB 1746 (Escutia)** -- Provides that any unexpended funds for the K-3 Class Size Reduction (CSR) program in 1996/97 and 1997/98 be made available first to certain overcrowded school districts which have had difficulty implementing the CSR program. The bill would make one-time grants available to school districts in the amount of \$40,000 per class. **Signed -- Chapter 1033/Statutes of 1998.**

## ***Education Finance***

**SB 1564 (Schiff)** -- Makes numerous changes to education programs and appropriates funds for them. These statutory changes and appropriations implement provisions of 1998-99 Budget and related agreements. (*See also Higher Education, page 37.*) This is a budget trailer bill. **Signed - Chapter 330/Statutes of 1998.**

**AB 1845 (Honda)** -- Increases the rate of funding for community day schools operated by school districts from \$1,500 per student in average daily attendance (ADA) to \$4,000 per ADA. The bill also requires that community day school programs, which generally serve students who have been expelled or are on probation, provide academic programs which are comparable in quality to school district programs for students of the same age. **Signed - Chapter 847/Statutes of 1998.**

**AB 2460 (Leach)** -- Requires the Legislative Analyst's Office (LAO) to review school district revenue limits in 1998-99 and develop alternative formulas for cost-of-living adjustments (COLAs) that will equalize revenue limits. The bill requires the LAO to report their finding to the Legislature and others by March 1, 1999. **Signed - Chapter 156/Statutes of 1998.**

## ***Educational Technology***

**SB 1415 (Burton)** -- Provides funds to further the construction of two major science education facilities for K-12 students, one in Northern and one in Southern California. Specifically, provides up to \$5 million for the Chabot Observatory and Science Center in Hayward and up to \$2 million for the Lewis Center for Earth Science in Apple Valley. **Signed - Chapter 950/Statutes of 1998.**

**AB 1339 (Knox)** -- Creates the Education Technology Staff Development Program to fund training for school instructional staff in the use of educational technology . **Signed - Chapter 844/Statutes of 1998.**

**AB 1652 (Sweeney)** -- Revises provisions of the Morgan-Farr-Quackenbush Education Technology Act of 1992 that guided the use of instructional technology in K-12 schools, and continues the act through December 31, 1999. Provisions of this act were repealed as of June 30, 1998. **Vetoed.**

**AB 1761 (Sweeney)** -- Establishes the California Technology Assistance Project to provide a regional assistance on educational technology to schools and districts. The State Board of Education is to award grants to school districts and county offices of education to provide regional training. **Signed - Chapter 801/Statutes of 1998.**

## ***Instructional Materials***

**SB 1412 (Schiff)** -- Requires annual school district and county office of education audits to include an audit of instructional materials funds. The superintendent of public instruction would be required to review these audits to assure that local education agencies are following state laws governing instructional-materials funds and to issue penalties if agencies are found out of compliance. **Vetoed.**

**AB 862 (Ducheny)** -- Creates the California Public School Library Act of 1998 to provide funds to school districts for the purchase of up-to-date library books, periodicals and other library resources including technology. School districts would be required to develop a district-wide school-library plan to qualify for these funds. The 1998-99 state budget provides \$158.8 million for this program. This is a budget trailer bill. **Chapter 332/Statutes of 1998.**

**AB 2041 (Bustamante, Schiff, Villaraigosa, Pacheco)** -- Provides \$250 million as the first installment in a four-year plan to expand funding for K-12 student textbooks in core subject areas. As provided in the 1998-99 state budget, these new funds will be targeted toward the purchase of new English/language arts, mathematics, history/social science and science textbooks that are aligned with new state standards in these subject areas. This is a budget trailer bill. **Signed - Chapter 312/Statutes of 1998.**



## ***Instructional Year***

**SB 1193 (Peace and Schiff)** -- Restores 180 days of instruction for public K-12 students and provides incentive funding to school districts to offer three days of staff development for teachers and one day of staff development for classroom aides beyond these 180 days. The 1998-99 state budget provides \$195 million as an incentive for these staff development days. This is a budget trailer bill. **Signed - Chapter 313/Statutes of 1998.**

## ***Parent Involvement***

**SB 1110 (Leslie)** -- Requires schools to notify parents or guardians of K-12 students prior to providing education on the topics of sex, AIDS and sexually transmitted diseases . **Signed - Chapter 403/Statutes of 1998.**

**SB 2138 (Vasconcellos)** -- Requires all students in grades 9-12 to receive parenting education from trained instructors. Extend this requirement to students age 12 and older enrolled in juvenile court schools and for wards of the California Youth Authority. **Vetoed.**

**AB 1216 (Kaloogian)** -- Enacts the Parent Education Empowerment Act of 1998. Requires schools to make course-work descriptions, instructional materials and student assessments available for parent review; protects students and teachers from being questioned about their values and beliefs; and requires parental consent for specific student testing and evaluation. **Signed - Chapter 1031/Statutes of 1998.**

**AB 1665 (Torlakson)** -- Expands current law regarding the rights and responsibilities of parents and guardians of pupils enrolled in public schools. Requires governing boards of school districts to develop policies with parents and guardians to establish shared responsibility for student education and development. **Signed - Chapter 864/ Statutes of 1998.**

## ***Special Education***

**SB 2223 (Watson)** -- Establishes a public-private research institute on neuro-developmental disorders within the University of California that includes a center on learning disabilities and autism and related disorders. This center is intended to guide effective assessment, intervention and prevention of these disorders. **Signed - Chapter 337/ Statutes of 1998.**

**AB 598 (Davis)** -- Makes technical changes to **AB 602 (Davis)**, the comprehensive special education funding reform bill enacted in 1997. **Signed - Chapter 89/Statutes of 1998.**

## ***School Facilities***

**SB 50 (Greene)** --Places a \$9.2 billion school construction and modernization bond on the November 1998 ballot (Proposition 1A) and enacts specific changes to the current state school building program.

Of the \$9.2 billion before state voters in November, \$6.7 billion would be available for K-12 school facilities and \$2.5 billion for higher-education facilities. (See "*Higher Education Facilities Bond*, page 46) The \$6.7 billion for K-12 facilities would allow \$2.9 billion for new construction; \$2.1 billion for rehabilitation of older schools; \$700 million for Class Size Reduction (CSR); and \$1 billion for hardship situations.

SB 50 establishes a per-pupil funding formula for new school construction, requires local districts to match state funds for new construction, allows school districts to establish reimbursement agreements with developers to cover their fees and authorizes an Affordable Housing Assistance Program.

The bill also suspends provisions of the Mira/Hart/Murrieta court decisions for eight years as they relate to increasing developer fees and local government approval of schools; however, suspension only becomes effective if Proposition 1A is approved by state voters. **Signed - Chapter**

## **407/Statutes of 1998.**

**AB 1992 (Strom-Martin)** Requires school districts applying for state school building funds to include telephone wiring in their plans for each new or modernized classroom. **Vetoed.**

### ***School Safety***

**SB 1626 (Hughes)** -- Requires school security officers who work more than 20 hours per week, to complete a new school-security training course. **Signed - Chapter 745/Statutes of 1998.**

**SB 1627 (Hughes)** -- Requires all school peace officers, as defined, employed on or after July 1, 1999 to complete the Commission on Peace Officer Standards and Training Basic prior to acting as peace officers. **Signed - Chapter 746/ Statutes of 1998.**

**SB 1751 (Calderon)** -- Establishes the School Safety Act of 1998 and accordingly encourages the State Allocation Board to develop criteria for the identification of schools in need of school security equipment. **Vetoed.**

**AB 1392 (Scott)** -- Prohibits private schools from employing individuals who have been convicted of serious or violent felonies or misdemeanor sex and drug offenses, which is currently the law for public schools. **Signed - Chapter 594/Statutes of 1998.**

**AB 1756 (Havice)** -- Establishes a multi-year grant program to school districts to develop community-policing programs involving local law enforcement and other community partners to improve safety on school campuses. The 1998-99 state budget provides \$10 million for this new program. This is a budget trailer bill. **Signed - Chapter 317/ Statutes of 1998.**

**AB 1757 (Bowler)** -- Eliminates a restriction that county offices of education limit costs for probation officers to no more than the number of probation officers they had funded in the 1988-89 fiscal year. **Signed - Chapter 125/Statutes of 1998.**

### ***Teacher Preparation and Recruitment***

**SB 2042 (Alpert)** -- Enacts a variety of teacher-education reforms that were recommended by the SB 1422 Advisory Panel. The bill requires teachers to complete a professional preparation program accredited by the Commission on Teacher Credentialing according to program standards, requires teacher preparation programs to provide integrated subject matter and professional development programs, and institutes post-baccalaureate and internship programs for professional development. **Signed - Chapter 548/Statutes of 1998.**

**SB 2126 (Schiff)** -- Intended to attract teachers from out of the state by allowing the purchase of out-of-state service credits toward retirement. **Signed - Chapter 1076/Statutes of 1998.**

**AB 285 (Honda)** Requires the Commission on Teacher Credentialing to develop standards that will help new teachers recognize and respond to children who have been victims of domestic violence and sexual assault. This bill also required the School/Law Enforcement Partnership, composed of the Superintendent of Public Instruction and the Attorney General, to provide information about domestic violence and sexual assault to local education agencies. **Vetoed.**

**AB 496 (Lempert)** -- Establishes the California Mathematics Initiative for Teaching to provide assistance grants under the Assumption Program of Loans for Education (APLE) for up to 4,500 students who are earning teaching credentials in math. The program will be administered by the Commission on Teacher Credentialing. The 1998-99 state budget provides funds for this program. **Signed - Chapter 545/Statutes of 1998.**

**AB 858 (Davis)** -- Establishes the National Board for Professional Teaching Standards (NBPTS) Certification Incentive program to provide one-time \$10,000 merit grants to teachers who have earned NBPTS certification, a rigorous test of teacher competency. The bill also requires the issuance of a California teaching credential to a teacher who is licensed to teach in another state

and who has attained NBPTS certification Budget trailer bill. **Signed - Chapter 331/ Statutes of 1998.**

**AB 1331 (Alquist)** -- Establishes the Teacher Mathematics Instruction Development program to fund school district math training programs for teachers in grades 4-8. The 1998-99 state budget provides \$14.3 million in one-time funds for this program. This is a budget trailer bill. **Signed - Chapter 315/Statutes of 1998.**

**AB 1620 (Scott)** -- Establishes new standards for issuing California teacher credentials for out-of-state credentialed teachers. The bill also requires the Commission on Teacher Credentialing to determine states that have teacher preparation standards that meet or exceed California's standards, and to initiate negotiations for reciprocity credentials with these states. **Signed - Chapter 547/Statutes of 1998.**

**AB 2442 (Mazzoni)** -- Creates the Standards-Based Mathematics Staff Development program to provide funds to school districts and county offices of education to cover the costs of math training programs provided by higher education institutions for teachers in grades 4-12. The 1998-99 Budget provides \$14.3 million in one-time funds for this program. This is a budget trailer bill. **Signed - Chapter 316/Statutes of 1998.**

**AB 2730 (Mazzoni)** -- Requires the Commission on Teacher Credentialing, together with the Committee on Accreditation, to develop a three year pilot project intended to improve the accreditation review of non-traditional teacher preparation programs. The commission and the committee would be required to report findings about the project to the Legislature, including a review of any programs which were closed or terminated. **Signed - Chapter 544/ Statutes of 1998.**

**AB 2748 (Mazzoni)** -- Requires applicants for specialist credentials in special education to pass a reading instruction competency test administered by the Commission on Teacher Credentialing, as required for other teaching credentials. The bill would exempt applicants for the Early Childhood Special Education Certificate from taking the reading competency test. **Signed - Chapter 303/Statutes of 1998.**

### ***Other Education Legislation***

**SB 305 (Sher)** Requires schools to provide information to parents and guardians about the level of nursing services available at their school. **Vetoed**

**SB 1817 (Johnston)** Authorizes school districts to provide workers compensation insurance, for a transitional period, to students who work for private employers in a work experience or vocational education program. **Signed - Chapter 541/ Statutes of 1998.**

**SB 1932 (Johnston)** -- Appropriates funds to the Sacramento City Unified School District for the development of a Center for Educational Excellence, which is intended to serve as a statewide clearinghouse on effective instructional materials and methods for students in urban schools. **Vetoed.**

**SB 1466 (Polanco)** -- Enables school districts to use an owner controlled insurance program or a "wrap up" insurance program for school construction and modernization. The intent of this program is to reduce school district insurance costs by allowing districts to sue wrap up insurance policies instead of paying each contractor for individual insurance policies. **Signed - Chapter 849/Statutes of 1998.**

**SB 2085 (Burton)** -- Merges the State Teachers Retirement System Cash Balance and Defined Benefit Plans, to be known as the State Teachers' Retirement Plan. This bill would require a minimum 4 percent payroll employer contribution to the plan. **Signed - Chapter 1048/Statutes of 1998.**

### ***Higher Education***

The Legislature approved numerous bills that address a range of higher education issues such as college preparation and admissions, financial aid, service learning and the preparation of qualified teachers. It also approved one of the largest education-facilities bond measures in the history of the state.

The 1998-99 state budget provides California's public higher-education segments with one of the largest funding increases in more than two decades. Overall, the budget increases this spending by \$281.4 million, or 8.1 percent, over the 1997-1998 budget. It also provides an increase of \$57.1 million, or 19.4 percent, for the California Student Aid Commission.

This new funding reduces student fees (pursuant to the 5 percent undergraduate fee reduction mandated by Chapter 853, Statutes of 1997), provides the largest-ever increase in student financial aid, doubles funding for student outreach programs, and fully funds enrollment growth at all three segments of higher education. The budget also funded the Community College Partnership for Excellence program to provide fiscal incentives to meet specified student-outcome goals. Finally, the budget invests more than \$100 million to address the teacher shortage in California.

### ***College Preparation***

**AB 1292 (Migden/Villaraigosa)** -- Establishes regional academic partnerships between school districts and the systems of higher education to support K-12 school improvement and student academic preparation. These regional academic partnerships will focus on activities for students in high schools where the percentage of graduates enrolling in public universities the year after graduation is below the state average. Funded activities would be designed to increase the number and scores of students who take college admissions tests, complete a college preparatory course sequence required for university admission, and enroll in Advanced Placement courses. Additionally, the parents of all 8th grade students are to be notified of the course requirements that are prerequisites for university admission. The bill appropriates \$5 million for this program.  
**Signed - Chapter 803/Statutes of 1998.**

**AB 2216 (Escutia)** -- Establishes an Advanced Placement Fee Waiver and Preparation program to provide grants to school districts to cover the Advanced Placement (AP) examination fees for economically disadvantaged pupils who are enrolled in AP courses. Students enrolled in the program would each pay only \$5 to take the eligibility test. The bill appropriates \$1.5 million.  
**Signed - Chapter 793/ Statutes of 1998.**

**SB 1697 (Hayden)** -- Establishes a College Preparation and Partnership program to enable school districts to receive state funds for preparing low-income pupils to take college admissions tests. The state would match \$4 to every dollar raised by a school district. The bill includes an appropriation of \$10 million. **Signed - Chapter 795/ Statutes of 1998.**

**AB 2536 (Wright, Baca and Schiff)** -- Establishes the California State Summer School for Math and Science for 9th-to-12th-grade students who have demonstrated excellence and seek advanced courses. The bill appropriates \$1 million. **Signed - Chapter 805/ Statutes of 1998.**

**AB 2528 (Ducheny)** -- Creates the Teaching Intern program within the California Work Study program. Work-study funding would be made available to eligible college students to offer tutorial instruction to students in grades 4-10. **Signed - Chapter 546/Statutes of 1998.**

**SB 1666 (Solis)** -- Repeals the sunset date for the California Student Opportunity and Access program and reauthorizes the program permanently. Cal-SOAP is designed to increase educational opportunities for students in schools with low college-participation rates. **Signed - Chapter 627/Statutes of 1998.**

**SCR 61 (Solis)** -- Proclaimed February 1998 as "College Awareness Month." **Resolution Chapter 4/Statutes of 1998.**

### ***Higher Education Facilities***

**SB 50 (Greene)** -- Authorizes a \$9.2 billion kindergarten through higher education bond initiative to be placed on the November 3, 1998 ballot. The bond measure earmarks \$6.7 billion for K-12 and \$2.5 billion for higher education. Of the proceeds earmarked for higher education, \$165 million is reserved for the development of new University of California (UC), California State University (CSU) or community college campuses. The measure revises the developer fee and mitigation procedures for school facilities and reforms the state program that distributes state bond funds to K-12 school districts. **Signed - Chapter 407/Statutes of 1998.**

**SB 1923 (O'Connell)** -- Creates the California State University, Channel Islands Site Authority to facilitate the conversion of the former Camarillo State Hospital to the 23rd campus of the California State University. Using tax increment financing, this bill provides the Authority with an ongoing revenue stream to support the development of the Camarillo site. **Signed - Chapter 861/Statutes of 1998.**

### ***Teacher Preparation and Recruitment***

**ACR 81 (Scott)** -- Requires trustees of the CSU to report to the Legislature on their efforts to increase the capacity and effectiveness of CSU teacher-preparation programs. **Resolution Chapter 113/ Statutes of 1998.**

**AB 1734 (Mazzoni)** -- Authorizes the UC regents to implement the California subject-matter projects to assist in the preparation of teachers. The projects are to be governed by a nine-member committee, established in the bill, and a four-year independent evaluation of the projects' effectiveness is required. **Signed - Chapter 333/Statutes of 1998.**

### ***Financing Higher Education***

**AB 1966 (Bustamante)** -- Enacts the Higher Education Partnership Act of 1999, which becomes operative on July 1, 1999. It requires the Legislature to provide the CSU and the UC with at least their proportional share of the state's General Fund budget, consistent with the proportion each received in the 1998-99 budget. Additionally, it appropriates sufficient funds to support student enrollment growth. **Vetoed.**

### ***Community College Adult Education***

**AB 2398 (Ducheny)** -- Increases on a pro-rata basis the apportionment rate for community colleges' non-credit programs. (The current apportionment rate for community colleges is \$1,786 per full-time equivalent student, while the compensation range for K-12 adult education is \$1,943 to \$2,123.) In exchange for the increased funding, the bill provides for stricter accountability and requires specified program improvements. **Vetoed.**

### ***Transfer and Admissions***

**SB 1752 (Hughes)** -- Requires the CSU and requests the UC to disclose, upon the request of an applicant for admission, information related to any adjustment made to the grade point average when evaluating whether to admit a student to the university. **Signed - Chapter 627/Statutes of 1998.**

**SB 1807 (Hughes)** -- Requires the CSU and requests the UC to establish a pilot study to examine the persistence rates of a limited group of talented students who are admitted to the university using alternative admission requirements. The California Postsecondary Education Commission is required to report to the Legislature and the governor within one year of completion of the pilot study on the academic progress of students participating in this program. **Vetoed.**

**AB 2554 (Murray)** -- Provides that every community college student who attains an associate of arts or an associate of science degree in liberal arts and who meets transfer curriculum and grade-point average requirements shall be given the highest priority in transferring to the CSU or to the UC. **Vetoed.**

**SCR 71 (Hughes)** -- Declares the intent of the Legislature that the CSU and the UC adopt a policy that ensures eligible community college transfer students admission to a campus within the university system. It also expresses legislative intent that the UC and CSU report university transfer figures to CPEC. **Resolution Chapter 41/Statutes of 1998.**

### ***Service Learning***

**SB 1740 (Hayden)** -- Creates a Statewide Service Learning Center to administer a grant program that offers an added incentive for public and independent colleges and universities to support the development of service-learning opportunities on campuses throughout the state. **Vetoed.**

**SB 2068 (Vasconcellos)** -- Requires the California Postsecondary Education Commission, in conjunction with the systems of public higher education, to develop a Master Plan for Service Learning. The bill specifies issues to be addressed in the Master Plan. **Vetoed.**

### ***Student Fees***

**SB 1896 (Peace)** -- Reduces student fees charged to resident graduate students at the CSU and the UC (excluding students in professional degree programs) beginning in the 1999-2000 fiscal year. Reduces fees by 5 percent below the level charged for those students for the 1997-98 fiscal year. **Signed - Chapter 734/Statutes of 1998.**

### ***Student Financial Aid***

**AB 1613 (Scott)** -- Provides a state tax deduction for interest paid on loans used to pay up to \$1,000 in higher education expenses beginning in the 1998 tax year. The maximum that may be declared increases to \$1,500 for the 1999 tax year, \$2,000 for the 2000 tax year and to \$2,500 for the 2001 tax year. Existing federal law allows a similar tax deduction for higher education expenses. **Signed - Chapter 792/ Statutes of 1998.**

**SB 2064 (O'Connell)** -- Requires that the Cal Grant eligibility criteria for students transferring from a community college to a baccalaureate-granting institution be no more stringent than the eligibility criteria for other first-time freshmen receiving a grant award. Establishes a new Cal Grant T program to encourage more students to become teachers by providing 3,000 awards for students pursuing a teaching credential. This is a budget trailer bill. **Signed - Chapter 336/ Statutes of 1998.**

### ***Community College Faculty***

**AB 1647 (Scott)** -- Modifies current law by substituting "unsatisfactory performance" for "incompetency" as a cause for dismissal of a regular or academic community-college employee. States the intent of the Legislature that all certificated community-college employees are entitled to due process as it pertains to the issue of job performance. **Signed - Chapter 63/Statutes of 1998.**

### ***Provisions of the Education Budget-Trailer Bill***

Provisions of **SB 1564 (Schiff), Chapter 330/Statutes of 1998**, that concern higher education are described below:

### ***Partnership for Excellence***

The Partnership for Excellence was established in the 1998-99 state budget to assist community colleges and their students in achieving annual performance goals to improve student learning. The state will provide \$100 million annually for the Partnership as a fiscal incentive for community college districts to meet specified student outcomes.

Community college districts will received increased funding based on improved performance in the following areas:

- The rate of student transfers to four-year institutions,
- The number of degrees and certificates awarded,
- The number of students who successfully complete courses,
- Student improvement in basic skills.

### ***Assumption Program Loans for Education (APLE)***

The state budget for 1998-99 funded expansion of the APLE program from 400 to 4,500 loan forgiveness awards for teachers who serve four years in subject-shortage or low-income areas of the state.

Sixty percent of these awards will be distributed each year to applicants who agree to obtain a teaching credential in subject areas that are designated as current or projected shortage areas by the superintendent of public instruction. Of these awards, the Student Aid Commission is required annually to distribute a minimum of 2,000 to applicants who obtain a teaching credential in mathematics or science. The remaining 40 percent of the awards will be granted to applicants who choose to work at schools that serve large populations of students from low-income families.

### ***Substance Abuse Research***

A new research project on substance abuse was established in the Neurology Department at the University of California at San Francisco. The major goal of this research will be to identify new pharmaceutical agents to prevent or treat alcohol and drug addiction. This project was funded at \$16.8 million.

### ***Elections and Political Reform***

**SB 1999 (Costa), Chapter 913/Statutes of 1998**, moves California's primary elections from June to the first Tuesday in March. Sponsors of the bill intend this early presidential primary to increase California's impact on choosing presidential nominees. They also see the possibility of a Western regional primary, with Oregon and Washington holding their primaries on the same date as California, further enhancing the impact of Western voters on the national scene.

#### ***Elections***

**SB 7 (Kopp) --** Tightens rules on satellite voting locations. Requires 14-day notice of location and existence of satellite voting places. Extends the prohibition on electioneering within 100 feet of voting activity to include these locations. **Signed - Chapter 554/Statutes of 1998.**

**SB 490 (Lewis) --** Requires elections officials to warn voters that their ballots will not be counted if they do not sign the identification envelope in their own handwriting. **Signed - Chapter 372/Statutes of 1998.**

**SB 627 (Karnette) --** Streamlines Election Day procedures for counting votes. Enhances anti-fraud procedures. **Signed - Chapter 1073/Statutes of 1998.**

**SB 1505 (Lewis, Burton, and Johnson) --** Creates the Save the Presidential Primary Act of 1998, which amends the "blanket" primary law to create a separate election procedure in which only voters affiliated with a particular political party can participate in selecting presidential and vice-presidential nominees. Requires approval by California voters of Proposition 3 on the November 3, 1998 ballot. **Signed - Chapter 147/Statutes of 1998.**

**SB 1764 (Karnette) --** Requires the Secretary of State's Office to make the state ballot pamphlet available on the Internet. **Signed - Chapter 491/Statutes of 1998.**

## ***Political Reform***

**SB 1737 (McPherson)** --Creates the 14-member, bipartisan Commission on the Political Reform Act of 1974. The commission is charged with examining the effect of the Political Reform Act on political speech as protected by the First Amendment of the U.S. Constitution. The commission will also look at the impacts of independent expenditure committees and ballot measures that have affected the Political Reform Act. The commission is required to report its findings to the Legislature by October 1, 1999. **Signed - Chapter 1080/Statutes of 1998.**

**SB 1979 (Schiff)** -- Requires any petition circulated for signatures to contain a notice stating whether the circulator of the petition is a volunteer or is paid to collect signatures. The bill also requires petitions to include the name, address and telephone number of the committee sponsoring the petition. **Vetoed.**

**AB 1233 (Leach)** -- Prohibits use of tampered photos in campaign brochures. **Signed - Chapter 718, Statutes of 1998**

**AB 2179 (Special Committee on Assembly Legislative Ethics)** -- Requires high-level state agency officials to take ethics orientation training every six months. **Signed - Chapter 364, Statutes of 1998.**

## ***Families and Children***

Please also see [\*Human Services\*](#).

### ***Family Law***

#### ***Child Support***

California's record in collecting child support on behalf of needy families is among the worst in the nation, the U.S. Department of Health and Human Services reports in its *20th Annual Report to Congress*. Legislators have offered a number of bills to improve California's child-support enforcement. Signed and vetoed measures are discussed below.

#### ***A Statewide Child Support Computer System***

The 1988 federal Family Support Act required states to establish a statewide automated child-support case-tracking system to improve collections within the state and between states. California contracted with Lockheed Martin Information Management Services (Lockheed) to develop such a system. After much frustration with Lockheed's performance, the state terminated its contract with Lockheed in November 1997. Because California was unable to meet the requirements of federal law by the deadline of October 1997, the state will have to pay penalties to the federal government. Federal legislation to lessen the penalties imposed (HR 3130) became law in 1998.

The 1998-99 state budget allocates money for a new plan to get a useful computer system up and running in a timely and cost-effective manner. The current plan is a "linked system" that is made up of as many as four separate systems linked together. The estimated completion date for this new system is 2001.

#### ***Incentive Payments***

California maintains 58 county-run child support enforcement programs, usually referred to as family support divisions within district attorneys' offices. The budgets for these 58 programs are financed by two-thirds federal funds and one-third state and county funds. Additionally, the federal government pays incentive bonuses to the state, which the state passes on to counties. These amount to 6 percent of a county's total child-support collections. Counties also receive incentive payments from the state amounting to about 7 percent of a county's total child-support collections.

**SB 1410 (Burton)** -- Establishes a new *state* child-support incentive payment system as



recommended by the state legislative analyst. The new system ties incentive payments to county administrative effort, cost-effectiveness and new performance measures. **Signed-Chapter 404/Statutes of 1998.**

### ***Enforcement***

Finding more and more innovative enforcement tools is one way the Legislature has sought to improve child-support collections. Several such measures are:

**AB 1396 (Alquist)** -- Requires that written contracts over \$100,000 between a contractor and a state agency include a provision certifying that the contractor is in compliance with state and federal child-support enforcement requirements. **Signed - Chapter 899/Statutes of 1998.**

**AB 1630 (Sweeney)** -- Requires *state agencies* to report the name and social security numbers of their contractors and subcontractors (including independent contractors) and recipients of their grants or loans to the new hire registry at the Employment Development Department (EDD). This registry is used in child-support enforcement by matching names of delinquent parents with the names on the registry. **Vetoed.**

**AB 1682 (Ortiz)** -- Requires cities, counties and other political subdivisions of the state to report the name and social security numbers of their contractors and subcontractors (including independent contractors) and recipients of their grants or loans to the new hire registry at the EDD. **Vetoed.**

**AB 1961 (Aroner)** -- Allows a parent to request a hearing before a Department of Social Services administrative law judge when a district attorney fails to take required action on a child-support collections, distributions and/or accountings case. **Vetoed.**

**AB 2498 (Runner)** -- Requires the Judicial Council to evaluate by February 1, 2000, the child-support commissioner system in every county to determine if it's improving the child-support enforcement programs in California. **Signed-Chapter 249/Statutes of 1998.**

### ***Child Custody and Visitation***

**SB 1717 (Sher)** -- Repeals the Uniform Child Custody Jurisdiction Act and replaces it with the Uniform Child Custody Jurisdiction and Enforcement Act, which would make numerous changes to the laws affecting child custody when the courts of another state may also have, or previously had, jurisdiction. **Vetoed.**

**AB 795 (Honda)** -- Authorizes superior courts or the office of the friend of the court to start supervised visitation programs and allows the courts to require families to pay for this service based on a sliding scale. Supervised visitation will provide a safe way for children to see a non-custodial parent where the court has found evidence of domestic violence, child abuse or substance abuse. **Vetoed.**

**AB 1837 (Alquist)** -- Authorizes courts to require a minor child to participate in counseling if the parents are involved in a custody or visitation dispute and there is a history of domestic violence in the last five years. **Signed -- Chapter 229/Statutes of 1998.**

**AB 1884 (Cedillo)** -- Requires the court to appoint and pay for an interpreter at any proceeding where the best interest of a child is at issue and the parties involved in the dispute are unable to pay for their own interpreter. **Signed - Chapter 981/Statutes of 1998.**

**AB 2386 (Bordonaro) and AB 2745 (Cardoza)** -- Prevent court-ordered custody or unsupervised visitation by a parent who has been convicted of murdering the child's other parent. Similar legislation has been adopted in other states and is often referred to as Lizzie's Law. **Signed - Chapters 704 and 705/Statutes of 1998.**

### ***Divorce Data***

**AB 913 (Runner)** -- Requires courts to report data on divorce to the Judicial Council and requires the Judicial Council to publish an annual report summarizing this data. **Signed-Chapter 225/Statutes of 1998.**

### ***Family Law Legal Assistance***

**AB 2207 (Escutia)** -- Creates a pilot program in three counties to provide family law legal information and assistance to low-income people. Information on divorce, separation, custody, visitation, retraining orders, child and spousal support, and paternity would be available. Current law requires every county to have a family law facilitator to assist unrepresented parents with child-support matters. **Signed - Chapter 721/Statutes of 1998.**

### ***Teenage Pregnancy***

In the last few years, California's birth rate among adolescents aged 15-19 has declined from 72.7 per 1,000 girls (71,791 births) in 1991 to 58.6 per 1,000 in 1996 (64,603 births). The reasons for this decline are related to many different factors, such as a decrease in sexual activity, an increase in contraceptive use, an improvement in the economic prospects for young people and new teen pregnancy-prevention programs designed by public and private institutions. Since the early 1990s, California has funded a number of innovative programs designed to decrease the prevalence of teenage pregnancy.

**SB 351 (Peace)** -- Conforms all code sections referring to statutory rape with 1993 legislation which makes the Penal Code statutory rape law gender-neutral and adds information about the gender-neutral statutory rape law to the sex education criteria in the Education Code. **Signed - Chapter 55/Statutes of 1998.**

**SB 1064 (Johnston)** -- Creates a comprehensive program to serve the needs of pregnant and parenting teens and their children in public schools. Cal-SAFE would be the name for this program, designed to help teen parents stay in school, become better parents and nurture their children. **Signed - Chapter 1078/Statutes of 1998.**

**SB 1110 (Leslie)** -- Requires schools to notify parents in writing before a student receives sex education and AIDS education. **Signed-Chapter 403/Statutes of 1998.**

**SB 2138 (Vasconcellos)** -- Requires incorporating parenting education into existing courses in grades 9-12 and in youth correctional facilities. Requires the state Department of Health Services to convene a summit by March 31, 1999, to develop a master plan for parenting education in non-school settings. **Vetoed.**

**AB 1941 (Honda)** -- Requires that all schools with a sex education class have course materials and instruction which are medically accurate, risk appropriate and free of racial and gender biases. **Vetoed**

**AB 2645 (Kuehl)** -- Extends by one year a \$10 million-per-year, teen pregnancy-prevention grant program in the schools targeted at pupils in grades K-8. **Signed - Chapter 920/Statutes of 1998.**

### ***Employment***

**AB 15 (Knox)** -- Requires employers who provide sick leave to their employees to permit their employees to use up to one-half of their allotted sick leave to attend to an ill child, spouse or parent. **Vetoed.**

**AB 1870 (Kuehl)** -- Expands the purposes for which family care and medical leave may be taken to include care of an employee's child who is unable to attend school or day care for health reasons. **Vetoed.**

### ***Children's Health***

**AB 278 (Escutia)** -- Require the Air Resources Board (ARB) to adopt ambient air quality standards and toxic air contaminant standards that, to the extent information is available, take into account the unique physiology and exposure patterns of infants and children. Require that ARB review existing ambient air quality standards to determine whether they protect the health of infants and children in accordance with ARB's existing review schedule. **Vetoed.**

## ***Health Care***

### ***Introduction***

With opinion polls indicating increasing concerns about the impact of managed care on health-care delivery, the Legislature devoted a large amount of attention in the second year of the 1997-98 session to managed-care reform proposals.

Nearly 100 managed-care reform bills were considered in 1998 and over 50 were sent to Governor Wilson. The Legislature and the governor reached consensus on a number of basic patient protections, including allowing physicians to determine lengths of stay following mastectomy, allowing standing referrals to specialists for persons with chronic health conditions, increasing oversight of HMO drug formulary practices, and ensuring continuity of care for patients receiving ongoing treatment.

However, the Legislature and governor failed to reach consensus on several other issues, including reorganization of the state's regulation of HMOs. In June, the governor submitted a plan to improve oversight of managed health-care plans by vesting responsibility in a new Department of Managed Health Care. That plan was rejected by the Legislature, in favor of a conference committee-adopted proposal to place oversight under a new five-member consumer board.

Other issues where the Legislature and governor failed to achieve consensus included requirements for health-care service plans to establish external independent panels to review appeals of treatment denials, and making health plans legally accountable to patients for treatment decisions. Bills to expand patient-privacy protections also failed to make it out of the Legislature.

In other areas, the Legislature sent bills to the governor expanding eligibility for the state's new Healthy Families children's health-insurance program, extending the state's small-group insurance reforms to self-employed persons and to mid-size employer groups, extending Medi-Cal coverage for persons leaving welfare for work, maintaining eligibility of persons losing Medi-Cal eligibility due to immigration status, creating programs to address a variety of emerging public-health problems, and expanding home and community-based long-term care services for functionally impaired persons.

The following sections summarize health-related bills that were sent to the governor in these areas:

- ***Managed Care Reform***
- ***Healthy Families***
- ***Health Insurance Market and Access Reform***
- ***Tobacco Issues***
- ***Medi-Cal***
- ***HIV and AIDS***
- ***Other Public Health Issues***
- ***Long-Term Care***
- ***Health Facilities***
- ***Health Professionals***
- ***Anatomical Gifts***
- ***Other***

### ***Managed Care Reform***

### *Lengths of Stay Following Mastectomy*

**AB 7 (Brown)** -- Requires health plans to allow the length of a hospital stay to be determined by the attending physician and surgeon and to cover prosthetic devices or reconstructive surgery and all complications from a mastectomy. **Signed - Chapter 787/Statutes of 1998.**

### *Direct Access to OB/GYNs*

**AB 12 (Davis)** -- Requires health plans to allow enrollees to seek obstetrical and gynecological services directly from OB/GYNs and family practice physicians. This is similar to legislation -- AB 1354 (Davis and Granlund) -- that was vetoed in 1997. **Signed - Chapter 22/Statutes of 1998.**

### *Referrals to Specialists*

**AB 1181 (Escutia)** -- Requires plans to establish procedures to provide standing referrals to specialists for patients needing continuing care from a specialist. **Signed - Chapter 31/Statutes of 1998.**

### *Continuity of Care*

**SB 1129 (Sher)** -- Requires health plans to provide continuity of care for enrollees who are receiving treatment for acute or serious chronic conditions from a provider who is terminated from the plan. **Signed - Chapter 180/Statutes of 1998.**

**SB 1292 (Calderon)** -- Requires specialized health plans offering mental-health services to permit enrollees to continue treatment with a provider in the event they are forced to switch plans, with exceptions. **Vetoed.**

### *Consumer Information*

**AB 607 (Scott)** -- Requires HMOs to present benefits and exclusions in a standard format to enable plan comparisons. **Signed- Chapter 23/Statutes of 1998.**

**SB 750 (Rosenthal)** -- Requires health-care service plans, medical groups, and participating health-care providers that use or receive financial bonuses or other incentives to provide a written summary to any person who requests it, including a general description of the bonus or incentive arrangements and how they may relate to a provider's use of referral services. **Signed - Chapter 835/Statutes of 1998.**

### *New Regulatory Entity*

**SB 406 (Rosenthal)** -- Establishes the Board of Managed Health Care and transfers regulation of health care service plans from the Department of Corporations (DOC) to the board. **Vetoed.**

**AB 2556 (Martinez)** -- States the intent of the Legislature that health-care service plans be regulated by an agency that would best ensure quality of care and be responsive to Californians. **Vetoed.**

**SR 34 (Rosenthal)** -- Rejects the Governor's Reorganization Plan No. 1, which was sent to the Legislature by the governor on June 1, 1998, and recommends the plan be assigned to the Senate Insurance Committee. **Adopted by Senate.**

### *Health Plan Accountability and Utilization Review Procedures*

**SB 324 (Rosenthal), SB 557 (Leslie), and AB 332 (Figueroa)** -- Require a medical license for any person who makes decisions regarding the medical necessity or appropriateness of any diagnosis, treatment, operation or prescription. AB 332 additionally requires a physical exam or review of medical records before a health plan or insurer refuses to authorize services and requires health plans to disclose the criteria used to determine whether to authorize or deny services. A

similar bill, AB 794 (Figueroa), was vetoed in 1997. **All vetoed.**

**AB 2048 (Gallegos)** -- Requires the criteria used by health-care service plans to determine whether to authorize or deny services to be available to the public. Similar to AB 536 (Gallegos), which was vetoed in 1997. **Vetoed.**

**AB 2639 (Perata)** -- Requires health plans and health insurers to follow certain procedures when determining whether to authorize or deny coverage for treatment; requires coverage of cancer screening tests. **Vetoed.**

#### *Second Medical Opinions*

**AB 341 (Sweeney)** -- Requires health plans to provide medically necessary or appropriate second opinions upon the request of an enrollee or a participating health professional treating an enrollee. **Vetoed.**

#### *Drug Formulary Practices*

**SB 625 (Rosenthal)** -- Requires HMOs to disclose their drug formulary lists and requires HMOs to maintain an expeditious process for reviewing requests for non-formulary, medically necessary drugs. **Signed - Chapter 69/Statutes of 1998.**

**AB 974 (Gallegos)** -- Prohibits plans from limiting coverage for drugs previously approved for a patient and requires plans to disclose drug formulary lists. **Signed - Chapter 68/Statutes of 1998.**

#### *Dispute Resolution and HMO Arbitration*

**SB 1702 (Rosenthal)** -- Requires arbitration awards involving health-care service plans to be accompanied by written decisions containing specified information. **Signed - Chapter 838/Statutes of 1998.**

**SB 1948 (Sher)** -- Requires the state insurance commissioner to prepare a report detailing complaint and enforcement information on individual insurers. **Signed - Chapter 556/Statutes of 1998.**

**SB 1689 (Rosenthal)** -- Requires the DOC to fund several independent health-care ombudsman program pilot projects to assess how best to serve and educate health care service plan enrollees about grievance-assistance programs. **Vetoed.**

**AB 2403 (Shelley)** -- Imposes new requirements on health plans and the DOC relating to the DOC toll-free telephone number service and requires DOC to contract with independent organizations to provide advocacy on behalf of consumers. **Vetoed.**

**SB 1443 (Knight)** -- Requires health plans to publish the DOC Internet address, the plan's telephone number, and toll-free telephone numbers for the hearing and speech impaired, on specified health-plan documents and notices to help patients submit complaints to DOC about their health plans. **Signed - Chapter 377/ Statutes of 1998.**

#### *Mental Health Parity*

**AB 1100 (Thomson and Perata)** -- Requires health plans to provide coverage for the diagnosis and medically necessary treatment of biologically-based severe mental illnesses, and to provide such coverage under the same terms and conditions as applied to other medical conditions, with exceptions. **Vetoed.**

#### *Other Covered Benefits*

A number of bills sent to the governor require health plans to provide coverage for other specific

benefits:

- Medically necessary reconstructive surgery (**AB 1621-Figueroa**). **Signed - Chapter 788/ Statutes of 1998**;
- Prostate cancer screening and diagnosis services (**SB 2020- Karnette**). **Signed - Chapter 839/Statutes of 1998**. Similar to SB 296 - Karnette, which was vetoed.
- Screening, diagnosis, and treatment, including prosthetics and reconstructive surgery, relating to breast cancer (**AB 34-Wayne**). **Vetoed**;
- FDA-approved prescription contraceptive drugs and methods (**AB 1112-Hertzberg**). **Vetoed**. Similar to AB 1609 - Hertzberg, which was vetoed in 1997.
- General anesthesia for dental treatment (**AB 2003-Strom-Martin**). **Signed - Chapter 790/ Statutes of 1998**.
- Participation in the expanded Alpha Feto Protein (AFP) program, a statewide prenatal-testing program administered by the DHS (**AB 2438 - Murray**). **Signed -Chapter 1064/Statutes of 1998**.
- Cancer screening tests (**AB 2639-Perata**). **Vetoed**.

#### *Provider Contracting and Capitation Issues*

**SB 317 (Calderon)** -- Requires that health-plan capitation payments to providers be computed appropriately by a qualified actuary and requires health plans to annually update an actuarial report required by regulations. **Vetoed**.

**SB 814 (Leslie)** -- Requires health care service plans to pay penalties for failure to follow established claims payment procedures regarding payments to emergency physicians. **Vetoed**.

**SB 984 (Rosenthal)** -- Requires plans to report their provider "economic profiling" practices and to make available to individual providers economic profile reports compiled on them. **Signed - Chapter 893/Statutes of 1998**.

**SB 1642 (Rosenthal)** -- Requires health-care service plans receiving premium payments that have been risk-adjusted to flow those payment adjustments to contracting providers; requires the DOC, as soon as technically feasible, to risk-adjust payments to contracting providers. **Vetoed**.

**SB 1951 (Brulte)** -- Prohibits health plans, health insurers and others from prohibiting health care providers from advertising. **Signed - Chapter 523/Statutes of 1998**.

**AB 162 (Alby)** -- Directs the DHS and DOC to coordinate, to the extent feasible, medical audits and surveys of physician offices. **Signed - Chapter 647/Statutes of 1998**.

**AB 434 (Gallegos)** -- Prohibits health plans from excluding individual providers with practices containing a substantial number of patients with chronic, disabling, or catastrophic medical conditions. **Vetoed**.

**AB 1053 (Thomson)** -- Requires HMOs to augment their provider capitation rates to cover the cost of newly added vaccines. Prohibits health-care service plans from including the costs associated with pediatric vaccines in the capitation rate of a physician who is individually capitated. **Vetoed**.

**AB 1959 (Gallegos)** -- Requires the DOC to convene a working group to develop standards for quality and financial audits of providers who provide services under contracts subject to health-care service plan law. **Signed - Chapter 658/Statutes of 1998**.

requirements for health-care service plans and disability insurers to pay claims for emergency treatment. **Signed - Chapter 994/ Statutes of 1998.**

#### *Patient Rights*

**AB 1726 (Bustamante)** -- Sets forth broad rights of patients in the areas of determination of medically necessary care, access to providers, disclosure of information, timely access to treatment, second opinions, continuity of care, communications with providers, access to specialists, and others. **Vetoed.**

#### *HMO Mergers*

**SB 330 (Rosenthal)** -- Requires the attorney general to approve in advance any merger, acquisition or change in control of a health-care service plan doing business in California to ensure that it does not undermine competition in California. **Vetoed.**

#### *Gag Orders*

**AB 1298 (Villaraigosa)** -- Establishes prohibitions against health plans or providers impeding communication or the right of free association among enrollees or insureds. **Vetoed.**

#### *Emergency Services*

A number of bills seek to clarify plans' responsibilities to cover emergency medical care:

**AB 682 (Morrow)** -- Removes an exemption in current law providing that requirements relating to payment for emergency services do not apply to health-care service plans that contract with providers for the provision of emergency services and necessary medical care. **Signed -Chapter 1015/Statutes of 1998.**

**AB 984 (Davis) and AB 1899 (Davis)** -- Require health plans that provide emergency health services to provide an ambulance in response to a "911" emergency call for assistance. **Signed - Chapters 979 and 1026/Statutes of 1998.**

**AB 1911 (Ashburn)** -- Requires emergency services and care to be deemed medically necessary and to be covered under the Medi-Cal program, regardless of whether the emergency services and care are obtained without prior authorization. **Vetoed.**

#### *Enforcement*

**SB 955 (Rosenthal)** -- Enhances the DOC's enforcement authority over health-care service plans under the Knox-Keene Act. **Signed -Chapter 836/Statutes of 1998.**

#### *Other*

**SB 956 (Rosenthal)** -- Requires health care service plans to prepare and submit to the DOC anti-fraud plans. **Signed - Chapter 837/ Statutes of 1998.**

**AB 497 (Wildman)** -- Requires health-care service plans to ensure timely access for enrollees to plan representatives and appointments. **Vetoed.**

**AB 742 (Washington)** -- Requires that health-plan enrollees with Medicare coverage who are discharged from acute-care hospitals be allowed to return to specified residences, subject to certain conditions. **Signed - Chapter 124/ Statutes of 1998.**

#### *Healthy Families*

## *Eligibility*

**AB 2171 (Villaraigosa)** -- Makes legal-immigrant children who entered the United States after August 1996 eligible for the Healthy Families program. **Vetoed.**

**AB 2778 (Villaraigosa)** -- Extends eligibility under the Healthy Families program to children with family incomes up to 250 percent of the poverty level and to new legal-immigrant children arriving after August 1996. Imposes caps on family annual copayments for dental and vision coverage and reduces the annual limit on family copayments for health coverage from \$250 to \$200. Also requires the Major Risk Medical Insurance Board (MRMIB) to establish a working group to develop cultural and linguistic competency standards for the program and requires various progress reports on the program. **Vetoed.**

**AB 2780 (Gallegos)** -- A budget trailer bill, establishes a Healthy Families Bridge Benefits Program, to provide for a month of eligibility for children who lose eligibility for Medi-Cal without a share of cost, to enable them to transition into the Healthy Families program. **Signed- Chapter 310/Statutes of 1998.**

## *Providers*

**AB 471 (Cardoza)** -- Adds a requirement that dental and vision plans participating MRMIB in the Healthy Families program submit an annual report to MRMIB on their provider network, including accessibility, linguistic capabilities, and ethnic composition of providers. **Signed - Chapter 285/Statutes of 1998.**

**AB 1373 (Granlund)** -- Authorizes MRMIB to designate two community provider plans in Los Angeles County. **Vetoed.**

**AB 1832 (Wildman)** -- Establishes a Healthy Families local educational agency billing program and option, to allow receipt of federal Title XXI funds for certain school-based and school-linked health services to children eligible for Healthy Families. **Vetoed.**

## *Benefits*

**AB 2079 (Villaraigosa)** -- Limits the total annual copayments charged to Healthy Families program subscribers for health, dental and vision care services to \$250 per family beginning July 1, 1999. **Vetoed.**

## ***Health Insurance Market and Access Reforms***

### *Individual and Group Insurance Reform*

**SB 393 (Rosenthal)** -- Requires health-insurance carriers to offer health-insurance coverage to mid-size employer groups (those with 51 to 100 employees) on a guaranteed-issue basis, subject to conditions similar to those currently in place for the small group (two to 50 employees) market. **Vetoed.**

**SB 593 (Rosenthal) and AB 399 (Gallegos)** -- Enacts "acceptable alternative mechanisms" to implement the federal Health Insurance Portability and Accountability Act by providing access to health coverage to individuals with prior group coverage and by extending California's small-employer health insurance reform to self-employed individuals, under specified conditions. **Both bills were vetoed.**

**SB 1548 (Rosenthal)** -- Reduces from 60 to 55 the age at which former employees whose health coverage under the federal Consolidated Budget Reconciliation Act of 1985 (COBRA) or California Continuation Benefits Replacement Act (Cal-COBRA) ends may opt to continue coverage for themselves and their spouses until the age of 65 or until other coverage is available. Eliminates the five-year limit on continuing coverage for spouses of former employees. **Vetoed.**



**SB 1654 (Johnston)** -- Repeals the January 1, 2002, termination date prohibiting health-insurer discrimination based on genetic characteristics and the disclosure of a person's genetic information. **Signed - Chapter 521/Statutes of 1998.**

**SB 1790 (Rosenthal)** -- Expands the definition of eligible employees covered by existing small-group insurance reforms to those working 20 or more hours per week, as opposed to 30 or more hours. **Signed - Chapter 418/Statutes of 1998.**

**AB 112 (Escutia)** -- Makes various changes to Cal-COBRA, which provides continuation health coverage for former employees of certain small employers. **Signed - Chapter 107/ Statutes of 1998.**

#### *Other*

**SB 1537 (Rosenthal)** -- Makes various changes to the laws regulating federally tax-qualified and non tax-qualified long-term care insurance policies, including a provision to allow policyholders to switch between the two types of policies if specified federal action is taken. **Signed - Chapter 1067/Statutes of 1998.**

**AB 1059 (Migden)** -- Requires health plans that offer benefits to dependents of employees or subscribers to offer those benefits on the same terms to domestic partners. **Vetoed.**

#### ***Tobacco Issues***

**AB 734 (Brown)** -- Makes funding for the Stop Tobacco Access to Kids Enforcement (STAKE) Act permanent, upon appropriation by the Legislature. **Signed - Chapter 648/Statutes of 1998.**

#### ***Medi-Cal***

The health budget-trailer bill, **AB 2780 (Gallegos), Chapter 310/ Statutes of 1998**, contains these Medi-Cal provisions:

- Reduces by \$40 million the amount that public entities are required to transfer to the state as an assessment or fee for operation of the Disproportionate Share Hospital Payment program,
- Eliminates the state's "takeback" from counties that claim additional federal funds through the Medi-Cal administrative-claiming process,
- Provides for an additional 12-month period of Medi-Cal eligibility for CalWORKS (California's welfare-to-work program) recipients who have left aid for employment,
- Establishes minimum standards for telemedicine under the Medi-Cal program,
- Provides local grants and technical assistance to improve and expand the long-term care integration pilot projects,
- Increases the amount of assets that can be disregarded for purposes of Medi-Cal eligibility for families at or near the CalWORKS eligibility levels.

A number of other bills sent to the governor seek to modify Medi-Cal eligibility, benefits, or provider reimbursement:

#### *Eligibility*

**SB 34 (Vasconcellos)** -- Provides that any immigrant who is otherwise eligible for Medi-Cal services, but who does not meet specified requirements relating to residency status, is eligible for prenatal care. **Vetoed.**

**SB 2070 (Watson)** -- Revises laws regarding claims against the estate of a deceased Medi-Cal beneficiary for purposes of reimbursing the state for the cost of providing medical care. **Vetoed.**

**AB 20 (Migden)** -- Provides that any employed person whose countable income does not exceed 250 percent of the federal poverty line and who is disabled for specified purposes shall be eligible for Medi-Cal benefits, subject to the payment of premiums. **Vetoed.**

**AB 668 (Aroner)** -- Requires the DHS to apply for a federal Medi-Cal waiver to provide additional in-home supportive services to disabled clients. This additional benefit would be available when a combination of personal services and home nursing can prevent admission in a nursing home.

**Signed - Chapter 896, Statutes of 1998.**

**AB 2031 (Cedillo)** -- Provides that individuals who would have been eligible for various health programs shall continue to be eligible for these programs, regardless of their immigration status. **Vetoed.**

#### *Providers*

**AB 561 (Scott)** -- Authorizes loans to continue payments to Medi-Cal providers, providers of drug treatment for individuals with HIV, and providers of service for the developmentally disabled if the annual budget is not enacted by June 30 of any year. **Signed - Chapter 993/Statutes of 1998.**

**AB 2087 (Gallegos)** -- Revises the methodology of reimbursement of disproportionate share hospitals for the 1998-99 and 1999-2000 fiscal years. **Signed - Chapter 71/Statutes of 1998.**

**AB 2516 (Bustamante)** -- Requires the director of DHS to report annually to the Legislature regarding reimbursement levels for physician and dental services under the Medi-Cal program. **Vetoed.**

#### *Benefits*

**AB 1397 (Gallegos)** -- Prohibits general acute-care hospitals from promulgating policies that provide different standards of obstetrical care based upon a patient's source of payment or ability to pay. Requires Medi-Cal to cover a minimum of 48 hours of inpatient care for a mother and child following a vaginal delivery and 96 hours following a Cesarean section. **Signed - Chapter 652/Statutes of 1998.**

**AB 1052 (Villaraigosa)** -- Requires Medi-Cal managed-care plans to cover specified drugs or agents approved by the federal Food and Drug Administration for the treatment of HIV or AIDS. **Vetoed.**

**AB 1911 (Ashburn)** -- Requires emergency services and care to be deemed medically necessary and to be covered under the Medi-Cal program, regardless of whether the emergency services and care are obtained without prior authorization. **Vetoed.**

#### *Medi-Cal Managed Care*

**SB 2092 (Polanco)** -- Requires DHS to undertake efforts to voluntarily enroll share-of-cost Medi-Cal beneficiaries into managed care, and requires DHS to pursue appropriate federal waivers. **Vetoed.**

**SB 2093 (Watson), AB 426 (Alquist), and AB 823 (Papan)** -- Revise existing provisions relating to provider information, including specifying the format in which the information shall be organized. Authorize an applicant who chooses to enroll in a managed-care plan, pilot project, or fee-for-services case-management provider to indicate a choice of clinic as well as of a primary-care provider. **All signed - Chapters 291, 977, and 1009/ Statutes of 1998.**

**AB 818 (Martinez)** -- Requires managed-care plans providing services under the Medi-Cal program to ensure that enrollees who are infected with HIV are afforded medical care consistent

with certain federal guidelines relating to the treatment of HIV. **Vetoed.**

**AB 2690 (Wildman)** -- Requires Medi-Cal managed-care plans that currently include patients eligible for the Genetically Handicapped Persons Program to, upon request, disenroll those beneficiaries and refer them to GHPP. **Vetoed.**

### ***HIV and AIDS***

**SB 705 (Rainey)** -- Provides that any person who knowingly and with specific intent exposes another to HIV by engaging in unprotected sexual activity is guilty of a felony. **Signed - Chapter 1001/Statutes of 1998.**

**SB 844 (Burton)** -- Requires the Department of Motor Vehicles to design and issue a special license plate depicting a red ribbon that recognizes the impact of AIDS on society. **Signed - Chapter 1002/ Statutes of 1998.**

**AB 1663 (Migden)** -- Enacts a statewide HIV-reporting system using a method that does not report the names or other identifying information of the person infected. **Vetoed.**

### ***Other Public Health Issues***

**SB 687 (Hughes)** -- Appropriates \$13.2 million for public-health programs, including the Breast Cancer Early Detection Program, the Expanded Access to Primary Care Program, and the Children's Treatment Program. **Signed - Chapter 1018/Statutes of 1998. Item veto.**

**SB 537 (Greene)** -- Requires DHS to establish two pilot programs to provide extended newborn genetic-screening services. **Signed - Chapter 1011/ Statutes of 1998.**

**SB 694 (Polanco)** -- Enacts the Hepatitis C Education, Screening, and Treatment Act and requires DHS to make available protocols and guidelines on hepatitis C. **Signed - Chapter 867/Statutes of 1998.**

**SB 1489 (Johnson)** -- Requires standards for handling of blood products to be developed in consultation with the American Association of Blood Banks. Repeals the licensing exemption for persons licensed by the U.S. Public Health Service to handle blood products. **Signed - Chapter 416/Statutes of 1998.**

**SB 2208 (Sher)** -- Requires DHS to provide for a statewide assessment of asthma prevalence and patient utilization, to offer public and professional education, and to administer funds for up to five local innovation projects to benefit Medi-Cal patients. **Vetoed.**

**SB 2222 (Watson)** -- Authorizes local health departments and DHS to disclose certain immunization information to entities including schools, child-care facilities, family child-care homes, and health-care service plans. **Signed - Chapter 566/Statutes of 1998.**

**AB 790 (Cardenas)** -- Requires DHS to review the adequacy of prenatal nutrition information available to physicians providing health care to pregnant women and report its findings to the Legislature. **Vetoed.**

**AB 910 (Cardenas)** -- Establishes the Prostate Cancer Fund in the state treasury, and establishes the Prostate Cancer Screening Program in DHS to provide screening, medical referrals, and other assistance relating to prostate cancer to uninsured men. **Signed - Chapter 939/ Statutes of 1998.**

**AB 1534 (Davis)** -- Establishes a one-year health demonstration project for chronically and seriously ill children intended to reduce avoidable health problems by providing care management by a children's hospital in San Diego County. **Signed - Chapter 891/ Statutes of 1998.**

**AB 1748 (Alquist)** -- Establishes the Osteoporosis Prevention and Treatment program within

DHS. **Vetoed.**

**AB 1873 (Baca)** -- Creates the Children's Type I Diabetes working group and requires the working group to propose a program to provide children who meet the financial requirements of the California Children's Services program or who are eligible for Medi-Cal benefits with integrated treatment regimes or other viable treatment modalities. **Vetoed.**

**AB 1978 (Campbell)** -- Requires food facilities to employ at least one person who has passed an approved and accredited food safety certification examination. Makes other changes to the California Uniform Retail Food Facilities Law. **Signed - Chapter 720/Statutes of 1998.**

**AB 2374 (Cedillo)** -- States intent that the 1998-99 Budget Act appropriate \$2.3 million from the General Fund to DHS for the California Cancer Registry program. **Vetoed.**

**AB 2592 (Wayne)** -- Establishes the Breast Cancer Treatment Program to provide breast cancer treatment services to uninsured and underinsured low-income women. **Vetoed.**

**AB 2780 (Gallegos)**, the health budget trailer bill, establishes a Newborn and Infant Hearing Screening Program to provide hearing screening tests for all children born in the state and follow-up and assessment services. **Signed - Chapter 310/Statutes of 1998.**

### ***Long-Term Care***

**The health budget-trailer bill, AB 2780 (Gallegos), Chapter 310/Statutes of 1998,** contained the following significant new funding provisions, although in several cases sums were **reduced or eliminated by the governor's line-item vetoes**, to expand home and community-based long-term care for functionally impaired persons:

- A \$52.7 million augmentation for the Adult Protective Services program, to provide counties with funds to respond to reports of elder abuse, and provide counseling, medical, legal, and social services for needy adults. The governor **reduced** the augmentation to \$20 million.
- Funding for 20 new adult day health-care centers, which provide health, therapeutic, and social services to frail or disabled adults in order to prevent premature institutionalization.
- Funding for 15 new Alzheimer's disease day-care resource centers, which coordinate and provide services to meet the physical and psychosocial needs of clients with Alzheimer's disease.
- Funding for 11 new Multiple-purpose Senior Service Programs and to expand current sites. MSSP sites provide comprehensive case management to frail elderly certified as eligible for admission to skilled nursing facilities. The governor **vetoed** this augmentation.
- A \$1.5 million augmentation to prevent closure of two Alzheimer's diagnostic and treatment centers. The governor **vetoed** funding for this.
- Funding to increase the number of Linkages sites from 13 to 35. These sites provide case-management and other services to prevent or delay institutionalization of frail or disabled adults. The governor **deleted** this augmentation.
- A \$1.15 million augmentation to enable the Office of Long-Term Care to better assist local governments in designing and implementing long-term care pilot projects.
- Funding to increase wages of In-Home Supportive Services program workers in certain counties. The IHSS program provides personal care and chore assistance to frail elderly and younger disabled persons who, in the absence of the services, cannot safely remain in their homes. The governor **vetoed** the funds for the increase.

Other bills sent to the governor include:

**SB 1724 (Johannessen)** -- Requires additional information to be included in a forthcoming Health and Welfare Agency report on community long-term care programs, and requires that a timetable be included for implementing various program "options." **Signed - Chapter 151/Statutes of 1998.**

**SB 1791 (McPherson)** -- Establishes a State Long-Term Care Ombudsperson Account and annually appropriates funds to the account to be provided to local ombudsman programs for additional staffing, expanded training, education of the public, and community outreach, in order to reduce and prevent elder abuse in long-term care facilities. **Vetoed.**

**SB 1911 (Vasconcellos)** -- Directs the Health and Welfare Agency to develop a comprehensive strategic plan to address impending changes related to California's aging population. **Vetoed.**

**AB 1817 (Takasugi)** -- Makes numerous changes to procedures for licensing, funding, and operating adult day health-care centers. **Signed - Chapter 151/ Statutes of 1998.**

**SB 2199 (Lockyer)** -- Commencing May 1, 1999, expands and redefines reporting requirements regarding elder or dependent adult

abuse, and requires various adult protective services to be provided in all counties, contingent upon funding. **Signed-Chapter 946/Statutes of 1998.**

### ***Health Facilities***

**SB 473 (Karnette)** -- Requires counties to prepare patient-care plans and to conduct at least three public hearings prior to closing, transferring or downgrading services at county medical facilities. Requires a county to abide by the results of a referendum. **Vetoed.**

**SB 460 (Kelley)** -- Allows health-care districts to transfer assets to for-profit corporations only at fair market value and requires a majority approval of voters registered in the district prior to the transfer of 50 percent or more of district assets. **Signed - Chapter 18/ Statutes of 1998.**

**SB 1125 (Alpert)** -- Requires DHS to adopt regulations establishing specific staffing ratios for nurses in specified hospitals and limits the duties that may be performed by unlicensed personnel. **Vetoed.**

**SB 1573 (Solis)** -- Allows Los Angeles County to submit a revised final plan for the Los Angeles University of California Medical Center project and provides that the project shall qualify for supplemental Medi-Cal reimbursement if specified conditions are met. Makes receipt of funding in the 1998 budget act (\$40 million) for the construction of three comprehensive health centers contingent on meeting the requirements of this bill. **Vetoed.**

**AB 947 (Gallegos)** -- Revises the requirements, which currently sunset on January 1, 2002, of state-owned and operated health facilities for establishing rules for staff privileges for licensed clinical psychologists, and extends the sunset to January 1, 2007. **Signed - Chapter 717/Statutes of 1998.**

**AB 1133 (Gallegos)** -- Makes various changes to long-term care facility enforcement statutes including: 1) eliminating the waiver of civil penalties for specified first-time facility violations and authorizing appeal for such violations through binding arbitration, 2) eliminating facilities' ability to pay a lesser penalty after the citation has been sustained, 3) providing for statewide training on effective facility practices, and 4) providing technical assistance to facilities regarding licensing and compliance issues. **Signed - Chapter 650/Statutes of 1998.**

**AB 1208 (Migden)** -- Requires the Occupational Safety and Health Standards Board to adopt an emergency regulation revising the existing blood-borne pathogen standard to reduce the incidence of inadvertent needle sticks. **Signed - Chapter 999/Statutes of 1998.**

**AB 2103 (Gallegos)** -- Requires acute-care hospitals to notify DHS prior to closing or downgrading emergency services. Requires a community-impact evaluation of any such pending change. **Signed - Chapter 995/Statutes of 1998.**

**AB 2183 (Aroner)** -- Expands the definition of "intermediate care facility/developmentally disabled-nursing" (ICF-DDN) to include facilities that provide nursing supervision and treatment for persons with developmental disabilities who may require continuous care, and requires DHS to develop a reimbursement rate for such care, to avoid transfer or placement at a higher level of service. **Vetoed.**

**AB 2282 (Escutia)** -- Requires DHS to report to the Legislature by January 2000 on infant-mortality trends, how hospitals can improve care quality to reduce infant morbidity and mortality, and how data collected by the state can be used to improve care quality. **Vetoed.**

**AB 2527 (Cedillo)** -- Requires a nonprofit corporation that is seeking to sell or lease a health facility to provide written notice to the attorney general prior to entering into an agreement to sell or dispose of the assets to another public-benefit corporation. Requires the attorney general to make the notice of intent and related documents available to the public in written form, regardless of whether or not the buyer is a nonprofit or a for-profit corporation. **Vetoed.**

**AB 2570 (Migden)** -- Requires a hospital requesting licensing flexibility to post a copy of the request in plain view in a public access area of the facility and to inform employees that they may comment to DHS. **Vetoed.**

### ***Health Professionals***

**SB 1140 (Committee on Health and Human Services)** -- Requires the state Medical Board and the Board of Registered Nursing to consider including a course on pain management in their continuing education requirements. **Signed - Chapter 791/Statutes of 1998.**

**SB 1816 (Polanco)** -- Appropriates \$145,000 to the Board of Registered Nursing for the purpose of conducting an assessment of the demographics of the nursing work force in California in relation to the population of the state, and making recommendations to the Legislature regarding nurse education and training programs in the state. **Vetoed.**

**SB 2239 (Business and Professions Committee)** -- Modifies Medical Board licensing, disciplining and enforcement activity. Clarifies acts of unprofessional conduct for certain classes of medical providers. **Signed - Chapter 878/Statutes of 1998.**

**AB 204 (Migden)** -- Authorizes acupuncturists to determine workers' compensation disability, establishes criteria for acupuncturists to be qualified medical evaluators (QMEs), and establishes procedures for injured workers to use to obtain acupuncture treatment when their benefits are provided by a Health Care Organization (HCO). **Signed - Chapter 440/Statutes of 1998.**

**AB 2006 (Keeley)** -- Prohibits dentists from administering oral conscious sedation to patients who are under age 13 unless the dentist meets certain requirements. **Signed - Chapter 513/Statutes of 1998.**

### ***Anatomical Gifts***

**SB 1403 (Polanco)** -- Requires consent prior to the release and removal of a decedent's corneal material and modifies the design of the driver's license and identification cards issued by the Department of Motor Vehicles regarding indication of intent to provide an anatomical gift. **Signed - Chapter 887/Statutes of 1998.**

**AB 1225 (Granlund)** -- Allows persons between 15 and 18 years of age to make an anatomical gift, with consent of the parent or guardian; prohibits coroners, medical examiners, and others from removing or releasing any body part unless the decedent or specified person made an anatomical gift or specified persons have consented. **Signed - Chapter 457/Statutes of 1998.**

## ***Other***

**SB 2223 (Committee on Health and Human Services)** -- Requests the University of California to establish a Center for the Medical Investigation of Neurodevelopmental Disorders and to establish one or more clinics to focus on individual or groups of neurodevelopmental disorders.

**Signed - Chapter 337/ Statutes of 1998.**

**AB 2031 (Cedillo)** -- Provides that any person who was eligible for certain mental health, developmental disability, and health care programs under the eligibility requirements in effect on July 16, 1996, shall continue to be eligible for those programs regardless of immigration status, as long as he or she meets all other applicable eligibility requirements. **Vetoed.**

## ***Housing***

### ***Affordable Housing and Homeless Assistance***

By one estimate, more than 2.2 million California households pay more than 30 percent of their income for housing and are therefore considered in need of more affordable housing. An estimated 1.3 million households live in overcrowded conditions -- double the number in 1985. More than 1.3 million housing units need substantial rehabilitation, and 2 million contain lead paint, which causes several health problems in children. Only one family in 11 (8.7 percent) that is eligible for public housing assistance receives it.

According to another estimate, there are at least 150,000 homeless persons in California and at least half are physically or mentally ill or disabled.

Whether or not these estimates are precisely accurate, there is no doubt that California faces a major shortage of affordable housing. During the last two decades, affordable housing units have been disappearing due to attrition and the conversion of publicly assisted affordable housing to market-rate housing. Scarce public resources, an inadequate supply of private capital, and changes in the 1986 federal Tax Reform Act have made it difficult to finance the development of affordable housing, especially for Californians classified as very low-income.

**SB 50 (Greene)** -- Provides \$160 million for affordable home ownership and rental housing construction programs as part of the proposed \$9.2 billion bond issue for school construction statewide. The programs will offset some or all of the costs of school-development fees that local government charge, but only for very low-income persons and in specified other extreme circumstances. The funds will be available only if the voters approve Proposition 1A in the November 3 general election. **Signed - Chapter 407/Statutes of 1998.**

**SB 1950 (Sher)** -- Appropriates \$5 million for grants to local governments and nonprofit corporations to replace National Guard armories as homeless shelters. **Vetoed.**

**AB 1697 (Torlakson)** -- Transfers \$1 million from the 1998 state budget to the California Housing Trust Fund for the California Self-Help Housing program. The bill also requires the Legislative Analyst's Office to report on potential permanent revenue sources for that fund. The trust fund provides funding for low-income housing programs: housing rehabilitation, self-help housing, farm worker housing, senior housing, and homeless shelter facilities. At least 20 percent must go to rural areas. **Vetoed.**

**AB 1701 (Alquist)** -- Requires the landlord of a federally assisted (Section 8) multifamily rental housing development to give the tenants, local government, and the state Housing and Community Development Department nine months' notice before terminating the Section 8 program and converting the development to market-rate housing. **Signed - Chapter 341/ Statutes of 1998.**

**AB 1737 (Torlakson)** -- Establishes the housing preservation program to make low-cost, long-term loans for multifamily housing projects with the goal of maintaining the affordability of units that would otherwise face termination of federal low-income housing contracts, raising rents to the market rate. **Vetoed.**

**AB 2737 (Aroner)** -- Establishes the Supportive Housing Program Council to assist the Department of Mental Health in implementing the Statewide Supportive Housing Initiative created by AB 2780. The bill makes that initiative subject to funding in future budgets. **Signed- Chapter 808/Statutes of 1998.**

**AB 2780 (Gallegos)** -- Creates the Statewide Supportive Housing Initiative to encourage the integration of housing and services, by providing matching funds for cities and counties for programs for permanent supportive housing for homeless and extremely low-income disabled persons. Supportive housing provides both shelter and support and employment services. The bill also implements many other provisions of the 1998 budget bill concerning health services. **Signed - Chapter 310/Statutes of 1998.**

### ***Budget***

Governor Wilson vetoed \$39 million of the \$45 million of new housing funding from the 1998-99 state budget approved by the Legislature, including:

- \$15 million to replace expired federal low-cost housing programs.
- \$10 million for the Families Moving to Work housing program, which helps CalWORKs recipients.
- \$7 million for the Emergency Housing Assistance program, which provides shelters for the homeless.
- \$6 million for farm worker housing grants.
- \$1 million augmentation for self-help housing.

### ***Dangerous and Substandard Housing***

**SB 1405 (Polanco)** -- Prohibits the installing, marketing, distributing, offering for sale, or selling of burglar bars and safety release mechanisms that have not been approved by a testing laboratory recognized by the state fire marshal. It also requires the fire marshal to distribute public education materials about the dangers of illegal burglar bars. **Signed - Chapter 730/Statutes of 1998.**

**AB 80 (Ducheny)** -- Denies state tax deductions for unoccupied or abandoned housing that is cited as a threat to public health and safety in violation of certain state laws or local codes. **Signed - Chapter 646/ Statutes of 1998.**

### ***Redevelopment Agencies' Affordable Housing Programs***

At its November 1996 hearing on redevelopment agencies' housing programs, the Senate Housing and Land Use Committee found that reporting problems prevented legislators from judging redevelopment agencies' compliance with the state laws on affordable housing. The committee chair, Senator Barbara Lee, appointed a task force to recommend statutory and programmatic improvements. The task force issued its report, "Timely, Accurate and Reliable," in July 1997, making 17 specific recommendations.

**SB 258 (Kopp)** -- Improves the substance and procedures for redevelopment agencies to report on their affordable housing activities. The bill contains most of the task force's recommendations. **Signed - Chapter 39/Statutes of 1998.**

### ***Redlining***

"Redlining" is the illegal practice by lenders of refusing to make mortgage and other loans in certain neighborhoods, thus contributing to the further decline of those areas. Redlining violates



state law, but consumer advocates and Latino and African-American groups point to evidence that it continues.

**AB 2491 (Martinez)** -- Requires the attorney general to evaluate the extent of the problem and report to the Legislature. **Vetoed.**

### ***Renter's Tax Credit***

Governor Wilson and the Legislature suspended the state income tax credit for renters in 1992. It remained suspended until this year.

**AB 2797 (Cardoza)** -- Limits the renter's credit to persons whose taxable income is less than specified amounts that will be revised annually, based on an inflation adjustment factor. **Signed - Chapter 322/Statutes of 1998.**

### ***Local General Plan Housing Elements***

The law requires every local government to review and revise the housing element of its general plan as frequently as is appropriate, but not less than every five years. The housing elements must include each community's fair share of regional housing needs. The law requires regional councils of governments to review the local governments' revisions. Governor Wilson and the Legislature budgeted no funds for the review and suspended these requirements for the last seven years -but provided funds in this year's budget and reinstated the requirements.

**SB 256 (Costa)** -- Extends the deadlines for local governments and regional councils of government to meet these requirements. **Signed - Chapter 819/Statutes of 1998.**

**AB 438 (Torlakson)** -- Gives local governments more flexibility in determining and meeting their fair-share housing requirements. **Signed - Chapter 796/Statutes of 1998.**

### ***Mobilehomes***

There are more than 5,000 mobilehome parks in California.

**SB 485 (Craven)** -- Extends the mobilehome park inspection program by one year, until 2000. **Signed - Chapter 773/Statutes of 1998.**

**AB 2016 (Brown)** -- Prohibits the management of a mobilehome park from charging its tenants more than the actual cost of liquid propane butane, unless the management allows the tenants the option of buying their propane from other sellers. Requires the management to post the actual price it pays for the propane that it resells to the tenants. **Vetoed.**

**AB 2384 (Aguiar)** -- Makes permanent the favorable tax treatment of mobilehome parks converted to resident ownership. **Signed - Chapter 139/Statutes of 1998.**

### ***Human Services***

Please also see [\*Families and Children\*](#)

In the 1998-99 Budget Act, the Legislature fully funded the estimated need for child care for all families who will be entering, participating and leaving CalWORKs, California's welfare-to-work program.

The Legislature in the Budget Act also approved expansion of child care services to infants and toddlers who are from eligible families and expanded the State Preschool program, a half-day program similar to Head Start based on the school year.

## ***After-School Programs***

In three bills, the Legislature spelled out requirements for school districts to add or expand after-school programs for elementary and middle schools (**SB 1756, Lockyer; AB 1428, Ortiz; and, AB 2284, Torlakson**). This legislation appropriated \$25 million for grants of up to \$100,000 each for elementary schools and \$25 million for grants of up to \$75,000 each for middle schools. Schools where at least half the students qualify for free or reduced-price school lunches have priority for funds. **Signed - Chapters 318, 319, and 320/Statutes of 1998.**

## ***Pay for Child-Care Staff***

**AB 2025 (Aroner)** sets up a mechanism for state, federal, and local funds to raise the compensation of the staff of child-care centers and the operators of family child-care homes. **Vetoed.**

## ***Tax Credits***

A package of targeted tax cuts, **AB 2798 (Machado), Chapter 323/ Statutes of 1998**, includes provisions to continue a child-care tax credit available to businesses that assist employees with child care costs or that build a child-care center for the children of employees. Until these provisions were folded into the omnibus tax relief package, they were part of AB 484 (Havice).

## ***Pregnant and Parenting Teens***

**SB 1064 (Johnston)** consolidates several education programs for pregnant and parenting teenage students into the California School-Age Families Education Program, or Cal-SAFE program. The programs now consolidated include the School-Age Parenting and Infant Development (SAPID) program, which is administered by the Child Development Division of the State Department of Education. **Signed - Chapter 1078/Statutes of 1998.**

## ***Child-Care Services in the Budget Act***

The Budget Act appropriates \$1.8 billion for child care and early-education programs for children from low-income families, an increase of 50 percent above the \$1.2 billion expended in fiscal year 1997-98.

Most of the new funds are reserved for participants and former participants in the CalWORKs program; this is the second straight year that the Legislature has provided a de facto guarantee of child-care services to CalWORKs participants.

New funds of \$10 million will be available for 3- and 4-year-old children from low-income families to attend the State Preschool program in the second half of this fiscal year. This amount will grow to \$20 million in 1999-2000 to cover the full year of these services.

Additional funds of \$10 million will provide child-care services for infants and toddlers from working poor families during the second half of the fiscal year. This amount will grow to \$20 million in 1999-2000 for the full year of services.

The act also appropriates \$10 million to the Department of Education to increase the capacity of the state's child-care system through planning, recruitment and training.

Up to \$5 million in new funds will establish a fund to provide child care to farm workers who migrate from one location to another in the Central Valley.

Community colleges will receive \$15 million for child-care services for CalWORKs participants attending classes.

Three community colleges will receive appropriations for architectural drawings and equipment for new campus child-care centers. The governor cut the \$125,000 appropriation for architectural

drawings for a child-care center at Compton Community College.

The governor eliminated a \$4 million appropriation that included funds for a pilot program to assist jurors with child-care expenses.

### ***CalWORKs***

**SB 2177 (Wright)** -- Provides that CalWORKs participants' children up to their 13th birthday will have access to child care if necessary to enable their parents to work or participate in training activities. **Vetoed.**

**AB 2454 (Murray)** -- Establishes local transportation programs for CalWORKs participants to assist them in attending training classes and obtaining employment. **Vetoed.**

### ***Adoptions***

**AB 1654 (Aroner)** -- Encourages adoptions by allowing adoption-assistance payments to be made to adoptive families regardless of their incomes. **Vetoed**

**AB 2773 (Aroner)** -- Ensures that California is in compliance with the new federal Adoptions and Safe Families Act, which places an emphasis on foster care as a temporary placement only, seeking the permanency of an adoptive home more quickly than did previous law. **Signed - Chapter 1056/Statutes of 1998.**

### ***Foster Care***

Primarily through **SB 933 (Thompson), Chapter 311/Statutes of 1998**, the Legislature enacted a set of reforms in foster care. This bill increases the number of social workers in order to lower caseloads and ensure monthly visits from social workers to all foster children. Together with the Budget Act, it provides a 6 percent increase in rates paid to group homes and a 6 percent increase in rates paid to foster-family agencies. About 25,000 children, almost all of whom have special needs, are in such care.

These rate increases are designed to enable agencies to recruit and retain qualified staff. The legislation also expands day-treatment services for children with mental health and other health needs, expands education and training for social workers, and establishes a foster care ombudsman program.

**SB 1901 (McPherson)** -- Establishes the Kinship Guardianship Assistance Payment program to provide financial assistance for children who, after being adjudged dependent children of the juvenile court, are placed in legal guardianship with a relative. **Signed - Chapter 1055/Statutes of 1998.**

**AB 424 (Woods)** -- Provides higher-education grants to former foster children and allows them to apply up to six years after emancipation. Cal Grants are worth up to \$6,000 per year. Supporters expect about 300 young adults to enter the program each year, equal to about 10 percent of the foster youths emancipated annually. **Vetoed.**

**AB 1820 (Honda)** -- Reimburses foster parents in five counties for child-care costs. Because many children in foster care have developmental delays and special needs, the child-care services are expected to aid their development. **Vetoed.**

**AB 2598 (Aroner)** -- Creates a health-care system for children in foster care based on the findings and recommendations of a statewide task force. **Vetoed.**

### ***Abuse Prevention and Child Welfare***

The omnibus social services bill, **AB 2779 (Aroner), Chapter 329/Statutes of 1998**, includes language establishing the California Children and Families Home Visit program for infants, through

their second birthday, who are at risk of abuse or neglect. These provisions were transferred from SB 1525 (Alpert).

**SB 2030 (Costa)** -- Sets in motion a reassessment of the appropriate size of a county social worker's child-welfare case load. **Signed -Chapter 785/Statutes of 1998.**

### ***Adult Protective Services***

**SB 2199 (Lockyer)** -- Expands and redefines reporting requirements regarding elder abuse and the abuse of other dependent adults, and creates various adult-protective services programs in all counties. **Signed - Chapter 946/Statutes of 1998.**

### ***Homelessness***

**AB 2737 (Aroner)** -- Provides support for permanent housing for homeless individuals in lieu of homeless shelters. **Signed - Chapter 808/Statutes of 1998.**

### ***Indian Gambling***

A reported 41 of California's 107 federally recognized Indian tribes operate gambling casinos. By one estimate, their revenue totaled \$632 million last year, a reported 75 percent of it from video slot machines. Many also operate the card game blackjack (twenty-one).

Federal prosecutors filed suits in federal court against the tribes that operate these casinos, saying that the video slot machines and blackjack games violated federal law because there were no agreements between the state and the tribes to allow them. Governor Pete Wilson and 11 tribes later signed agreements to allow limited, state-regulated gambling in these tribes' casinos and to protect the tribes from the federal suits.

The agreements will allow high-speed video lottery machines in place of the existing video slot machines. The new machines have yet to be made available commercially, so the tribes can continue to use their existing machines until their new machines are available. The agreements prohibit blackjack and other games in which a gambler plays against the house, which are prohibited by state law.

The agreements subject the tribes' casinos to many state and local safety, labor, and consumer-protection laws, and provide for state and local government enforcement. They set the minimum casino gambling age at 21. They provide for negotiations between county governments and tribes concerning off-reservation environmental impacts, including traffic, and the locations of new casinos. Some of the agreements also require countywide elections on new tribal casino proposals. Those agreements require the counties and the tribes to take those countywide election results and the voters' concerns into account in their negotiations, and independent arbitrators ultimately will decide the issues if negotiations fail to reach agreement.

Tribes opposed to the agreements are sponsoring Proposition 5 in the November 1998 election. The proposition intends to allow tribes with casinos to continue to operate them as in the past, and to allow other tribes to open similar casinos, without many of the restrictions in the agreements. Most of the agreements provide that, if the voters pass and the courts uphold Proposition 5, the tribes that have signed the agreements may operate casinos as allowed by the proposition instead.

**SB 287 (Burton)** ratifies the agreements between the governor and the 11 tribes.

The bill also says that the terms of each agreement apply only to the tribe that signed that agreement -- and the agreements may not be interpreted to allow the state to impose a statewide limit on the number of video lottery machines in tribal casinos or impose an allocation system for deciding how many video lottery machines a tribal casino will be permitted to operate, unless it is a casino of one of the tribes that signs an agreement accepting the allocation system or limit.

The bill says that, if the governor and another tribe sign an agreement and the governor certifies

that it is materially identical to the first of the existing agreements, the new agreement will be deemed ratified unless two-thirds of the members of each house of the Legislature vote to reject it. It adds that, if the governor and a tribe sign an agreement that is materially different from the first of the existing agreements, the new agreement will be ratified only if a majority of the members of each house of the Legislature vote to ratify it.

The governor signed the bill, and it is **Chapter 409/Statutes of 1998.**

### ***Insurance***

*Please also see the discussion of health insurance legislation, including issues concerning health maintenance organizations (HMOs), in the "Health Care" section beginning on page 53.*

**SB 266 (Rosenthal)** -- Requires the California Earthquake Authority to provide a 5 percent discount on premium for retrofitting and extends the Department of Insurance's earthquake mediation program to January 1, 2000. The program is designed to mediate disputed claims arising out of the Northridge earthquake and was due to terminate on July 1, 1998. **Signed - Chapter 622/Statutes of 1998.**

**SB 1413 (Knight)** -- Requires an insurance company to pay interest at the rate of 10 percent annually if it wrongfully delays payment of benefits under a disability-income insurance policy. **Signed - Chapter 415/Statutes of 1998.**

**SB 1530 (Hayden)** -- Establishes the Holocaust Insurance Claims Recovery Team in the Department of Insurance and, if an insurer fails to pay a Holocaust survivor's claim, the insurer's certificate of authority is suspended until the claim is settled. **Signed - Chapter 963/Statutes of 1998.**

**SB 1537 (Rosenthal)** -- Directs insurers that are required to offer both federal tax-qualified long-term care (LTC) policies and state non-tax-qualified LTC policies to allow policyholders to switch between the policies if specified federal action is taken regarding the tax status of the state LTC policy. **Signed - Chapter 1067/Statutes of 1998.**

**SB 1555 (Rosenthal)** -- Provides for a 30-day "free-look" period during which purchasers of credit insurance who request cancellation would be fully refunded any moneys paid. **Signed - Chapter 585/Statutes of 1998.**

**SB 1658 (Peace)** -- Requires Mexican-based HMOs that cover Mexican nationals working in California to apply for licensure from the Department of Corporations (DOC) and authorizes the DOC to regulate those plans. **Signed - Chapter 1025/Statutes of 1998.**

**SB 1683 (Rosenthal)** -- Requires the Department of Insurance to provide homeowners with a brochure informing them about the variety of title insurance products that may be available from competing insurers, and warns consumers about the risk of unlawful kickbacks related to real estate agents steering business to title companies. **Signed - Chapter 732/Statutes of 1998.**

**SB 1790 (Rosenthal)** -- Allows employers to voluntarily provide health insurance to their employees who work 20-29 hours per week on the same basis as those who work 30 or more hours per week. **Signed - Chapter 418/Statutes of 1998.**

**SB 1948 (Sher)** -- Requires the state insurance commissioner to prepare a written report on justified complaints against insurers to be available to the public upon written request or through the Department of Insurance Internet site. **Signed - Chapter 556/ Statutes of 1998.**

**AB 1715 (Knox and Villaraigosa)** -- Requires the insurance commissioner to set up and maintain a registry related to insurance policies of Holocaust victims and require insurers to submit relevant information to the registry. **Vetoed.**

**AB 1869 (Cardoza)** -- Requires the insurance commissioner to set up Insurance Disaster

Assessment Teams to promptly respond to disasters and assess the damage and make reports to the commissioner, the public and to insurers. **Signed - Chapter 510/ Statutes of 1998.**

**AB 2492 (Pringle)** -- Permits the insurance commissioner to require title insurers to provide annual statistical information to the Department of Insurance and enhances penalties related to unlawful title insurers practices. **Signed - Chapter 919/Statutes of 1998.**

**AB 2578 (Cedillo)** -- Provides for regulation of public adjusters, including civil penalties for operating as a public adjuster without a license, permitting an insured to void a contract with an unlicensed person, and authorizing the insurance commissioner to issue a cease-and-desist order to an unlicensed public adjuster. **Signed - Chapter 367/Statutes of 1998.**

### ***Labor and Employment-Related Issues***

The California economy remained strong this year. The unemployment rate for September 1998 was 6.0 percent. Job growth remained strong. The Employment Development Department estimated that 15.4 million persons were employed in September. State legislative efforts focused on providing workers, both in the private and public sectors, with workplace benefits and protections. In response for the demand for labor in many industries, state and national attention continued to be directed toward preparing a qualified work force.

### ***Workplace Benefits and Protections***

Governor Wilson **vetoed** two bills, **AB 1643 (Escutia)** and **SB 1098 (Kopp)**, that were passed by the Legislature in response to a recent California Court of Appeal decision in an age-discrimination suit, *Marks v. Loral*. In *Marks*, the court found no violation of law if an employer fired higher-paid, older employees and replaced them with younger workers who were paid less if the action were based on a desire for economic gain, even if the action disproportionately affected older workers.

**AB 1643** would have affirmed California's strong public policy against age discrimination in employment by clarifying that the Legislature never intended to afford less protection to victims of age discrimination than to victims of race, sex and other discrimination, and would have invalidated the *Marks* decision. **SB 1098 (Kopp)** would have amended the state's age-discrimination statute to expressly provide that it is an unlawful employment practice to discriminate against an employee over the age of 40 in compensation or other "terms, conditions or privileges" of employment, absent a "business necessity." It also would have invalidated the *Marks* decision.

**AB 15 (Knox)** -- Requires a public or private employer who provides a paid sick-leave policy to permit an employee to use up to half the existing sick leave to attend to the illness of a child. **Vetoed.**

**AB 310 (Kuehl)** -- Prohibits an agent or supervisor from harassing any employee, extends the prohibition of harassment to include a person who provides services under contract, prohibits genetic testing, and requires an employer to reasonably accommodate the employment needs of a pregnant female. **Vetoed.**

**AB 462 (Floyd)** -- Requires the uninsured employers fund to pay a workers' compensation claim to an injured worker when the employer files for bankruptcy; requires that this fund pay interest and a late payment penalty where applicable; and authorizes the Department of Industrial Relations to seek a judgment for recovery of benefits from an employer who files for bankruptcy. **Vetoed.**

**AB 1570 (Bustamante)** -- Prohibits an employer from charging a job applicant an application fee. **Signed - Chapter 442/Statutes of 1998.**

**AB 1870 (Kuehl)** -- Allows, for the purposes of family care and medical leave, an employee to take leave to care for a child who is unable to attend school or day care for health reasons. **Vetoed.**

**AB 2156 (Keeley)** -- Extends the period for filing a complaint with the labor commissioner by any

person who believes that he or she has been unfairly discharged from employment or otherwise discriminated against from within 30 days to one year after the occurrence of the violation.

**Vetoed.**

**AB 2303 (Runner)** -- Prohibits an employer from audio or videotaping an employee in a rest room, locker room, or change room, unless authorized to do so by a court order. **Signed - Chapter 411/Statutes of 1998.**

**SB 165 (Solis)** -- Establishes eligibility for unemployment-insurance benefits to persons who leave their employment to protect their children or themselves from domestic violence, and exempts an employer's reserve account from higher charges. **Signed - Chapter 411/Statutes of 1998.**

**SB 495 (Rosenthal)** -- Increases the maximum weekly state disability insurance benefit amount to \$490 from the current amount of \$336. **Vetoed.**

**SB 654 (Johnston)** -- Prohibits employment discrimination against healthy individuals who have a genetic predisposition for disease. **Signed - Chapter 99/Statutes of 1998.**

**SB 924 (Solis)** -- Establishes a new penalty of \$1,000 per worker for failure to maintain workers' compensation insurance in cases when no stop order is issued. Under existing law, private employers are required to secure liability for industrial injuries by obtaining workers' compensation insurance or by obtaining a certificate of consent to self-insure. The director of the Department Industrial Relations is required to issue a stop order to prevent an uninsured employer from employing labor until insurance is obtained, and to assess a civil penalty of \$1,000 per employee, but this penalty may not be assessed without a stop order. **Vetoed.**

**SB 1514 (Solis)** -- Imposes civil penalties on garment manufacturers for specific violations relating to workers, registration and records. **Signed - Chapter 276/Statutes of 1998.**

**SB 1909 (Rosenthal)** -- Increases the maximum weekly unemployment compensation benefit amount from \$230 to \$300 per week. **Vetoed.**

**SB 1933 (Johnston)** -- Provides that any employee who would have been eligible for workers' compensation or state disability insurance under the rules that applied on August 21, 1996, regardless of immigrant status, will continue to be eligible as long as the employee meets all other requirements. **Vetoed.**

**SCR 93 (Burton)** -- Urges all California universities and colleges and the Association of Collegiate Licensing Officers to adopt labor codes to ensure that university and college licensed merchandise is not made by sweatshops and exploited adult or child labor. **Resolution Chapter 132/Statutes of 1998.**

### ***Work Force Training***

**AB 2429 (Knox)** -- Requires the chancellor of the California Community Colleges to award grants to community college districts to develop curricula and pilot programs that provide internships, apprenticeships and other work site training in multimedia, biotechnology, and hi-technology industries and in nursing specialties. **Vetoed.**

**SB 1560 (Johnston)** -- Makes changes to the Employment Training Panel (ETP) program, including requiring the ETP to target a minimum of 75 percent of specified job-training funds to training projects for companies engaged in manufacturing. **Vetoed.**

**SB 1562 (Solis)** -- Precludes participants of job preparation and training programs from filling specified job vacancies in the construction industry. **Vetoed.**

**SB 1817 (Johnston)** -- Authorizes schools to provide workers' compensation insurance to students who are paid wages by private employers in supervised work-experience education or cooperative vocational-education programs for a transitional period. **Signed - Chapter**

## **541/Statutes of 1998.**

### ***Other Employment-Related Legislation***

**AB 810 (Escutia)** -- Requires the director of the Employment Development Department to convene by March 1, 1999, a task force to make recommendations for changes in procedures to simplify and expedite the communications of the department to interested parties regarding the employment status of workers. **Vetoed.**

### ***Local Government***

Culminating 10 years of preparation by 2,000 library aficionados across the state, **SB 409 (Alpert), Chapter 948/Statutes of 1998**, establishes a Library of California to share information among 8,000 libraries -- those run by counties, schools, universities, private foundations and other systems in California. The Sacramento Bee editorialized that this \$5 million effort "could become one of the world's great intellectual resources."

**SB 50 (Greene)** -- Allows school developer fees to rise under three conditions, appropriates funds to subsidize school developer fees for affordable housing, authorizes \$9.2 billion in school bonds. **Signed - Chapter 407/ Statutes of 1998. Appears as Proposition 1A on the November 3, 1998, ballot.**

**SB 139 (Kopp)** -- Requires that if the legislative body of a local agency has elected to meet by teleconference, at least a quorum of the members must participate within the boundaries of the local agency. **Signed - Chapter 260/ Statutes of 1998.**

**SB 147 (Kopp)** -- Limits joint powers agencies' use of Marks-Roos Act bonds. **Signed - Chapter 35/ Statutes of 1998.**

**SB 409 (Alpert) and AB 1614 (Lempert)** -- Prohibit local officials from levying taxes on Internet access and on-line computer services until 2001. **Signed - Chapter 351/Statutes of 1998.**

**SB 1885 (Ayala)** -- Reduces the size of the Metropolitan Water District board of directors from 51 to 38 members. **Signed - Chapter 481/ Statutes of 1998.**

**SB 1934 (Johnston)** -- Authorizes construction of state office space in Sacramento County or the city of West Sacramento consisting of up to 750,000 square feet at a cost of \$160 million. **Signed - Chapter 782/ Statutes of 1998.**

**SB 2005 (Kopp)** -- Eliminates or revises certain waivers of time limits for a government agency to approve or disapprove a development project after the environmental documentation under the California Environmental Quality Act is completed. Overrules *Bickel v. Piedmont* by specifying that the Permit Streamlining Act does not give an applicant a right to obtain a waiver of time limits for approval or disapproval of a development project. **Signed - Chapter 283/ Statutes of 1998.**

**AB 66 (Baca)** -- Reallocates the sales tax revenues from the sale of jet fuel. **Signed - Chapter 1027/Statutes of 1998.**

**AB 2543 (Torlakson)** -- Sets procedures for reapportioning special districts. **Signed - Chapter 435/ Statutes of 1998.**

**AB 2621 (Hertzberg)** -- Continues the Commission on Local Governance for the 21st Century. **Signed - Chapter 1038/Statutes of 1998.**

**AB 2788 (Committee on Budget)** -- Provides local government relief by reducing county support for trial courts, providing recoupment of lost funding, and backfilling the Trial Court Trust Fund with \$16.6 million in General Fund dollars. **Signed - Chapter 1017/ Statutes of 1998.**

**AB 2791 (Committee on Budget)** -- Provides local government relief by reducing county support



for trial courts and backfilling the Trial Court Trust Fund with \$113.7 million in state General Fund dollars. **Vetoed.**

## ***Natural Resources***

### ***Headwaters***

**AB 1986 (Migden)** -- Provides \$245 million for purchase of the Headwaters Forest in Humboldt County, the largest stand of privately owned ancient redwoods left in the world. The federal government has already appropriated \$250 million toward the purchase. This bill provides money to buy additional stands of trees in the Grizzly and Owl Creek watersheds. Another \$15 million in economic assistance for Humboldt County is included in the total. **Signed - Chapter 615/Statutes of 1998.**

### ***Coastal and Ocean Resources***

**SB 1546 (Johnson)** -- Creates the Upper Newport Bay Ecological Reserve, Maintenance, and Preservation Fund and appropriated \$400,000 annually to this fund from the General Fund for purposes relating to the maintenance and preservation of the Upper Newport Bay Ecological Reserve. **Signed - Chapter 777/Statutes of 1998.**

**AB 1241 (Keeley)** -- Enacts the California Marine Life Management Act of 1998 to set forth a comprehensive plan for the management of marine-life resources. Declares it is the intent of the Legislature that each sport and commercial marine fishery be managed under a fishery-management plan. Requires a fishery-management plan for the near-shore fishery by January 1, 2002, if funding is available. Requires the department to submit a master plan to the Fish and Game commission, for its approval, on developing other fishery-management plans. **Signed - Chapter 1052/Statutes of 1998.**

**AB 1962 (Kuehl)** -- Allows the California Coastal Commission to require a project applicant to hire a scientist or technical expert who is mutually agreeable to both the applicant the commission to provide expert testimony on project applications pending before the commission. **Vetoed.**

**AB 2339 (Sweeney)** -- Requires the regional water quality control boards to complete the monitoring and surveillance for each bay or estuary required to adequately characterize the toxic hot spots and develop data bases, to the extent that funds for these purposes are appropriated in the annual Budget Act. Also revises the monitoring and surveillance program. **Vetoed.**

**AB 2404 (Shelley)** -- Enacts the Sea Life Conservation Act, which requires the Department of Fish and Game to prepare a study that identifies necessary modifications to marine managed areas (MMAs) and identifies options for a network of sea life reserves in California marine and tidal waters. Requires the Fish and Game Commission, on or before July 1, 2001, to adopt a plan to redesign and manage California's MMA system based on the recommendations stated in the study. **Vetoed.**

### ***Environmental Quality***

**SB 1190 (Hayden and Knight)** -- Requires the city of Los Angeles to implement and take responsibility for the costs of air-quality mitigation measures pursuant to a July 15, 1998, agreement between Los Angeles and the Great Basin Air Pollution Control District. **Vetoed.**

**SB 1941 (Sher)** -- Requires the California Energy Commission, in consultation with the California Air Resources Board, to provide state, regional, and local agencies with information regarding cost-effective and technologically feasible methods for reducing the production of greenhouse gases from sources in the state. Requires the commission to update its inventory of these sources every five years. **Vetoed.**

**AB 468 (Wayne)** -- Makes major changes in the state's bottle-recycling law. The bill inversely links the fees that manufacturers are charged for processing recycled materials to the level of

recycling of their products. Manufacturers whose products are recycled at increased levels would pay smaller fees, while a manufacturer with a decrease in recycling would pay more. The bill also doubles from \$5 million to \$10 million the state's annual allocation for local curbside recycling programs and increases subsidies for neighborhood parking-lot recycling centers from \$18.5 million to \$23.5 million a year. **Vetoed.**

**AB 117 (Escutia)** -- Extends the sunset for the state's 25-cent tire fee from June 30, 1999 to January 1, 2001 and requires the California Integrated Waste Management Board (CIWMB) to convene a working group to study the state's waste tire situation and submit various reports regarding waste tires to the Legislature and the governor by May 1, 1999. **Signed - Chapter 1020/Statutes of 1998.**

### ***Water and Water Quality***

**SB 1075 (Johnston)** -- Extends the termination date of the Delta Protection Commission from 1999 to 2010 and grants the commission new authority to administer joint habitat restoration or enhancement

programs, such as those associated with CALFED. **Signed - Chapter 584/Statutes of 1998.**

**SB 1765 (Peace)** -- Provides \$235 million for transferring Colorado River Water from the Imperial Irrigation District to San Diego. The money is to pay for lining the Coachella branch of the All-American Canal in Imperial County to prevent seepage loss, and for providing groundwater storage along the Metropolitan Water District's aqueduct. By lining the earthen canals with concrete, it is believed over 200,000 acre feet of water will be saved, reducing demand for Northern California water. **Signed - Chapter 813/Statutes of 1998.**

**SB 1033 (Sher)** -- Requires the Office of Environmental Health Hazard Assessment to develop a standard for the presence of perchlorate in water based on public-health considerations. **Vetoed.**

**SB 2198 (Sher and Leslie)** -- Provides up to \$5 million in financial assistance to public water systems to pay costs to deal with groundwater and surface water that has been contaminated by MTBE or other oxygenates. **Signed - Chapter 997/Statutes of 1998.**

**AB 921 (Wayne)** -- Prohibits the Department of Health Services from issuing permits to use reclaimed wastewater in public water systems unless the department performs an engineering evaluation that finds the treated water will meet all applicable drinking-water standards with no significant threat to public health. **Signed - Chapter 295/ Statutes of 1998.**

### ***Energy***

**SB 116 (Peace)** -- Requires the California Energy Commission to develop a solar-energy grant program and provides for a funding source dependent on appropriated money in the annual Budget Act. **Vetoed.**

### ***Other Natural Resources Legislation***

**AB 117 (Escutia)**-- Extends the waste tire fee for 18 months and requires the California Integrated Waste Management Board to prepare and transmit to the Legislature and Governor a comprehensive study of the Waste Tire Program by January 15, 1999. **Signed - Chapter 1020/Statutes of 1998.**

**AB 2237 (Escutia)** -- Requires that specified information regarding environmental loans and grants be made available to the public in a concise, understandable and readily accessible form, including the Internet website and requires environmental agencies to incorporate consideration of the adverse human health or environmental impacts facing any community and previous funding received by that community. **Vetoed.**

**SB 1453 (Alpert)** -- Requires the Coastal Commission, consistent with the results of the city of

Monterey's model urban-runoff program, to contract with the State Water Resources Control Board to prepare a model urban pollution-protection program and to make the program available to certain local coastal governments. Also requires the commission to recommend to the state Office of Planning and Research certain revisions to guidelines relating to watershed, water quality, and nonpoint-source pollution impacts of projects. Provides that these provisions shall become operative only if funds to carry them out are appropriated in the Budget Act of 1998. **Vetoed.**

### ***Privacy Rights***

#### ***Consumer Reporting Agencies***

**SB 1454 (Leslie)** -- Requires a consumer reporting agency that provides a report to a person other than the consumer to make a copy available to the consumer for at least 60 days. Requires that information relating to an arrest, indictment, conviction, civil action, tax lien, or outstanding judgment may not be included in a report unless the agency verifies it no more than 30 days prior to the date of the report, and that adverse information obtained through a personal interview, may not be included unless it is either verified by a second party or the interviewee is the best source of the information. Limits the fee that an agency may charge a consumer to receive a copy of a report, and requires that the report be free if the consumer is unemployed, is seeking employment, receives welfare assistance, or believes that the file contains inaccurate information due to fraud. Makes medical information in a consumer's file available to the consumer. Increases the minimum amount of damages recoverable by a consumer for violations from \$300 to \$2,500. **Signed - Chapter 988/ Statutes of 1998.**

#### ***Domestic Violence and Family Support***

**SB 489 (Alpert)** -- Allows victims of domestic violence who fear for their safety to designate the California secretary of state as their agent for the receipt of mail. The victim's actual address will be confidential. Makes it a crime to make a false statement in an application to participate in the program. **Signed - Chapter 1005/Statutes of 1998.**

**AB 1900 (Cardenas)** -- Allows a party to a family-support legal action, or a child, parent, guardian or state support-enforcement agency, to sign an application under penalty of perjury establishing that the applicant may be at unreasonable risk of harm if disclosure of addresses or other identifying information is permitted. A court then could prohibit disclosure of the information. **Signed - Chapter 511/ Statutes of 1998.**

#### ***Electronic Tracking Devices***

**SB 1667 (Burton)**-- Makes it a misdemeanor to use an electronic tracking device to determine any person's location or movement without the person's consent. Does not apply to law-enforcement uses. **Signed - Chapter 1005/Statutes of 1998.**

### ***Identity Theft***

**SB 1374 (Leslie)** -- Makes it a misdemeanor or a felony for a person to use personal identifying information to obtain credit, goods, services, or medical information in the name of another person without the other person's consent. Requires that when a person willfully obtains personal identifying information and uses that information to commit a crime, and he or she is convicted of the crime, court records must reflect that the person whose identity was falsely used did not commit the crime. **Signed - Chapter 488/Statutes of 1998.**

### ***Internet Privacy***

**SB 1386 (Leslie)** -- Requires every state agency operating an Internet website that collects personal information to disclose in plain English specified information on the website. This includes notice that the website user has the option of avoiding supplying personal information. Prohibits a state agency from distributing or selling electronically-collected personal information about a user to a third party without the user's permission. Prohibits any state or local agency from posting the

home address or telephone number of any elected or appointed official on the Internet without written permission. Requires public libraries to adopt policies on access to the Internet by minors.  
**Signed - Chapter 429/Statutes of 1998.**

### ***Paparazzi***

The death of Britain's Princess Diana in 1997 drew renewed attention to the problem of intrusive behavior by paparazzi -- photographers who may violate the privacy and physical space of famous persons and their families and friends in search of sensational pictures.

**SB 262 (Burton)** -- Allows victims to sue paparazzi and their sponsors. Creates a statutory cause of action for two new torts: invasion of privacy, and constructive invasion of privacy. Defines the first new tort, "invasion of privacy," as trespassing in a manner that is offensive to a reasonable person in order to physically invade the privacy of the plaintiff in order to capture any type of audio or video image of the plaintiff engaging in a personal or familial activity. Defines the other new tort, "constructive invasion of privacy," as attempting to capture, in a manner that is offensive to a reasonable person, any type of audio or visual image of the plaintiff engaging in a personal or familial activity under circumstances in which the plaintiff had a reasonable expectation of privacy and through the use of technological equipment without which a physical trespass would have been necessary. To protect legitimate journalism, the bill provides that "personal or familial activity" does not include criminal behavior. To take the profit out of intrusive paparazzi behavior, it provides that if the invasion or constructive invasion of privacy was committed for a commercial purpose, the victim can recover: three times the amount of general and special damages; punitive damages; and any proceeds or other considerations. Any person who directs, solicits, actually induces, or otherwise actually causes another person to violate the bill may also be held liable for damages, including punitive damages. **Signed - Chapter 1000/Statutes of 1998.**

### ***Telephone Privacy and Fraud***

**SB 1070 (Peace)** -- Prohibits telephone companies from offering businesses "automatic call rejection" or "ACR, " a service designed to defeat a caller's ability maintain the secrecy of his or her phone number. With ACR, a business's phone automatically rejects calls from any phone that blocks caller identification. Thus, if a business has ACR, callers who are exercising their legal right to protect their phone numbers cannot call that business. **Vetoed.**

**AB 487 (Leach)** -- Exempts unlisted phone numbers from disclosure under the Public Records Act.  
**Signed - Chapter 13/Statutes of 1998.**

**AB 2134 (Escutia)** -- Requires local phone companies to inform their customers about state and federal laws that protect telephone users' privacy rights. Allows a consumer defrauded by a phone solicitor to sue the solicitor in the consumer's home county rather than the solicitor's home county.  
**Signed - Chapter 473/Statutes of 1998.**

### ***Public Employment and Retirement***

The Legislature approved a package of bills to increase teachers' retirement benefits. **AB 1102 (Knox), Chapter 1006/Statutes of 1998**, provides that school employees covered by the Public Employees' Retirement System (PERS) and by the State Teachers' Retirement System (STRS) may receive service credit for unused sick leave if they retire beginning in 1999. STRS members who have 30 years of service are provided enhanced benefits. **AB 1150 (Prenter), Chapter 996/Statutes of 1998**, incrementally increases a STRS benefit factor of 2 percent at age 60 or older to 2.4 percent at age 63. **AB 2804 (Assembly Committee on Public Employment, Retirement and Social Security), Chapter 967/Statutes of 1998**, funds the enhanced benefits. **SB 1528 (Schiff), Chapter 968/Statutes of 1998**, requires a study of health insurance benefits, including vision and dental care benefits, for STRS members, beneficiaries, children and dependent parents.

**AB 88 (Baca)** -- Permits local school district, community college districts and county superintendents of schools to elect to provide an additional early-retirement option for their

teachers. **Vetoed.**

**AB 2295 (Scott)** -- Allows retired state employees and their survivors who were eligible to enroll but did not belong to the PERS health program at the time of retirement to enroll in the program and receive the applicable employer contribution. **Vetoed.**

**AB 2342 (Cuneen)** -- Allows surviving spouses of patrol officers who are killed in the line of duty to receive workers' compensation death benefits, in addition to the death benefit already provided by PERS. **Signed - Chapter 770/Statutes of 1998.**

**AB 2472 (Leonard)** -- Ratifies a memorandum of understanding (MOU) between the Department of Personnel Administration and state Bargaining Unit 6 representing correctional peace officers. The terms of the MOU contain a 5 percent salary increase, an extended work week from 40 to 42 hours, expanded educational incentives, and increased employer-paid benefits. **Signed - Chapter 820/Statutes of 1998.**

**SB 648 (Burton)** -- Requires the state Department of Finance to undertake a cost comparison and prepare performance standards to be used in evaluating bids from private vendors for providing state services. Bids would be compared against the cost of state employees performing the same work. Contracts would not be awarded unless the vendor's bid, adjusted to reflect contract administration and other transition costs, was at least 10 percent below the cost of using state employees. In addition, private vendors would be required to provide health insurance for their employees and families. Vendors who were cited in the last three years for illegally withdrawing required wages or benefits would be barred from competing for state contracts for three years. **Vetoed.**

**SB 1416 (Brulte)** -- Requires the Department of Personnel Administration to offer to participants in the state's deferred compensation and 401(k) plans the option to invest their funds in any stocks or bonds listed on various stock exchanges or shares of any registered mutual fund offered by banks, mutual funds or insurance companies. The bill requires the department to report on the bill's implementation by April 15, 1999. **Signed - Chapter 602/Statutes of 1998.**

**SB 1753 (Schiff)** -- Prohibits the governing board of PERS or STRS from considering matters in closed session involving a vendor without prior disclosure of the vendor's gifts and campaign contributions. Requires investment decisions made in closed session to be made by roll call vote and disclosed within 12 months. Prohibits specified communications by the governing board members with financially interested persons during the process of awarding contracts. Requires candidates for seats on the PERS governing board to file campaign statements. **Signed - Chapter 923/Statutes of 1998.**

### ***Public Safety and the Judiciary***

*Please also see [Privacy Rights](#).*

Public safety issues and challenges in 1998 ran a gamut from enhancing school safety to sentencing career criminals. The Legislature's actions included significant funding for prevention programs such as the After School Learning and Safe Neighborhoods Partnership Program, Juvenile Challenge Grants and the Repeat Offender Prevention Project. The Legislature also sent Governor Wilson legislation to:

- Enhance school safety,
- Reduce the availability of assault weapons and
- Permit the attorney general to seek money damages from gangs to compensate for harm to communities.

In protecting the law-abiding from the state's law-breakers, the Legislature enhanced and expanded sentencing, and allocated significant funds for both juvenile and adult correctional facilities.

Legislative initiatives have been grouped into the following areas in this section on public safety:

- Substance Abuse
- Firearms
- Gangs
- School Safety
- Juveniles and Crime Prevention
- Juvenile Facilities
- Anti-Government Extremists
- General Public Safety, Procedures and Sentencing
- Judicial Reform.

### ***Substance Abuse***

**SB 1539 (Solis)** -- Prohibits selling or buying more than eight ounces of iodine or four ounces of red phosphorous, both used in the manufacture of methamphetamine, in any 30-day period.

**Signed -Chapter 305/Statutes of 1998.**

**SB 1540 (Karnette)** -- Provides statutory authority for the state Department of Alcohol and Drug Programs to license adult-recovery maintenance facilities. **Vetoed.**

**SB 1587 (Alpert)** -- Establishes the Drug Court Partnership program to be administered by the state Department of Alcohol and Drug Programs for the purpose of demonstrating the cost-effectiveness of drug courts, and provides \$8 million for grants to counties for that purpose.

**Signed - Chapter 1007/Statutes of 1998.**

**SB 1890 (Hurtt)** -- Deletes a person's choice about taking a urine test after being stopped on suspicion of driving under the influence of drugs or alcohol except under limited circumstances. If a blood test or breath test is unavailable, then the person must submit to a urine test. **Signed - Chapter 740/Statutes of 1998.**

**AB 423 (Thomson)** -- Requires the state Department of Alcohol and Drug Programs to designate three counties to establish drug-treatment programs for women incarcerated in jail who have a history of substance abuse or illegal drug activity. Appropriates \$105,000 to the counties for the project and appropriates \$15,000 to the State Library to evaluate the project. **Vetoed.**

**AB 1204 (Keeley)** -- Increases the misdemeanor penalty for a defendant who purchases an alcoholic beverage for another person under the age of 21 years if the person under age 21 then consumes the alcohol and causes great bodily injury or death to himself, herself, or any other person. **Signed - Chapter 441/Statutes of 1998.**

**AB 1784 (Baca)** -- Establishes community-based recovery programs to intervene and treat the problems of alcohol and drugs among youth. **Signed - Chapter 866/Statutes of 1998.**

### ***Firearms***

**AB 247 (Scott)** -- Permits a peace officer to make a warrantless arrest for a misdemeanor firearm offense if the offender is carrying a concealed firearm at an airport without a permit. **Signed - Chapter 224/Statutes of 1998.**

**AB 1795 (Runner)** -- Increases the time periods for certain pistol-carry licenses and exempts from public disclosure certain information

on license applications and issued licenses. **Signed - Chapter 110/ Statutes of 1998.**

**AB 1871 (Baca)** -- Authorizes gun show promoters to access the Department of Justice's

centralized list of licensed firearms dealers. **Signed - Chapter 268/Statutes of 1998.**

**AB 2011 (Hertzberg)** -- Requires that a serial number be on a modern handgun as a condition of transfer of ownership, requires the tracing of all guns that law enforcement seizes, and subjects long-gun curios and relics to the dealer-record-of-sale process. **Signed - Chapter 911/ Statutes of 1998.**

**AB 2188 (Scott)** -- Requires large-scale federally licensed firearms manufacturers to be licensed by the state Department of Justice, imposes licensing conditions, and imposes sanctions for violating those provisions. **Signed - Chapter 398/Statutes of 1998.**

**AB 2560 (Perata)** -- Revises and expands the definition of assault weapons; revises laws relating to assault weapons; expands prohibitions against the manufacture, possession for sale, importation, or lending of certain weapons; and bans the sale of large-capacity magazines. **Vetoed.**

**AB 2609 (Lempert)** -- Clarifies that the Gun Free School Zone Act forbids possessing a firearm on the grounds of a college or university. **Signed - Chapter 115/Statutes of 1998.**

### ***Gangs***

**SB 2034 (Lockyer)** -- Provides that whenever an injunction is issued to abate gang activity as a nuisance, the attorney general may seek money damages on behalf of the community injured by that nuisance. **Signed - Chapter 631/Statutes of 1998.**

**AB 1756 (Havice)** -- Establishes the School Community Policing Partnership Act of 1998 to award grants to county offices of education and school districts to develop plans to provide safe and secure environments through community policing. **Signed - Chapter 317/ Statutes of 1998.**

**AB 2650 (Cardenas)** -- Requests a study of the impact on gang violence of the Communities in Schools of San Fernando Valley program, which has established a gang "peace treaty." **Signed - Chapter 484/Statutes of 1998.**

### ***School Safety***

**SB 1626 (Hughes)** -- Requires school-security officers who work more than 20 hours per week to complete a school security training course, to be developed. **Signed - Chapter 745/Statutes of 1998.**

**SB 1627 (Hughes)** -- Requires school peace officers employed on or after July 1, 1999, to complete the Commission on Peace Officer Standards and Training's 664-hour basic-training program prior to acting as peace officers. **Signed - Chapter 746/Statutes of 1998.**

**SB 1751 (Calderon)** -- Establishes the School Safety Act of 1998 and encourages the State Allocation Board to develop criteria for the identification of schools in need of security equipment. **Vetoed.**

**AB 1757 (Bowler)** -- Eliminates a requirement that county offices of education spend no more on contracting for probation officers than they spent in 1988-89. **Signed - Chapter 125/Statutes of 1998.**

### ***Juveniles and Crime Prevention***

**SB 1387 (Karnette)** -- Prohibits the destruction of juvenile records relating to the commission of certain specified offenses and provides for the inspection, copying, and introduction into evidence of these records. **Signed - Chapter 374/Statutes of 1998.**

**SB 1485 (Rosenthal)** -- Establishes competitive grants for counties to reduce crime and criminal justice costs related to mentally ill offenders through provision of treatment and stability. Funded

by \$27 million in SB 2108 (Vasconcellos). **Signed - Chapter 501/Statutes of 1998.**

**SB 1657 (Peace)** -- Establishes the Juvenile Female Offender Intervention program, a component of the next phase of the Juvenile Crime Enforcement and Accountability Challenge Grant program, as funded in the 1998-99 Budget Act. **Vetoed.**

**SB 1756 (Lockyer)** -- Establishes, in combination with **AB 2284 (Torlakson)** and **AB 1428 (Ortiz)**, the After School Learning and Safe Neighborhoods Partnerships program for after-school partnerships at elementary, middle and junior high schools. The after-school programs are designed to create a safe environment where students can benefit from educational enrichment, tutoring, homework assistance and recreational activities. The Budget Act appropriates \$50 million for this program. **Signed - Chapter 320/Statutes of 1998.**

**SB 2017 (Schiff)** -- Gives the juvenile court authority to issue custody, visitation, or restraining orders with respect to a child who is the subject of a juvenile delinquency (criminal conduct) proceeding. **Signed - Chapter 390/Statutes of 1998.**

**SB 2074 (Schiff)** -- Revises some juvenile-delinquency law purposes and provisions to include the expansion of some victim-related punishment and a requirement that probation officers notify victims of their rights. **Signed - Chapter 761/Statutes of 1998.**

**SB 2108 (Vasconcellos)** -- Amends and supplements the 1998 Budget Act to appropriate \$50 million for the Juvenile Challenge Grant program. **Signed - Chapter 502/Statutes of 1998.**

**SB 2187 (Schiff)** -- Repeals a redundant hearing procedure to determine whether to proceed with a commitment hearing to determine if a minor shall continue to be held by the California Youth Authority (CYA) because the person is a danger to society as the result of a mental or physical abnormality. **Signed - Chapter 267/Statutes of 1998.**

**AB 2261 (Aguilar and Migden)** -- Revises the Juvenile Crime Enforcement and Accountability Challenge Grant Program. **Signed - Chapter 325/Statutes of 1998.**

**AB 2310 (Wright)** -- Expands the options available to the juvenile court regarding placement of a child who has been adjudged a dependent of the court, and sets an order of preference for placement. **Signed - Chapter 572/Statutes of 1998.**

**AB 2495 (Prenter)** -- Requires the Office of Criminal Justice Planning to administer up to six grants to private nonprofit organizations in Northern, Central, and Southern California to establish three-year pilot programs to serve runaway youth and their families. **Signed - Chapter 1965/Statutes of 1998.**

**AB 2594 (Wright)** -- Revises and recasts the provisions of the Repeat Offender Prevention Project including specifying the counties to which it applies, and revises the selection criteria for the participation of minors. The Budget Act provided \$4 million for this program. **Signed - Chapter 327/Statutes of 1998.**

### ***Juvenile Facilities***

**SB 1422 (Alpert)** -- Authorizes a juvenile-detention camp or ranch to house a maximum population in excess of 125 wards if the Board of Corrections approves the expansion and the county increases staffing and program levels commensurate with the expansion. **Signed - Chapter 375/Statutes of 1998.**

**SB 2147 (Brulte)** -- Changes the law concerning the regulation of juvenile-detention facilities relating to minors in adult facilities and the suitability determinations for juvenile facilities. Declares that the juvenile facility must be a "safe and supportive homelike environment." **Signed- Chapter 694/Statutes of 1998.**

**SB 2081 (Schiff)** - Requires notification to the parents of a ward in a juvenile institution when



their child is injured. **Signed - Chapter 496/Statutes of 1998.**

**AB 2793 (Migden, Villaraigosa)** -- Provides that federal violent offender/truth-in-sentencing grants to the state through fiscal year 1999-2000 be allocated by the Board of Corrections to counties for construction and modification of local detention facilities. The Budget Act appropriated \$81 million for these facilities. **Signed - Chapter 339/Statutes of 1998.**

**AB 2796 (Committee on Budget)** -- Provides \$100 million for the renovation, reconstruction, construction, completion of construction and replacement of county juvenile facilities and \$25 million in grants for local youth centers. **Signed - Chapter 499/Statutes of 1998.**

### ***Anti-Government Extremists***

Whether they call themselves militias, patriots, freemen, common law courts or some other name, some anti-government extremists have used threats, harassment, and phony legal documents to try to achieve their goals. The Senate Office of Research documented these problems in its September 1997 report, "Tactics of California's Anti-Government Extremists."

**SB 1759 (Ayala)** and **SB 2154 (Schiff)** attack what's been called "paper terrorism," the use of bogus liens and other documents to harass and intimidate public officials and employees. **Signed - Chapters 779 and 211/Statutes of 1998.**

**SB 2154** prohibits a person from filing a lawsuit, lien, or other encumbrance against the private property of a public officer or employee, knowing it is false, with the intent to harass or influence or hinder the public officer or employee in discharging his or her official duties. It allows the victim to sue the culprit and collect up to \$5,000. **Signed - Chapter 211/Statutes of 1998.**

**SB 1759** creates a simple, expedited court procedure to remove illegal liens and encumbrances against public officers and employees -- estimated to number 1,500 statewide -- and provides for a civil penalty of \$5,000 for knowingly filing or directing another to file such an illegal lien or other encumbrance. It also prohibits a credit reporting agency from reporting an illegal lien or other encumbrance that has together with it a court order striking or releasing it under this law. **Signed - Chapter 779/Statutes of 1998.**

### ***General Public Safety, Procedures and Sentencing***

**SB 295 (Rainey)** -- Reverses the Budget Act action requiring the consolidation of the Internal Affairs (IA) units of the Departments of Corrections and the Youth Authority under the inspector general of the Youth and Adult Correctional Agency (YACA). Also provides for additional oversight responsibilities of the IA units by the inspector general at YACA. **Signed - Chapter 338/Statutes of 1998.**

**SB 491 (Brulte)** -- Directs the Department of Corrections to:

- Construct 1,000 prison cells in administrative segregation units in 100-bed increments at 10 prisons;
- Contract for 2,000 additional beds in community correctional facilities;
- Operate a pilot program to assist drug-addicted female parolees; and
- Dispose of 290 acres of surplus state property near the Chino state prison and implement a master plan for the land.

This bill is part of a package with SB 2108 and AB 2321. **Signed/ Chapter 500/Statutes of 1998.**

**SB 940 (Leslie)** -- Increases the punishment for intimidating a victim or witness. **Signed -**

## **Chapter 500/Statutes of 1998.**

**SB 1229 (Schiff)** -- Increases the maximum punishment from six months and a \$1,000 fine to one year and a \$5,000 fine for vandalism of less than \$400 where the offender has previously been convicted of vandalism or related offenses (including two infractions), and permits the court to order up to 300 hours of community service in certain situations. **Signed - Chapter 852/Statutes of 1998.**

**SB 1360 (Alpert)** -- Prohibits individuals charged with murder or voluntary manslaughter from controlling the disposition of the remains of the murdered decedent. **Signed - Chapter 253/Statutes of 1998.**

**SB 1549 (Knight)** -- Adds weed and rubbish abatement on public and/or private property to the labor inmates may perform under a work-release program administered by a sheriff or other official in charge of county jails. **Signed - Chapter 73/Statutes of 1998.**

**SB 1796 (Leslie)** -- Addresses the crime of "cyberstalking" by updating stalking and harassment laws to include stalking via electronic technologies. **Signed - Chapter 825/Statutes of 1998.**

**SB 1734 (Johnston)** -- Requires the Office of Criminal Justice and Planning to award funds appropriated for the High Technology Theft Apprehension and Prosecution program to regional task forces, rather than individual counties, and adds chiefs of police to those authorized to apply for this funding. **Signed - Chapter 555/Statutes of 1998.**

**SB 1768 (Kopp)** -- Increases financial disclosures required of criminal defendants who may be ordered to pay restitution for the crimes they committed, and gives victims and the State Board of Control access to this financial information. **Signed - Chapter 587/Statutes of 1998.**

**SB 1794 (Schiff)** -- Lists and categorizes all sentence enhancements by schedules, for reference purposes, based on the length of the term of imprisonment imposed by each sentence enhancement. **Signed - Chapter 395/Statutes of 1998.**

**SB 1850 (Schiff)** -- Allows prosecutors to appeal in certain criminal cases. **Signed - Chapter 208/Statutes of 1998.**

**SB 1900 (Schiff)** -- Eliminates sentencing caps on certain multiple offenses. **Signed - Chapter 296/Statutes of 1998.**

**SB 1913 (Ayala)** -- Requires the inspector general of the Department of Corrections to be independent and not be a subdivision of any other governmental agency and requires the director of Corrections to expand the existing ombudsman program. **Signed - Chapter 969/ Statutes of 1998.**

**SB 1927 (Schiff)** -- Requires prosecution and defense teams to identify themselves before interviewing witnesses in criminal cases. **Signed - Chapter 630/Statutes of 1998.**

**SB 1970 (Schiff)** -- Permits the issuance of arrest or search warrants via electronic mail. **Signed - Chapter 692/Statutes of 1998.**

**SB 2021 (Schiff)** -- Facilitates the amendment of restitution orders to assist victims. **Signed - Chapter 451/Statutes of 1998.**

**SB 2108 (Vasconcellos)** -- Amends and supplements the 1998 Budget Act to provide funding to the Department of Corrections for expanding training, treatment and assistance programs for inmates and parolees (\$23 million); constructing space for more inmates in the state prison system (\$74 million); and funding state grants to local governments to address the problems of mentally ill offenders (\$27 million). This bill is part of a package with SB 491 and AB 2321. **Signed - Chapter 502/Statutes of 1998.**

**SB 2116 (Schiff)** -- Establishes a three-year pilot project in San Bernardino County that would require sex offenders to participate in individualized treatment programs. **Vetoed.**

**AB 190 (Napolitano)** -- Extends the statute of limitations to five years for elder-abuse crimes, and provides that the statute of limitations for elder-abuse financial crimes does not begin to run until the date of discovery of the offense. **Signed - Chapter 944/Statutes of 1998.**

**AB 531 (Knox)** -- Declares it to be a felony offense for persons to escape from a home-detention program subsequent to a felony conviction. **Signed - Chapter 258/Statutes of 1998.**

**AB 535 (Brown)** -- Revises definitions, time periods, and circumstances under which a victim may be eligible for assistance and reimbursement under the Board of Control Victims of Crime program. **Signed - Chapter 697/Statutes of 1998.**

**AB 645 (Escutia)** -- Allows a minor under age 16 who has intercourse with someone over 21 years of age to qualify for up to \$3,000 from the Board of Control's crime-victim restitution fund when felony charges are filed. **Signed - Chapter 895/Statutes of 1998.**

**AB 880 (Hertzberg)** -- Expands criminal sanctions for offenses pertaining to financial abuse of elderly and dependent adults so as to apply to all persons, not just caretakers. **Signed - Chapter 934/ Statutes of 1998.**

**AB 976 (Papan)** -- Allows specified peace officers to testify about hearsay before a grand jury, and changes the procedures for obtaining and disclosing specified utility, escrow, title and financial documents. **Signed - Chapter 757/Statutes of 1998.**

**AB 1332 (Murray)** -- Expands the pool of individuals required to provide DNA samples to correctional institutions, and makes related changes. **Signed - Chapter 696/Statutes of 1998.**

**AB 1382 (Olberg)** -- Increases the punishment for driving a motor vehicle while willfully evading a peace officer. **Signed - Chapter 256/ Statutes of 1998.**

**AB 1780 (Murray)** -- Revises the elder and dependent adult abuse-reporting law. **Signed - Chapter 980/Statutes of 1998.**

**AB 1844 (Thompson)** -- Requires a person convicted of arson or attempted arson to register with the local police or sheriff's department upon release from incarceration. **Signed - Chapter 359/ Statutes of 1998.**

**AB 1927 (Morrow)** -- Allows the court as a condition of probation to require that a person who is required to register as a sex offender must stay away from a victim. Provides for notification of the victim when a serious or violent sex offender is released on probation, and requires convicted sex offenders to provide verifiable proof of address. **Signed - Chapter 928/Statutes of 1998.**

**AB 2321 (Knox)** -- Makes the Preventing Parolee Crime program permanent within the Department of Corrections and requires the program to include, at a minimum, residential and non-residential multi-service centers, literacy labs, drug- treatment networks, and job-placement assistance for parolees. Includes \$3 million in funding for the program. This bill is part of a package with SB 491 and SB 2108. **Signed - Chapter 526/Statutes of 1998.**

**AB 2351 (Hertzberg)** -- Adds threats or annoying communications made by electronic communication, such as through the Internet, to existing statutes prohibiting threats or annoying communications by other means. **Signed - Chapter 826/Statutes of 1998.**

**AB 2733 (Wildman)** -- Establishes the Bail Fugitive Recovery Person Act, which requires that all bail fugitive recovery persons (i.e., bounty hunters) meet specified requirements and requires every bail fugitive recovery person to notify local law enforcement officials as to his or her intention to make an arrest. **Vetoed**

## **Judicial Reform**

**SB 1947 (Lockyer)** - Requires the Judicial Council to change California's jury system to allow jurors to complete their duty within one day, unless they are immediately seated on a jury. **Signed -Chapter 714/Statutes of 1998.**

**AB 1110 (Escutia)** -- Provides legislative parameters for the Commission on Judicial Performance to prevent judges from being disciplined solely on the basis of their judicial opinions, decisions or dissents. **Vetoed.**

## **Taxes**

As part of the state's budget agreement for 1998-99, the Legislature passed and Governor Wilson signed two omnibus tax bills: **AB 2797 (Machado), Chapter 322/Statutes of 1998**, and **AB 2798 (Machado), Chapter 323/Statutes of 1998.**

**AB 2797** permanently reduces the vehicle license fee (VLF) by 25 percent and offsets that amount by a General Fund appropriation to cities and counties, to compensate for losses to local government from the VLF reduction. If at any time there are insufficient moneys from the General Fund to fully fund the offset, the amount of each offset shall be reduced by the proportionate shortfall in the General Fund. As explained by an Assembly staff analysis of the measure:

*In future fiscal years, the reduction in the VLF rate could be increased if certain conditions are met. The bill contains various target amounts that would "trigger" reductions in the VLF rate. These target amounts are based on the governor's five-year projections released at the time of the May revision of revenues and expenditures. In order to trigger a further reduction in the VLF rate, revenues must hit various targeted amounts that are higher than the revenues estimated by Department of Finance in May 1998.*

*The reduction in future VLF rate reductions is conditioned upon revenues reaching certain target amounts. If these targets are met for two consecutive years, the VLF rate reductions would become permanent.*

*If the revenue forecast for the 2000-2001 fiscal year is greater than \$65.5 billion, the VLF rate will be reduced by 35 percent rather than 25 percent on January 1, 2001. If the revenue forecast for 2001-02 is greater than \$68.6 billion, the VLF rate will be permanently reduced by 35 percent. Otherwise, the rate will return to the 25 percent reduction level. The various targets for tax reductions in the VLF would allow the VLF rate to be reduced by amounts equal to 35, 46.5, 55 or 67.5 percent. Each target has the same requirements. A fiscal-year target amount would have to be met for two consecutive fiscal years before the tax reduction would become permanent. If the target is not met for two fiscal years the reduction would fall back to the previous VLF rate.*

**AB 2797** also:

- Applies inflation-adjustment factors to the household incomes that determine the amount of assistance a claimant receives in the Senior Citizens Property Tax Assistance and Renters' Assistance Program;
- Increases the dependent exemption credit to \$253 in 1998 and \$227 in 1999, increase the medical insurance deduction for self-employed individuals from 25 percent to 40 percent during the 1998 tax year;
- Reinstates the \$60 renters' credit for taxpayers below certain income limits and provide that the credit is non-refundable on state income-tax forms.

**AB 2798** revises several state tax laws contingent on failure of Proposition 7 on the November

1998 ballot. (Proposition 7 would enact \$218 million in state tax credits for the purchase of certain equipment that reduces air-polluting emissions.) If Proposition 7 fails, the following provisions would be enacted:

- Continuation, through the tax year 2002, of tax credits to employers to offset their contributions to employees' child-care plans or facilities;
- Extension of the state's manufacturing-investment credit to computer software;
- Eighty-percent conformity with federal research-and-development tax credits;
- A permanent sales-tax exemption for property purchased for use in space flights originating in California;
- Increase in the medical deduction for self-employed individuals from 25 percent to 40 percent beginning in the 1999 tax year;
- Conformity with certain provisions of federal estate-tax law; allowing the California estate tax to be paid in installments and providing a 9 percent interest rate on payments made after nine months;
- Exemption from the state sales tax for the purchase of property used in teleproduction or post-production;
- Reduction in the minimum franchise tax on small corporations during their initial two years of business;
- A sales tax exemption for perennial plants, eliminating the inconsistent sales-tax treatment applied to plants and the need for retailers to distinguish between annual and perennial plants;
- Expansions of enterprise zones, and
- Revision of formulas used to calculate the value of tax incentives under all of the state's geographically based economic development programs.

**SB 218 (Knight)** -- Expands the property-tax exemption for nonprofit colleges to include an educational institution that provides a master's degree program based on a one-year course of study in flight testing. **Signed - Chapter 562/Statutes of 1998.**

**SB 1397 (Brulte)** -- Exempts financial settlements received by Holocaust victims and their heirs from state taxation. **Signed - Chapter 962/Statutes of 1998.**

**SB 1462 (Mountjoy)** -- Exempts vehicles owned by former prisoners of war from license fees. **Signed - Chapter 563/Statutes of 1998.**

**SB 1537 (Rosenthal)** -- Revises laws regulating federally tax-qualified and non-tax-qualified long-term care insurance policies, including a provision that could allow policyholders to switch between the two types of policies. **Signed - Chapter 1067/Statutes of 1998.**

**AB 821 (Takasugi)** -- Amends the California Taxpayers' Bill of Rights by expanding taxpayers' rights with respect to sales and use taxes. Authorizes the Board of Equalization (BOE) to waive interest penalties in cases where a taxpayer's failure to pay tax is due to error or delay by a state employee. Allows taxpayers to formally allege that BOE staff has been unreasonable. Taxpayer claims of unreasonable behavior must be filed within one year of the date the BOE's decision becomes final. If a claim of unreasonable behavior is alleged, BOE staff must show that its position was substantially justified. (Since 1988, state law has included a Taxpayers' Bill of Rights for

California taxpayers that sets certain standards for tax-administering agencies and provides taxpayers with protection against unreasonable actions.) **Signed - Chapter 612/Statutes of 1998.**

**AB 1469 (Ortiz and Takasugi)** -- Seeks to make state tax codes more taxpayer-friendly. Holds taxpayers harmless for amounts that their employers withhold from their paychecks but fail to remit to the Franchise Tax Board (FTB). Allows the FTB to provide an "offer in compromise," which allows tax debtors to pay an amount less than their outstanding liability if both the tax agency and the taxpayer agree that the remittance is the maximum amount the taxpayer would ever repay on the debt. **Vetoed.**

**AB 1613 (Scott and Strom-Martin)** -- Enacts the Higher Education Affordability Act, conforming to federal changes in the laws that govern deductions for interest paid on student loans. The maximum amount of interest that can be deducted in 1998 is \$1,000, rising to \$2,500 in 2001. The deduction is phased out as income increases. **Signed - Chapter 792/Statutes of 1998.**

**AB 1514 Lempert** -- Imposes a three-year moratorium on the imposition of new or discriminatory taxes on Internet access and online computer services. Also specifies that sales tax nexus is not established solely by taking online orders from California customers for tangible personal property. **Signed - Chapter 17/Statutes of 1998.**

**AB 2456 (Sweeney)** -- Provides property-tax relief to local governments and income-tax relief to individuals and businesses for losses from storms and floods that occurred in February 1998 in any county proclaimed by the governor to be in a state of disaster. **Signed - Chapter 749/Statutes of 1998.**

**ACA 10 (Runner)** -- Allows local agencies, with approval of their governing bodies, to agree to share sales tax revenues. **Resolution Chapter 133/Statutes of 1998. Placed on November 3, 1998, state ballot as Proposition 11.**

### ***Technology***

*Please see also "Privacy Rights," page 101.*

### ***Cramming***

The state Public Utilities Commission has reported that it receives more consumer complaints about "cramming" than any other abuse. Cramming is the problem of adding easily-overlooked charges to telephone bills for goods or services consumers never ordered. Consumers can see their phone service disconnected for non-payment of these unauthorized charges.

**SB 378 (Peace)** -- Requires that a phone bill contain only subscriber-authorized charges for communications services. Requires a phone company to clearly identify, and use separate billing sections for, each entity that generates a charge on a phone bill. Requires bills for non-communications-related goods and services to be billed separately, but permits phone companies to include those bills in the same envelopes as phone bills. Requires anyone who charges for products or services on a phone bill, or on a bill included in an envelope with a phone bill, to include the amount charged for each product or service and to take other actions to resolve any dispute about that charge. Allows a phone company to disconnect a consumer's local phone service only for nonpayment of charges for specified telephone services, not for nonpayment of unrelated charges. **Signed - Chapter 1041/Statutes of 1998.**

### ***Internet Advertising and Spam***

**SB 597 (Peace)** -- Expands false-advertising laws to include advertising disseminated or published over the Internet. **Signed - Chapter 599/Statutes of 1998.**

**AB 1629 (Miller)** -- Prohibits using an electronic-mail service's equipment for "spam" -- unsolicited e-mail advertising -- if the e-mail service's published policy prohibits or restricts it.

Authorizes a service whose policy is violated to sue the spammer to recover damages and attorneys' fees. Makes it a crime to use another person's Internet domain name without permission to send e-mail messages and thereby damage a computer, computer system or computer network. **Signed - Chapter 863/Statutes of 1998.**

**AB 1676 (Bowen)** -- Prohibits any person or entity doing business in California from sending "spam" -- unsolicited electronic mail advertising -- without a toll-free telephone number to call to notify the sender to stop. Makes each violation an infraction, punishable by a \$500 fine. **Signed - Chapter 865/Statutes of 1998.**

### ***Internet Taxation***

**SB 1908 (Vasconcellos)** -- Requires the Legislative Analyst's Office to report to the Legislature by April 1, 2000, on issues regarding the taxation of business activity on the Internet, including:

- Tax treatment of Internet-related business activities by federal, state and local governments;
- Economic, fiscal, and administrative policy issues in electronic commerce that state and local governments and businesses will face. **Vetoed.**

**AB 1614 (Lempert)** -- Enacts the "California Internet Tax Freedom Act" to prohibit any discriminatory tax on on-line computer services or Internet access, including taxes on Internet access, on-line computer services, bits or bandwidth. **Signed - Chapter 351/Statutes of 1998.**

### ***Public Safety***

**SB 1796 (Leslie)** and **AB 2351 (Herzberg)** -- Attack "cyberstalking" -- the use of high-technology equipment to engage in a pattern of conduct intended to follow, alarm, or harass a person, resulting in that person reasonably fearing for his or her safety or the safety of an immediate family member, where the cyberstalker has either made a credible threat or violated a restraining order. Expand the legal definition of "credible threat" to include threats made by computer. Prohibit contacts by means of electronic communications devices -- including telephones, cellular phones, computers, video recorders, fax machines, and pagers -- with the intent to annoy, where the caller either uses obscene language or makes threats to the other person or his or her property. **AB 2351** also requires supervising police officers to complete a high-technology crimes and computer-seizure training course. **Signed - Chapters 825 and 826/Statutes of 1998.**

**AB 1332 (Murray)** -- Creates the California DNA Data Bank in the state Department of Justice. Requires those convicted of murder, attempted murder, manslaughter, felony spousal abuse, felony assault or battery, kidnapping, or a specified sex crime, or those found not guilty by reason of insanity of these crimes, to provide the data bank with blood specimens, a saliva sample, a thumbprint, and full palm prints. **Signed - Chapter 696/Statutes of 1998.**

### ***Slamming***

**SB 405 (Peace)** -- Requires a telephone company to provide a written notice to its customers prior to the proposed transfer of those customers to another telephone company. Specifies that the transfer shall be without charge. **Signed - Chapter 663/Statutes of 1998.**

### ***Transportation***

**SB 567 (Schiff-Escutia)** -- Authorizes the California Transportation Commission to allocate state and federal transportation funds to Caltrans for the purpose of providing loan guarantees for state and local transportation projects. **Signed-Chapter 664/Statutes of 1998.**

**SB 844 (Burton)** -- Adds a red-ribbon special-interest license plate that recognizes the impact of acquired immune deficiency syndrome (AIDS) on society to the special-interest license plate program. **Signed - Chapter 1002/Statutes of 1998.**

**SB 1136 (Kopp)** -- Extends the use of automated enforcement systems at traffic-control signals and provides for mailed notification procedures in connection with alleged violations recorded by those systems. **Signed - Chapter 54/Statutes of 1998.**

**SB 1462 (Mountjoy)** -- Exempts disabled veterans from the payment of registration fees for any commercial vehicle of less than 8,001 pounds of unladen weight. Also extends this exemption to the same type of vehicle owned by former American prisoners of war. **Signed-Chapter 563/Statutes of 1998.**

**SB 1477 (Kopp)** -- Appropriates \$300 million from the State Highway Account for allocation to counties (50 percent) and cities (50 percent) for street and highway reconstruction, repair of storm damage to local streets and highways and, in a San Francisco, for other purposes related to transportation. **Vetoed.**

**SB 1847 (Schiff)** -- Establishes the Pasadena Metro Blue Line Construction Authority to award and oversee design and construction contracts for completion of the Los Angeles-Pasadena Metro Blue Line light rail project from Union Station in the Los Angeles to Sierra Madre Villa Boulevard in Pasadena. Also includes any mass-transit guideway that may be planned east of Sierra Madre Villa Boulevard along the rail right-of-way extending to Claremont. **Signed - Chapter 1021/Statutes of 1998.**

**SB 1857 (Brulte and Villaraigosa)** -- Authorizes the state Air Resources Board to make grants for locomotive and marine-vessel emission-reduction projects. Authorizes air districts to make grants for heavy-duty motor-vehicle emission-reduction projects. The provisions of this bill are repealed if Proposition 7, the Air Quality Tax Credit Initiative, is approved by voters on the November 3, 1998, ballot. **Vetoed.**

**SJR 36 (Johannessen)** -- Memorializes Congress to enact legislation that would permit California to promulgate and implement reformulated gasoline rules so that it may produce and use gasoline without MTBE. **Resolution Chapter 99/ Statutes of 1998.**

**AB 1368 (Villaraigosa)** -- Authorizes the state Air Resources Board to make grants for locomotive and marine-vessel emission-reduction projects and authorizes air districts to make grants for heavy-duty motor-vehicle emission-reduction projects. The provisions of this bill would be repealed if Proposition 7, the Air Quality Tax Credit Initiative, is approved by voters in November 1998. **Vetoed.**

**AB 1642 (Bowen)** -- Requires the state Air Resources Board to determine the emission benefits of ethanol blends. Prohibits the state board from applying a maximum oxygen-content standard to any blend of reformulated gasoline unless it determines that the application of the standard will result in greater emission benefits in the case of the emissions of potency weighted toxic air contaminants and in the case of the ozone forming potential of the emissions. **Vetoed.**

**AB 1686 (Wildman)** -- Requires Caltrans to develop priority programs for retrofitting soundwalls and includes a funding plan that provides for completion not later than July 1, 2006. **Vetoed.**

**AB 2038 (Migden)** -- Specifies that revenues generated from the seismic-retrofit surcharge for San Francisco Bay Area bridges shall not exceed \$907 million unless, among other things, the authority requests funding for a bicycle or pedestrian access that is to be added to either the new east span of the San Francisco-Oakland Bay Bridge or the retrofitted west span of that bridge, or both, rather than to the new bridge. **Signed - Chapter 84/Statutes of 1998.**

**AB 2192 (Kuehl)** -- Seeks to establish comprehensive statewide safety regulations for the transportation of high-level radioactive waste and spent nuclear fuel. **Vetoed.**

**AB 2375 (Strom-Martin)** -- Exempts school bus drivers from requirements that school buses have flashing red-signal lights at specified locations, excluding locations where a pupil must cross a highway or private road to board a school bus, or where a pupil must leave the school bus and cross to the opposite side of a highway or private road. **Vetoed.**



**AB 2454 (Murray, Aroner, Torlakson)** -- Appropriates \$10 million from the General Fund for local programs to provide transportation for recipients of CalWORKs, the state's welfare-to-work program. **Vetoed.**

**AB 2789 (Thompson)** -- Simplifies the Smog Check II program. Removes several urban areas from the requirement for enhanced inspection and maintenance programs. **Vetoed.**

**ACA 30 (Murray)** -- Prohibits the loan or transfer of transportation resources in the State Highway Account, the Public Transit Account and the local Transportation and Development Account to the General Fund except under specified conditions. **Signed-Chapter 77/Statutes of 1998.**

### ***Utilities***

**SB 1602 (Peace)** -- Prohibits the California Public Utilities Commission from enacting any natural gas restructuring decisions affecting core customers prior to January 1, 2000. **Signed - Chapter 401/Statutes of 1998.**

**SB 1781 (Peace)** -- Requires city-owned electric utilities that annually report transfers from the utility to the state General Fund to also report utility transfers to any special funds. **Signed - Chapter 628/Statutes of 1998.**

**SB 2141 (O'Connell)** -- Revises the responsibilities of the state Office of Emergency Services, state Department of Health Services, local governments and nuclear-facility operators for developing, maintaining and implementing radiological emergency response and preparedness plans. **Signed - Chapter 543/Statutes of 1998.**

**AB 1994 (Bowen)** -- Sets standards and requirements for consumer services and disclosure with respect to the advertising and sale of prepaid calling cards and prepaid calling services. **Signed - Chapter 802/Statutes of 1998.**

**AB 2461 (Campbell)** -- Creates advisory boards to aid the Public Utilities Commission to administer various public-benefit programs that are funded through utility rates. **Vetoed.**

**AB 2273 (Woods)** -- Requires the secretary of the California Environmental Protection Agency to regularly report on the status of public-policy measures that would shift the cost of biomass generation away from electricity ratepayers to other categories of beneficiaries. **Signed - Chapter 816/Statutes of 1998.**

### ***Veterans***

#### ***Cal Vet Loans***

**SB 1158 (Johannessen)** -- Requires that, if the Department of Veterans Affairs enters into a master agreement with an insurer to provide life and disability insurance coverage for Cal Vet home and farm buyers, the agreement must provide for adequate reserves. **Signed - Chapter 197/Statutes of 1998.**

**SB 2078 (McPherson)** -- Requires the Department of Veterans Affairs to conduct a statewide study concerning the feasibility of state-owned and state-operated veterans cemeteries, and to submit the report to the Legislature by July 1999. **Vetoed.**

**AB 1877 (Floyd)** -- Establishes an inspector general in the state Department of Veterans Affairs. **Vetoed.**

**AB 2096 (Margett)** -- Reduces the required down payment for homes and farms under the Cal Vet loan program to 2 percent. It also authorizes the Department of Veterans Affairs to require a buyer to pay a loan origination fee of up to 1 percent. **Signed - Chapter 530/ Statutes of 1998.**

**AB 2097 (Margett)** -- Abolishes the single-interest rate requirement for Cal Vet loans, allowing veterans with existing mortgages to continue paying lower rates when rates rise. **Signed - Chapter 362/ Statutes of 1998.**

#### ***Ex-POW Vehicle License Fee Exemption***

**SB 1462 (Mountjoy)** -- Exempts vehicles owned by former prisoners of war from license fees. Creates new POW license plates, to be provided at no cost to the former POWs. **Signed - Chapter 563/Statutes of 1998.**

#### ***Department of Veterans Affairs Reform***

**AB 1877 (Floyd)** -- Creates the post of inspector general in the Department of Veterans Affairs. The bill also makes the department's budget subject to annual legislative review and approval. It also directs the department to prepare and submit to the Legislature a comprehensive financial report regarding the operation of Cal-Vet farm and home purchase programs. It states that it is the intent of the Legislature that the Bureau of State Audits conduct a review of the program by September 1, 1999. **Vetoed.**

#### ***Veterans' Homes***

**AB 2725 (Cardoza)** -- Establishes a commission to advise the governor and Legislature on establishing one or more veterans' homes in Central California. **Vetoed.**

#### ***Water Issues***

**SB 1453 (Alpert)** -- Directs the State Water Resources Control Board (SWRCB) and the California Coastal Commission to cooperatively develop a strategy to address water pollution from undetermined, or nonpoint, sources. Requires the commission, by December 31, 1999, to recommend to the Office of Planning and Research (OPR) revisions to the California Environmental Quality Act guidelines to include consideration of watershed, water quality and nonpoint-source pollution impacts of projects. **Vetoed.**

**SB 1765 (Peace)** -- Provides \$235 million in state General Fund money for water conservation, groundwater storage and other projects as part of an agreement between the San Diego County Water Authority and the Imperial Irrigation District. **Signed - Chapter 813/Statutes of 1998.**

**SB 1860 (Costa)** -- Raises the competitive bidding thresholds of water and sewer agencies to reflect increases in construction costs due to inflation. The thresholds represent the dollar amount above which an agency is required to follow formal competitive bidding procedures if it decides to contract out for a public works project. **Signed - Chapter 142/Statutes of 1998.**

**SB 1875 (Hayden)** -- Requires the Metropolitan Water District of Southern California to place increased emphasis on sustainable, environmentally sound, and cost-effective water conservation, recycling, and groundwater storage and replenishment measures and to prepare and submit to the Legislature an annual report relating to water conservation. Requires the district to participate in considering programs of groundwater recharge and replenishment, watershed management, habitat restoration, and environmentally compatible community development utilizing the resource potential of the Los Angeles River, the San Gabriel River, or other southern California rivers, including stormwater runoff from these rivers. Requires the district to establish and operate an Office of Ethics and to adopt rules relating to internal disclosure, lobbying, conflicts of interest, contracts, campaign contributions, and ethics for application to its board members, officers, and employees. **Vetoed.**

**SB 2198 (Sher)** -- Provides \$20 million for water agencies to pay for costs stemming from contamination of drinking water by gasoline oxygenates such as MTBE (methyl tertiary butyl ether). The funds would be available for treatment, investigation of the source of contamination, purchase of replacement water and research into treatment methods for oxygenates such as MTBE. **Signed - Chapter 997/Statutes of 1998.**

**AB 609 (Margett)** -- Provides that recycled water producers, retail water suppliers, and entities responsible for groundwater replenishment may cooperate in joint studies to determine the feasibility of providing recycled water service and recycled water for groundwater replenishment. **Signed - Chapter 164/Statutes of 1998.**

**AB 2019 (Kuehl)** -- Requires the regional water boards to undertake reasonable efforts to identify dischargers of storm water that have not obtained coverage under an appropriate storm water permit. Requires any person who discharges, proposes to discharge, or is suspected by a regional board or the state board of discharging storm water associated with industrial activity that has not obtained coverage under an appropriate permit, to submit to the regional board a notice of non-applicability that specifies the basis for not needing to obtain permit coverage. Requires the regional boards to conduct a review of prescribed annual reports and construction certifications submitted in accordance with applicable law and to identify the dischargers that have failed to submit them. Requires regional boards to notify those dischargers with regard to their non-compliance and the penalties. **Signed - Chapter 998/Statutes of 1998.**

**AB 2105 (Machado)** -- Expands authority of the Department of Water Resources to authorize work in times of disaster where levees or other flood control structures are in danger of failure. Appropriates \$5 million to pay for certain work undertaken in times of disaster. **Vetoed.**