

Highlights of the Legislative Accomplishments of 2003

October 2003
***Significant Legislation Sent to the Desk of
Governor Gray Davis in 2003***

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Introduction

The legislative session in 2003 was like no other, dogged by a budget shortfall projected by the Davis administration at \$38 billion in May and capped by the voter recall of Governor Gray Davis in October, five days before his deadline for acting on legislation sent to him in the waning days of the session. He remained in office until the election was certified weeks later.

This document highlights measures sent to Governor Davis in 2003 in more than 30 policy areas and reports his actions on them, including their chapter numbers if signed. Unless otherwise noted, most signed measures take effect January 1, 2004.

The governor signed bills to provide driver's licenses to undocumented immigrants, limit the ability of financial institutions to share information about their customers, crack down further on e-mail "spam," provide domestic partners the legal rights and responsibilities of married couples, and require large and medium-sized employers to offer their workers health insurance or pay the state to provide coverage.

Vetoed measures would have posted citizens' initiatives on the Internet for 30 days of public comment and prohibited merchants from collecting unnecessary information from customers.

After adjourning for the year on September 12, the Assembly returned to Sacramento for a brief special session to vote on renewing "Megan's law," which otherwise would have expired next January. As a result, information about registered sex offenders will continue to be accessible to the public.

In crafting a budget compromise, legislators agreed to significant reductions in education, paving the way for sharp fee increases at community colleges and public universities to offset cuts. By the spring of 2004, university campuses may be turning away otherwise eligible freshmen and juniors who seek to transfer from community colleges. Other spending cuts came in criminal justice, Medi-Cal provider rates, and suspension of cost-of-living increases in public assistance.

The Legislative Analyst's Office has prepared an overview of the 2003-04 state budget, passed on July 29, 2003, and its trailer bills. Titled Major Features of the 2003 California Budget, it is available on the LAO's Web site at www.lao.ca.gov or by calling 916-445-4656.

When lawmakers return in January for the second year of their two-year session, a new chief executive -- Arnold Schwarzenegger -- will be awaiting them in the governor's office to offer his own budget proposals, and perhaps other initiatives, and determine the fate of their bills.

Aging and Long-Term Care

The primary focus of legislation in the area of long-term care and aging this session has been consumer protection, including enhancement of financial and physical security and more consumer information regarding long-term care contracts. Several bills require that persons be provided with accurate information before they enter into a contract with a residential care home for the elderly and also expand the definition of crimes committed by a caretaker against an elderly person. Other bills enhance the information to be provided to elderly persons attempting to choose between health plans, and provide additional information on prescription labels to prevent medical errors. In addition, legislation enacted in 2003 addresses the problem of geriatric, disabled inmates in need of skilled nursing care while incarcerated.

SB 200 (Murray) – Prohibits long-term care insurance carriers from requiring genetic testing as a condition of providing long-term care insurance. This prohibition will apply to testing for the presence of a genetic characteristic for insurability or underwriting purposes. Signed – **Chapter 408/Statutes of 2003.**

SB 211 (Dunn) – Specifies that the requirements of any contracts, a list of the patient's rights, and billing and payment information be provided to elderly persons, or their representatives, when the elderly person is being admitted to a licensed "residential care home for the elderly." The purpose of the bill is to require that costs and payment policies, as well as the patient's rights, be provided to the patient in writing before the patient moves into the care home. SB 211 also requires that the patient sign and date the initial admission agreement documents and any subsequent modifications to the documents. A violation of this law by a care home operator would be a misdemeanor. **Signed – Chapter 409/Statutes of 2003.**

SB 292 (Speier) – Requires labels on pharmacy prescription containers to include a physical description of the drug, including its color, shape, etc. The purpose of this bill is to reduce the incidence of medication errors, which can cause injury or death. As elderly persons typically take a number of prescription medications, this bill should reduce medication errors among this age group. SB 292 will go into effect on January 1, 2006; however, if the California Board of Pharmacy adopts regulations containing this requirement prior to that time, this bill will not go into effect. **Signed – Chapter 544/Statutes of 2003.**

SB 413 (Speier) – Permits the Department of Aging to charge HMOs an increased fee to cover the cost of counseling seniors on the provisions of HMO health plans. The fee increase will permit the Department of Aging to expand its counseling and provision of information to seniors regarding the complicated provisions of health plans. This bill also requires the department to assess an annual fee, for the same purpose, on HMOs for each enrollee under a Medicare supplemental contract. **Signed – Chapter 545/Statutes of 2003.**

SB 540 (Soto) – Requires licensed residential care facilities for the elderly that advertise special programs, such as for dementia or other conditions, to disclose to prospective residents accurate information on the specific services that will be provided. The licensee of the facility will be required to provide, in writing and prior to the admission of the elderly person, specific information on the programs and special care or environments that will be provided to the elderly person for his/her specific health-related condition. **Signed – Chapter 322/Statutes of 2003.**

SB 549 (Vasconcellos) – Authorizes the Department of Corrections to contract with public or private nursing facilities for the incarceration and care of geriatric or disabled inmates who are in need of skilled nursing services. Requires an ombudsman within the Department of

Corrections to provide services for prisoner residents of these skilled nursing facilities. **Signed – Chapter 708/Statutes of 2003.**

SB 620 (Scott) – Protects seniors from insurance scams through a number of provisions, such as banning deceptive advertising of life insurance policies and annuities, prohibiting sale of annuities for "Medi-Cal planning" to persons whose incomes make such planning unnecessary, prohibiting sharing of fees or commissions earned by insurance agents with attorneys, adding continuing-education requirements for insurance agents who sell annuities, and requiring that agents give prospective clients 24 hours notice in advance of specified home visits. Also establishes that it is a violation of the insurance code for agents and insurers to recommend unnecessary replacement of annuity products. **Signed – Chapter 547, Statutes of 2003.**

SB 686 (Ortiz) – Requires companies offering liability and standard insurance coverage to long-term health care facilities or residential care facilities for the elderly to provide notice prior to cancellation of coverage. Permits a market-assistance program or risk-pooling arrangement for insurance sales to long-term care facilities and to physicians providing care in such facilities. Also, this bill moves up by one year (2005 to 2004) the deadline for the Department of Health Services to implement a new Medi-Cal rate setting system that reflects the quality of care for residents in nursing facilities. **Signed – Chapter 899/Statutes of 2003.**

AB 43 (Daucher) – Renames an existing long-term care pilot project as the "Chronic Care Integration" program within the Department of Health Services, requires contracts for specified services, and converts the pilot into an ongoing program. The program provides medical, social and supportive services to patients who are residing in long-term care facilities, at home or in community-based health facilities. **Vetoed.**

AB 464 (Levine) – Prohibits an adult day health care center from requiring the assistance of family members at the center. Also, the bill prohibits a center from discriminating on the basis of race, color, creed, national origin, sex, sexual orientation, or physical or mental disabilities. However, a center may not admit a client it cannot appropriately care for. **Signed – Chapter 105/Statutes of 2003.**

AB 632 (Kehoe) – Requires the state Department of Social Services to expand its existing obligation to pay for worker's compensation insurance for In-Home Supportive Services (IHSS) workers, by adding IHSS workers who are employed through county contracts with nonprofit or proprietary agencies. IHSS workers provide services to aged, blind and disabled persons to allow them to remain in their homes rather than receive care in more expensive facilities. Counties will reduce their contract rates with such agencies as a result of this bill. **Signed – Chapter 209/Statutes of 2003.**

AB 634 (Steinberg) – Discourages confidential settlement agreements in legal cases involving elder abuse under the Elder Abuse and Dependent Adult Civil Protection Act. Also provides for exceptions, such as confidential information covered by a stipulated protective order issued by a court. **Signed – Chapter 242/Statutes of 2003.**

AB 1131 (Jackson) – Expands the definition of crimes of a caretaker against an elderly person to include forgery, identity theft and fraud. Under current law, it is a crime for a caretaker of an elder or dependent adult to commit theft or embezzlement with respect to the property of the elder or dependent adult. By adding forgery, identify theft and fraud to the definition of this crime against elders, AB 1131 is intended to prevent financial exploitation of elderly persons by their caretakers. **Signed – Chapter 543/Statutes of 2003.**

Agriculture

SB 75 (Burton) – Specifies the factors that can be considered during mandatory mediation and conciliation for agricultural employees who have secured union representation but have yet to secure a contract. **Signed – Chapter 870/Statutes of 2003.**

SB 127 (Chesbro) – Extends the sunset (termination) date on the exemption on truck length limits for livestock trucks on portions of State Highway Route 101 and requires a study relative to the effects that the exemption has on public safety. **Signed – Chapter 188/Statutes of 2003.**

SB 704 (Florez) – Repeals the Agricultural Biomass-to-Energy Incentive Grant Program, and instead would require the Energy Commission, upon determining a project is eligible for funding, to provide incentives to a facility. Signed – Chapter 480/Statutes of 2003.

SB 700 (Florez) – Eliminates the agricultural exemption for any stationary equipment used in agricultural operations in the growing of crops or the raising of fowl or animals. **Signed – Chapter 479/Statutes of 2003.**

SB 705 (Florez) – Prohibits the issuance of any permit to a person to burn certain categories of agricultural waste within the jurisdiction of the San Joaquin Valley Unified Air Pollution Control District. Requires the district to develop and adopt, by June 1, 2005, rules establishing the best management practices for certain other weeds and maintenance. **Signed – Chapter 481/Statutes of 2003.**

AB 887 (Committee on Agriculture) – Specifies that grafted grape rootstock is subject to the assessment of the California Grape Rootstock Improvement Commission. **Signed – Chapter 179/Statutes of 2003.**

Civil Rights

A number of high-profile civil rights issues reached Governor Gray Davis's desk in the 2003 legislative session. These included measures to provide registered domestic partners the legal rights and responsibilities of married couples, AB 205 (Goldberg); to permit employers to be held liable for the sexual harassment of their employees in the workplace by others, including customers, AB 76 (Corbett), and to allow persons who do not have a legal presence in the United States to be eligible to apply for a California driver's license or ID card, SB 60 (Cedillo).

Disabilities

AB 268 (Mullin) – Requires that newly appointed state supervisors receive training in employment laws relating to person with disabilities. **Signed – Chapter 165/Statutes of 2003.**

AB 467 (Dutra) – Requires that ticket vending machines for public transit systems be equipped with audio instructions for visually impaired persons whenever the ticket machines are improved or replaced. **Signed – Chapter 141/Statutes of 2003.**

SB 262 (Kuehl) – Seeks to promote better compliance with disability-access laws in public places. Gives county counsels the same authority as district attorneys, city attorneys and the attorney general to bring disability-access cases. Authorizes all of these public attorneys to bring civil actions to impose civil penalties on persons who violate laws requiring access to

buildings by disabled individuals. Additionally, SB 262 authorizes the state architect to establish a program for voluntary certification of persons desiring to be designated as building access specialists. **Signed – Chapter 872/Statutes of 2003.**

Protection and Advocacy, Inc. (PAI), is a private, nonprofit corporation that advocates on behalf of disabled individuals in California. This agency was created in accord with federal law. SB 577 (Kuehl), Chapter 878/Statutes of 2003, clarifies and consolidates state laws related to PAI to conform to federal law. It clarifies that broader populations than solely the developmentally disabled or mentally ill are eligible for PAI services.

Domestic Partners

Legislation by former Assemblymember Carol Migden in 1999 established the legal authority of domestic partnerships and substantially expanded the rights of registered domestic partners in 2001. The law defines a domestic partnership as a household relationship between adults of the same sex or opposite-sex partners, when one of these partners is over the age of 62. AB 205 (Goldberg), Chapter 421/Statutes of 2003, enacts the California Domestic Partner Rights and Responsibilities Act of 2003, extending to registered domestic partners substantially all rights, benefits, and obligations of married persons under state law, with the exception of rights, benefits and obligation accorded only to married persons by federal law, the California Constitution or initiative statutes. New rights and responsibilities afforded domestic partners include:

- The right to financial support during and after the relationship has terminated,
- The same rights as formerly married couples to child custody and visitation,
- The right to exercise the "marital communication" privilege; and
- The mutual responsibility for debts to third parties incurred during the partnership.

AB 17 (Kehoe) – Prohibits state agencies from contracting for goods or services for \$100,000 or more with suppliers that do not offer the same benefits to domestic partners that are offered to employees with spouses. **Signed – Chapter 752/Statutes of 2003.**

Education

AB 54 (Oropeza) – Requires the state Commission on Teacher Credentialing, in consultation with the state Department of Education, to contract with an independent evaluator to study the availability and effectiveness of cultural competency training for teachers and administrators. **Signed – Chapter 817/Statutes of 2003.**

AB 833 (Steinberg) – Establishes standards to determine if educational institutions – private, public, K-12 and higher education – have effectively provided equitable athletic opportunities for members of both sexes. **Signed – Chapter 660/Statutes of 2003.**

AB 1250 (Laird) – Adds "hatred and intolerance prevention" as a category of reimbursable training for which eligible school districts, county offices of education, and charter schools are allowed. **Signed – Chapter 346/Statutes of 2003.**

Foster Care

AB 458 (Chu) – Ensures that foster children, and others in the foster care community, are not

subjected to discrimination or harassment on the basis of actual or perceived race, ethnic group identification, ancestry, national origin, color, religion, sex, sexual orientation, gender identity, mental or physical disability, or HIV status. Requires that training programs for foster caregivers cover these rights. **Signed – Chapter 331/Statutes of 2003.**

Free Speech

SB 116 (Dunn) – Allows mobilehome residents to display political campaign signs of specific sizes during an election period. **Signed – Chapter 249/Statutes of 2003.**

SB 515 (Kuehl) – Seeks to limit lawsuits filed by large corporations against residents who are exercising First Amendment rights to sue large corporations regarding corporate behaviors. **Signed – Chapter 338/Statutes of 2003.**

AB 1525 (Longville) – Provides that the governing documents of a common interest development must allow displaying noncommercial signs, posters, flags or banners, although a limit may be put on the sizes. **Signed – Chapter 774/Statutes of 2003.**

Gender under the FEHA

AB 196 (Leno) – Incorporates the definition of gender from hate crimes statutes that prohibit violence against any person on the grounds of gender or perceived gender into the Fair Employment and Housing Act (FEHA), thereby extending the FEHA prohibition against discrimination to that based on perceptions of an individual's gender. Permits employers to require employees to adhere to reasonable workplace appearance and standards consistent with state or federal law, provided that employees are allowed to appear or dress consistently with their gender identity. **Signed – Chapter 164/Statutes of 2003.**

Hate Crimes

AB 187 (Runner) – Provides that any assault or battery against a member of the U.S. armed forces because of the victim's service in the armed forces shall be punished by a jail term of up to a year and a fine of up to \$2,000. This is similar to the extra penalties imposed on criminals who commit crimes because of the victims' real or perceived ethnicity, gender, sexual orientation, religion, or disability, known as hate crimes. **Signed – Chapter 138/Statutes of 2003.**

AB 996 (Wiggins) – Protects reproductive health care facilities, including those that provide abortions, from discrimination by insurers for being targets of hate crimes or anti-reproductive-rights crimes. Specifically, the bill prohibits an insurer from canceling or refusing to renew a facilities insurance, or imposing an excessive or unfairly discriminatory premium, solely because the facility has filed a claim as a result of a hate crime or anti-reproductive-rights crime in the preceding five years. It also requires an insurer to report a cancellation or non-renewal to the state insurance commissioner if the facility has submitted a claim that is the result of an anti-reproductive-rights crime. **Signed – Chapter 647/Statutes of 2003.**

Housing

California fair housing law requires comprehensive accessibility features for all new multifamily construction with four or more units if the building has an elevator, and requires accessibility for all ground units in buildings without elevators. SB 1025 (Escutia), Chapter 642/Statutes of 2003, seeks to close a loophole in the law that has permitted some developers to circumvent accessibility requirements by building multi-story units without elevators or ground floor units.

b– Gives shelters that serve homeless veterans the same exemption from the state's emergency housing discrimination law as is available to shelters that serve only men or women or shelters that serve individual's 24 years of age or younger. This will allow emergency shelters to exclusively serve this homeless population and will allow these shelters to compete for state housing grants and other financial assistance for building shelters and other accommodations. **Signed – Chapter 776/Statutes of 2003.**

ACR 53 (Lowenthal) – Commemorates the 40th anniversary of the passage of the Fair Housing Act of 1963. **Resolution Chapter 77/Statutes of 2003.**

Immigrants

SB 60 (Cedillo) – Changes the eligibility requirements for a driver's license or identification card issued by the Department of Motor Vehicles, including:

- Allowing persons who do not have legal presence in the United States to be eligible to apply for a California driver's license or ID card;
- Permitting license applicants to submit a federal taxpayer ID number or other identifier number deemed appropriate by the DMV, rather than a Social Security number, where required by the department;
- Providing for a signed affidavit procedure if the applicant does not have a Social Security account; and
- Increasing fees for specified driver's licenses and deleting fees for senior ID cards.

Signed – Chapter 326/Statutes of 2003.

Proposition 209

Proposition 209, a state constitutional amendment placed on the ballot by citizens' initiative, was approved by California voters in November 1996. It added Article 1, Section 31 to the state Constitution to ban discrimination or preferential treatment based on race, ethnicity and gender in public employment, education and contracting. AB 703 (Dymally), Chapter 211/Statutes of 2003, adopts a United Nations definition of racial discrimination for purposes of Article 1, Section 31. The key provision in the International Convention on the Elimination of All Forms of Racial Discrimination says,

Special measures taken for the sole purpose of securing adequate advancement of certain racial or ethnic groups or individuals requiring such protection as may be necessary in order to ensure such groups or individuals equal enjoyment or exercise of human rights and fundamental freedoms shall not be deemed racial discrimination, provided, however, that such measures do not, as a consequence, lead to the maintenance of separate rights for different racial groups and that they shall not be continued after the objectives for which they were taken have been achieved.

The bill prevents private lawsuits from challenging any special measures undertaken to secure adequate advancement of minority groups requiring protection, except concerning the prohibition on granting preferential treatment. It says a government does not have to prove racial discrimination before undertaking special measures to secure adequate advancement of

racial minority groups needing protection. The Pacific Legal Foundation has vowed to test the validity of AB 703 in court.

Remedies

AB 1536 (Goldberg) – Makes changes in the manner the Department of Fair Employment and Housing processes unlawful employment practice claims and unlawful housing accommodation practice claims. **Signed – Chapter 447/Statutes of 2003.**

Sexual Harassment

AB 76 (Corbett) – Clarifies that employers may be held liable for sexual harassment of their employees by anyone in the workplace, including customers, clients or any third party. **Signed – Chapter 671/Statutes of 2003.**

Workplace

AB 274 (Koretz) – Creates a rebuttable presumption that an adverse employment action taken within 60 days after an employee exercises his or her employment rights is retaliatory, unless there is clear and convincing evidence that the employee made up the claim to prevent the employer from taking an adverse employment action. **Vetoed.**

AB 1715 (Assembly Judiciary Committee) – Bars most employers from requiring workers to sign agreements to arbitrate claims of discrimination and sexual harassment under the Fair Employment and Housing Act. Both parties can voluntarily agree to arbitrate such disputes. **Vetoed.**

SB 578 (Alarcon) – Enacts labor guidelines to state procurement policies to ensure that goods and services purchased by the state of California are produced in workplaces that adhere to minimum standards for protecting workers. **Signed – Chapter 711/Statutes of 2003.**

SB 777 (Escutia) – Expands protections for whistleblowers and the types of whistleblower activities that are protected. Raises the burden of proof an employer must meet to show adverse action was not retaliatory. **Signed – Chapter 484/Statutes of 2003 World War II Internment.**

AB 781 (Lieber) – Authorizes school districts to retroactively grant a high school diploma to a person who was interned during World War II and thus unable to attend high-school graduation exercises. **Signed – Chapter 130/Statutes of 2003.**

Consumers

Please also see Privacy, Public Information and Identity Theft

Financial institutions will be restricted in selling or sharing their customers' personal financial information with affiliated and unaffiliated third parties under SB 1 by Senator Jackie Speier and Senate President pro Tempore John Burton. Such information, which can be shared with unaffiliated parties only with customers' consent, will include bank account balances, spending habits, mortgages and payment history. The information also cannot be shared with a company's affiliates if a customer specifically stated that it must be kept confidential. The measure, Chapter 241/Statutes of 2003, will enable consumers to inform their financial

institutions of their privacy preferences through a simple form. Senator Speier has called the measure the "strongest financial privacy law in the land."

SB 590, also by Senator Speier, which was vetoed, would have prohibited merchants from requesting or requiring a consumer's personal information when it is not necessary for the transaction, and also would have banned the sharing of personal information with a third party unless necessary, authorized, or the consumer is given the chance to opt-out.

A related measure will require, beginning January 1, 2005, that a business that discloses a consumer's personal information to a third party for direct marketing purposes must provide to the consumer, upon request, a written description of recipients of that information and a description of categories of information disclosed. That bill, SB 27, Chapter 505/Statutes of 2003, is authored by Senator Liz Figueroa.

On another topic – telemarketing – that has attracted intense consumer interest, SB 33, Chapter 779/Statutes of 2003, also authored by Senator Figueroa, will revise California's "Do Not Call" (DNC) telemarketing restriction law to coordinate with the recently adopted federal DNC law, so that the federal DNC list becomes the "master list" and spares California the cost of managing its own separate DNC list.

AB 88 (Corbett), Chapter 77/Statutes of 2003, codifies a rule by the Federal Trade Commission that when a telemarketer offers a product or service to a consumer on a free-trial basis, and the transaction involves pre-acquired billing information, the telemarketer must obtain the consumer's express informed consent before imposing any charge on the consumer's financial account.

Californians who like to buy gift certificates for friends, colleagues and relatives will benefit from **AB 1092 (Harman), Chapter 116/Statutes of 2003**, which prohibits service fees on the sale of gift certificates and gift cards.

Contractors

SB 443 (Figueroa) – Requires the courts to impose a jail term of at least 90 days for repeated convictions of contracting without a license. **Signed – Chapter 706/Statutes of 2003.**

Internet

AB 68 (Simitian) – Requires disclosure of on-line privacy policies. Requires an operator of a commercial Web site that collects personally identifiable information about individual consumers residing in California who use or visit the site to conspicuously post its privacy policy on the site. **Signed – Chapter 829/Statutes of 2003.**

Medicine

SB 359 (Figueroa) – Makes health care professionals subject to suspension or revocation of their licenses for committing worker's compensation insurance fraud. **Signed – Chapter 595/Statutes of 2003.**

SB 969 (Bowen) – Requires a health-care service plan that provides telephone medical advice to ensure that only staff who are licensed, certified, or registered in a specified health care profession provide medical advice by phone. Requires that no staff member use a title that would mislead someone into believing the staff member is licensed, certified, or

registered. **Signed – Chapter 885/Statutes of 2003.**

AB 747 (Matthews) – Requires suspension of health professionals' licenses for conviction for Medi-Cal fraud, and revocation of licenses for more than one conviction. **Signed – Chapter 659/Statutes of 2003.**

Identity Theft

AB 1294 (Wiggins) – Requires a debt collector to stop trying to collect a consumer debt if a consumer provides the collector with a written statement that certifies that the consumer is a victim of identity theft. A person lying on the certification is guilty of a misdemeanor. Provides that the collector may recommence debt collection activity only upon making a good-faith determination that the information does not rule out the consumer's responsibility for the debt. Requires that the collector notify the consumer of that determination in writing before recommencing collection activity. **Signed – Chapter 287/Statutes of 2003.**

Insurance

AB 226 (Vargas) – Prohibits the sale of corporate-owned life insurance policies for rank-and-file employees that designate the employer as the beneficiary of the policy. **Signed – Chapter 328/Statutes of 2003.**

AB 1083 (Cogdill) – Prohibits an insurer from issuing a life insurance policy that covers the applicant's spouse with a value exceeding \$50,000 unless the spouse has signed the application or been otherwise notified. **Signed – Chapter 115/Statutes of 2003.**

Native Languages

SB 1022 (Perata) – Requires third-party debt collectors to provide debtors with notices, in the language initially used to contact the debtor, of their state and federal rights. **Signed – Chapter 259/Statutes of 2003.**

AB 309 (Chu) – Adds four additional languages – Chinese, Tagalog, Vietnamese and Korean – to a 29-year-old law that requires translations into Spanish of contracts negotiated in Spanish. Requires that a translated copy of such contracts be provided to the consumer before the contract becomes binding. **Signed – Chapter 330/Statutes of 2003.**

Tenants

SB 90 (Torlakson) – Establishes specific methods and deadlines for a landlord to satisfy his or her obligation to return any unused security deposit to a former tenant and to provide an itemized accounting of any amount deducted for repair or cleaning. Requires a landlord to give a former tenant copies of receipts and other documents showing charges deducted. **Signed – Chapter 335/Statutes of 2003.**

Toxics

SB 331 (Romero) – Extends the statute of limitations for civil actions for injury, illness or death resulting from exposure to hazardous substances to two years from the date of injury or from the date the plaintiff should reasonably have been on notice that the injury was caused by the wrongful act of another. Provides that media reports of a toxic substance in a particular area do not constitute sufficient facts to place a potential plaintiff on notice. **Signed – Chapter 873/Statutes of 2003.**

Vehicle Loans

SB 508 (Escutia) – Requires auto dealers to maintain copies of sales contracts that are conditioned on installment payments for at least seven years. Requires dealers to make the contract information available upon a court order or administrative subpoena by the state attorney general. Also provides a \$5,000 penalty per violation for a seller who fails to comply with a court order to produce these documents, with the goal of permitting investigation into interest rate markups on automobile loans that bear no relationship to the creditworthiness of the consumer. **Signed – Chapter 59/Statutes of 2003.**

Corporate Ethics and Behavior

A corporation under **SB 523, Chapter 477/Statutes of 2003**, by Senator Martha Escutia would be liable for civil penalties of up to \$1 million if it had knowledge of certain illegal acts and failed to notify shareholders and the attorney general or appropriate government agency of them. A civil action to seek the penalty from the corporation could be brought by the state attorney general, a county district attorney or a city attorney.

A companion measure, **SB 777 (Escutia), Chapter 484/Statutes of 2003**, increases the civil penalty for retaliation against an employee "whistleblower" who reports company wrongdoing to \$10,000 from \$1,000. SB 777 requires the attorney general to maintain a whistleblower hotline for corporate crime and regulatory misconduct and to refer calls to investigative agencies.

SB 434 (Escutia) – Provides the state attorney general with civil enforcement authority for California's securities and commodities laws. Makes clear that state agencies may share documents and other evidence with other state and federal agencies. Equalize the civil penalties for commodities and securities fraud, and add a new false statements misdemeanor to prosecute those who mislead investigators. **Signed – Chapter 876/Statutes of 2003.**

SB 515 (Kuehl) – Revises an existing statute, known as the anti-SLAPP (Strategic Litigation Against Public Participation) law, to limit lawsuits filed by large corporations against residents who exercise their First Amendment rights to sue the corporations regarding conduct of business. Some corporations have used the anti-SLAPP statute to discourage consumer litigation against them. **Signed – Chapter 338/Statutes of 2003.**

SB 578 (Alarcon) – Enacts labor guidelines to state procurement policies to ensure that goods and services purchased by the state of California are produced in workplaces that adhere to minimum standards for protecting workers. **Signed – Chapter 771/Statutes of 2003.**

SB 640 (Burton) – Prohibits a state agency from entering into any agreement or contract with a publicly held expatriate corporation or its subsidiary unless the corporation provides specified shareholder rights and other legal and financial arrangements or the contract serves a compelling public interest. **Signed – Chapter 657/Statutes of 2003.**

SB 821 (Alarcón) – Establishes the Golden State Business and Social Responsibility Award to honor students completing graduate business programs at the state's public and private colleges and universities who show a commitment to socially responsible leadership. **Signed – Chapter 599/Statutes of 2003.**

Cultural, Racial, Ethnic and Gender Diversity

SB 739 (Ducheny) – Establishes a historic two-state pilot project permitting the state Department of Social Services to enter agreements with the Washoe tribe of both California and Nevada, allowing the tribe to administer child welfare services or foster care. Existing law requires each county to provide child welfare and foster care services to children residing in the county, but also authorizes such services to be delegated to Indian tribes through legal agreements that meet the provisions of state and federal law. The pilot project authorized by SB 739 will continue until January 1, 2007, and will provide services to a broad population of Indian children and families within Indian reservations or rancherias. **Signed – Chapter 373/Statutes of 2003.**

SB 713 (Escutia) – Requires the Department of Managed Care to develop, by January 1, 2006, regulations to ensure managed health care enrollees have access to language assistance for health care services. Requires the state insurance commissioner to promulgate regulations applicable to health insurers to ensure that patients have access to linguistically appropriate health care services. **Signed – Chapter 713/Statutes of 2003.**

SB 947 (Ducheny) – Makes procedural changes to the basic federal law that an Indian tribe generally has exclusive jurisdiction over any custody proceeding involving an Indian child. **Signed – Chapter 469/Statutes of 2003.**

SB 984 (Scott) – Brings state law into compliance with federal law relative to inter-ethnic adoptions and allows payments from the Welfare Advance Fund to tribes and other governmental entities. **Signed – Chapter 323/Statutes of 2003.**

SCR 3 (Florez) – Names a portion of State Highway 41 in Fresno the "Rosa Parks Freeway." **Resolution Chapter 98/Statutes of 2003.**

AB 9 (Dymally) – Creates the Urban Community Health Institute Centers to Eliminate Health Disparities at the Charles R. Drew University of Medicine and Science, contingent on private or federal funding. The institute will focus on the elimination of health disparities in the delivery of health services to multicultural populations in targeted areas of Los Angeles County. **Signed – Chapter 200/Statutes of 2003.**

AB 54 (Oropeza) – Requires the Commission on Teacher Credentialing, to contract with an independent evaluator to conduct a study regarding the availability and effectiveness of cultural competency training for teachers and administrators. **Signed – Chapter 817/Statutes 2003.**

AB 60 (Dymally) – Authorizes the California State University system to establish the African-American Political and Economic Institute at CSU Dominguez Hills. **Signed – Chapter 201/Statutes of 2003.**

AB 78 (Reyes) – Allows social science teachers in grades 7 through 12 to include within the social science curriculum the role of the Southeast Asian population in assisting U.S. troops during conflicts in Vietnam and Laos. **Signed – Chapter 44/Statutes of 2003.**

AB 648 (Dymally) – Establishes an advisory commission to develop, during the 2004-05 school year, community and educational awareness programs to commemorate the 50th anniversary of the U.S. Supreme Court decision in *Brown v. Board of Education of Topeka, Kansas*. The commission may perform this work only after the state Department of Finance

has determined that private donations in an amount sufficient to fund those programs have been deposited with the state. (On May 17, 1954, the Supreme Court found in the *Brown* decision that separate educational facilities are inherently unequal and, as such, violate the 14th Amendment to the U.S. Constitution which guarantees all citizens equal protection of the laws.) **Signed – Chapter 386/Statutes of 2003.**

AB 833 (Steinberg) – Establishes standards to determine if educational institutions – private, public, K-12 and higher education – have effectively provided equitable athletic opportunities for members of both sexes. **Signed – Chapter 668/Statutes of 2003.**

AB 1250 (Laird) – Adds prevention of intolerance and hatred as a category for reimbursable training for teachers at eligible school districts, county offices of education, and charter schools. Signed – Chapter 346/Statutes of 2003.

Domestic Animals

SB 732 (Soto) – Increase the fine from \$1,000 to \$5,000 for cockfighting and makes a subsequent conviction a misdemeanor and/or punishable by a \$25,000 fine. **Signed – Chapter 256/Statutes of 2003.**

AB 326 (Dutton) – Authorizes a county board of supervisors or animal control department to permit veterinarians to issue dog licenses. **Signed – Chapter 33/Statutes of 2003.**

Education: K-12

Under AB 1485 by Assemblymember Marco Firebaugh, **Chapter 773/Statutes 2003**, school districts beginning in 2004-05 will administer Standardized Testing and Reporting (STAR) achievement tests to pupils in grades three and eight, rather than to all pupils in grades two to 11 as required by existing law.

Senator Dede Alpert's **SB 257, Chapter 782/Statutes 2003**, creates a committee to advise the state superintendent of public instruction on all matters related to the Academic Performance Index, which measures the relative performance of public schools based on student test results and other factors. The advisory committee will make recommendations on the appropriateness and feasibility of a methodology for generating a measurement utilizing unique pupil identifiers for kindergarten and grades 1 through 12 to provide a more accurate measure of a school's growth over time.

Other measures dealing with school accountability and student performance include:

SB 19 (Escutia) – Authorizes school districts to offer supplemental instruction to pupils at risk of retention in grades 2-6 without a cap on state reimbursement. **Vetoed.**

SB 495 (Vasconcellos) – Provides for development of an Opportunities for Teaching and Learning Index as a component of the public school accountability program to permit statewide comparison of school performance. **Vetoed.**

SB 507 (Escutia) – Extends the Advanced Placement examination fee waiver program until January 1, 2008. **Signed – Chapter 669/Statutes 2003.**

SB 801 (Vasconcellos) – Repeals the section of the Education Code that prohibits high schools from assigning extra weighting for courses required for college or university admission

when computing grade point averages. **Signed – Chapter 418/Statutes 2003.**

SB 964 (Burton) – Requires an independent consultant to assess options and provide recommendations for alternatives to the California High School Exit Examination (CAHSEE) for pupils with disabilities so that they will be eligible for a high school diploma. **Signed – Chapter 803/Statutes 2003.**

AB 36 (Wyland) – Requires the state superintendent of public instruction to rank all schools by STAR scores and encourages governing boards to discuss these scores **publicly**. **Signed – Chapter 45/Statutes 2003.**

AB 52 (Simitian) – Extends supplemental instruction programs to allow school districts to continue to provide supplemental instruction to pupils in grades 2-9 who are at risk of retention. **Vetoed.**

AB 833 (Steinberg) – Specifies a three-pronged test to assess whether a public school is in compliance with federal law, which prohibits sex discrimination in schools and other educational programs that receive federal funding. **Signed – Chapter 660/Statutes 2003.**

ACR 66 (Pavley) – Requests that the State Board of Education (SBE) continue to delay CAHSEE until issues relating to students with disabilities are resolved. **Resolution Chapter 138/Statutes of 2003.**

After-School Programs

AB 1330 (Simitian) – Establishes an outdoor program targeted primarily for at-risk youth from under-served demographic groups and mitigate delinquent behavior. **Signed – Chapter 663/Statutes 2003.**

Career Technical Education

AB 591 (Strickland) – Requires the superintendent of public instruction to convene an advisory group to identify career technical education courses that meet state-adopted academic content standards and that satisfy high school graduation requirements and admissions requirements of the University of California and California State University. **Signed – Chapter 653/Statutes 2003.**

Charter Schools

AB 1137 (Reyes) – Repeals the sunset on the charter school general-purpose block grant, specifies several oversight duties of each chartering authority and establishes criteria for renewal. **Signed – Chapter 892/Statutes 2003.**

Class Size Reduction

SB 556 (Sher) – Modifies, for fiscal year's 2003-04 through 2005-06, the current penalties associated with a school district's failure to comply with the K-3 Class Size Reduction program's pupil-to-teacher ratio of 20 to 1. **Vetoed.**

Financing Schools

SB 39 (Perata) – Provides emergency financial assistance in the form of a \$100 million loan to the Oakland Unified School District. Requires the state superintendent of public instruction

to assume responsibility for governance, administration, and operation of the school district until certain conditions are met. Requires the district to repay the loan, with interest, over a 20-year period. **Signed – Chapter 14/Statutes of 2003.**

SB 712 (Alpert) – Requires the Quality Education Commission to determine "adequate base funding" levels for elementary, middle and high schools, and to recommend appropriate adjustments to that base in recognition of specific student and school district characteristics. **Signed – Chapter 416/Statutes 2003.**

AB 38 (Reyes) – Provides emergency financial assistance in the form of a \$2 million loan to the West Fresno Elementary School District. Requires the state superintendent of public instruction to assume responsibility for governance, administration, and operation of the school district until certain conditions are met. Requires the district to repay the loan, with interest, over a 10-year period. **Signed – Chapter 1/Statutes of 2003.**

AB 1649 (Simitian) – Authorizes the superintendent of public instruction to reimburse a school district with less than 3,000 units of average daily attendance for the excess cost of providing special education instruction and services to a pupil with a temporary disability who is in a skilled nursing facility. **Signed – Chapter 584/Statutes 2003.**

Instructional Materials and Curriculum

SB 5 (Karnette) – Makes certain findings and declarations regarding the acquisition of a second language and requires the state Department of Education (SDE) to adopt content standards for foreign language instruction. **Signed – Chapter 826/Statutes 2003.**

SB 469 (Scott) – Authorizes a school district to use instructional materials funding to purchase adopted instructional materials for the visual and performing arts, foreign language, health, or any other curricular materials after the district certifies that it has provided each pupil with standards-aligned instructional materials in reading/language arts, mathematics, history/social science, and science. **Signed – Chapter 898/Statutes 2003.**

SB 611 (Ducheny) – Specifies the instruction of English learners as a purpose of the California subject matter projects. **Signed – Chapter 857/Statutes 2003.**

SB 842 (Karnette) – Requires that the state comply with specifications for making instructional materials purchased from publishers accessible to disabled pupils. **Signed – Chapter 800/Statutes 2003.**

AB 78 (Reyes) – Encourages the inclusion of the role of Southeast Asians in the Vietnam War and the "secret war" in Laos in grades 7-12 history/social science. **Signed – Chapter 44/Statutes 2003.**

AB 399 (Wyland) – Recommends that the content standards being amended during the 2003-2004 school year include the Korean and Vietnam Wars in the area of history/social science instruction. States that this instruction should be based on primary sources, including the oral and written testimony of men and women who were involved in these wars. **Signed – Chapter 35/Statutes 2003.**

AB 1512 (Cohn) – Establishes the Arts Work Visual and Performing Arts Education Program to be administered by the SDE to award grants to enable local education agencies to develop their capacity to implement high-quality instructional programs based on state adopted content standards in visual and performing arts. **Signed – Chapter 580/Statutes 2003.**

AB 1548 (Pavley) – Establishes the Office of Education on the Environment within the California Environmental Protection Agency and requires it to develop environmental education principles and a model curriculum that can be integrated into the science content and performance standards. **Signed – Chapter 665/Statutes 2003.**

Instructional Time

AB 774 (Wiggins) – Changes the minimum day requirement for Work Experience Education pupils if a pupil attends a school in which the regularly scheduled period is greater than 60 minutes in length. Specifies that the minimum day for such students is one or more periods totaling at least 180 minutes in duration. **Signed – Chapter 72/Statutes 2003.**

Pupil Health

SB 65 (Torlakson) – Increases the requirements with which a school district governing board must comply prior to entering into a contract for the sale of carbonated beverages. **Signed – Chapter 458/Statutes 2003.**

SB 71 (Kuehl) – Establishes the California Comprehensive Sexual Health and HIV/AIDS Prevention Education Act which revises, consolidates, clarifies and expands upon existing provisions of law related to sex and HIV/AIDS prevention education. **Signed – Chapter 650/Statutes 2003.**

SB 78 (Torlakson) – Adds fitness programs and clubs to the physical education activities that K-12 districts are encouraged to offer and provides that physical education test results may be provided to pupils orally. **Signed – Chapter 459/Statutes 2003.**

SB 606 (Vasconcellos) – Requires school districts to provide each pupil, beginning no later than September 1, 2004, a specified notice and questionnaire regarding eye symptoms, vision, and school performance at the time of school vision appraisals. **Vetoed.**

SB 677 (Ortiz) – Expands restrictions on the types of beverages allowed to be sold in middle and junior high schools. **Signed – Chapter 415/Statutes 2003.**

AB 195 (Chan) – Specifies that comprehensive health education programs may include instruction topics such as obesity and diabetes. **Signed – Chapter 550/Statutes 2003.**

AB 766 (Longville) – Establishes a three-year pilot program to screen pupils for risk of developing Type 2 diabetes mellitus in conjunction with scoliosis screening. **Signed – Chapter 745/Statutes 2003.**

AB 942 (Leno) – Authorizes school districts, in the absence of an on-site credentialed school nurse or other licensed nurse, to provide school personnel with voluntary emergency medical training to assist pupils with diabetes who are suffering from severe hypoglycemia. **Signed – Chapter 684/Statutes 2003.**

School Facilities

SB 15 (Alpert) – Authorizes additional allowances for school facility modernization funding, modifies eligibility for joint-use school facility funds, and makes provisions for the distribution of Charter Schools Facilities Program funding expected from the 2004 state education bond. **Signed – Chapter 587/Statutes 2003.**

SB 352 (Escutia) – Prohibits a local educational agency from approving the acquisition of a school site within 500 feet of a busy roadway unless the air quality at the site does not pose a health risk to pupils or staff. **Signed – Chapter 668/Statutes 2003.**

SB 588 (Johnson) – Authorizes a school district that sells, leases, or leases back surplus real and personal property owned by the district for at least 20 years, or purchased entirely with local funds, to deposit the proceeds into the general fund of the school district or county office of education and to use the proceeds from this transaction for any one-time general fund purpose until January 1, 2006. **Vetoed.**

SB 763 (Brulte) – Revises the process for a school district to acquire a site for a school building from land contiguous to the district's boundaries. **Signed – Chapter 798/Statutes 2003.**

SB 892 (Murray) – Requires every public and private school maintaining any combination of classes from kindergarten to grade 12 to comply with restroom maintenance standards and imposes funding penalties for failure to comply. b– Allows certain school districts to deposit up to 25 percent of the proceeds of the sale of surplus school real property, excluding any interest earned thereon, into the school district general fund and to use those proceeds for any one-time expenditure of the school district, except for salaries and benefits. **Signed – Chapter 891/Statutes 2003.**

AB 1008 (Dutton) – Authorizes the State Allocation Board to provide additional new construction funds to a school district if, as a result of additional requirements, the actual costs paid by the district for allowable hazardous materials evaluation and removal exceed the amount of the grant apportioned for this purpose. **Signed – Chapter 570/Statutes 2003.**

AB 1124 (Nunez) – Requires that state School Deferred Maintenance Funds and maintenance of facilities accounts be used, as a priority, to ensure that facilities, including restroom facilities for pupils, are functional and that they meet local hygiene standards generally applicable to public facilities. **Signed – Chapter 358/Statutes 2003.**

AB 1244 (Chu) – Expands school district eligibility for state school facility modernization funds to include additional apportionment for modernization. **Signed – Chapter 572/Statutes 2003.**

AB 1631 (Salinas) – Deletes a condition relating to a school operating on a multitrack year-round from the requirements to qualify for a supplemental grant to replace a single-story with a multistory building. **Signed – Chapter 904/ Statutes 2003.**

AB 1309 (Goldberg) – Authorizes a city or county to acquire real estate for construction of new replacement housing if the acquisition of a school site by a school district results in a loss of housing. **Signed – Chapter 574/Statutes 2003.**

School Safety

AB 115 (Horton) – Imposes fines of \$2,000 against school districts that willfully fail to make required safety reports. **Signed – Chapter 423/Statutes 2003.**

AB 1411 (Wolk) – Defines hazing to include any method of initiation or pre-initiation into a student body which causes, or is likely to cause, physical or emotional harm to any pupil. Authorizes a superintendent or school principal to suspend from school or recommend for

expulsion a pupil if the superintendent or principal determine that the pupil has engaged in, or attempted to engage in, hazing. **Signed – Chapter 21/Statutes of 2003.**

Special Education

SB 145 (Alpert) – Requires the superintendent of public instruction to establish standards for the training of special education due process hearing officers. **Signed – Chapter 368/Statutes 2003.**

SB 464 (Murray) – Requires, when a pupil with exceptional needs has been placed in a group home by a juvenile court, that a school district invite a representative of the group home to individualized education program team meetings. **Signed – Chapter 413/Statutes 2003.**

SB 636 (Machado) – Authorizes grants, subject to the availability of federal funds, to special education local plan area agencies to implement alternative dispute resolution programs for special education. **Vetoed.**

AB 615 (Bates) – Requires the SBE, upon the recommendation of the superintendent of public instruction or members of SBE, to appoint one member to the Advisory Commission on Special Education who is a representative of the charter school community. **Signed – Chapter 208, Statutes of 2003.**

AB 1337 (Daucher) – Prohibits a special education due process hearing officer from rendering a decision that results in the placement of an individual with exceptional needs in a nonpublic school unless the hearing officer issues a written finding that the school district's program has not complied with legal requirements. **Signed – Chapter 893/Statutes 2003.**

Teaching Profession

SB 187 (Karnette) – Clarifies and aligns provisions of the district internship program with university credentialing programs and the federal No Child Left Behind (NCLB) Act. **Signed – Chapter 461/Statutes 2003.**

SB 259 (Romero) – Compensates pay of school and community college employees called to active military duty. Authorizes school and community college districts to pay lost salary and benefits for a period of 180 days to such employees. Also provides a period of 120 days after the end of his or her service for teachers to renew any credential that expired while they were on active duty. **Signed – Chapter 783/ Statutes 2003.**

AB 54 (Oropeza) – Requires the Commission on Teacher Credentialing, in consultation with the SDE, to contract with an independent evaluator to conduct a study regarding the availability and effectiveness of cultural competency training for teachers and administrators. **Signed – Chapter 817/ Statutes 2003.**

AB 954 (Goldberg) – Changes the evaluation requirements for some permanent certificated personnel. Allows these teachers, who have met federal criteria as highly qualified teachers with at least 10 years of "meeting or exceeding standards" ratings on evaluations, to be evaluated every five years rather than every other year, if the evaluator and the employee agree. **Signed – Chapter 566/Statutes 2003.**

AB 956 (Nation) – Defines the term "educator" as a certificated person holding a valid California teaching credential or a valid California services credential, who is employed by a local education agency or a special education local planning area, and who is not employed as

an independent contractor or consultant. **Signed – Chapter 567/Statutes 2003.**

AB 1017 (Goldberg) – Requires the two state special schools for the deaf to put in place hiring preferences for teachers. **Signed – Chapter 865/Statutes 2003.**

Other Legislation

SB 644 (Burton) – Revises the composition of the California Community Colleges Board of Governors by replacing one public representative with a classified employee representative. **Signed – Chapter 860/Statutes 2003.**

AB 96 (Bermudez) – Amends all Education Code sections that refer to "low performing schools" by substituting the designation "high priority schools." **Signed – Chapter 91/Statutes 2003.**

AB 490 (Steinberg) – Expands and stipulates authority for school records of foster, homeless, and incarcerated youth. It requires that all educational and school placement decisions shall ensure that pupils are placed in the least restrictive educational programs, and that the pupil has access to all educational and extra-curricular and enrichment activities that are available to other pupils. **Signed – Chapter 862/Statutes 2003.**

AB 560 (Goldberg) – Allows a program of multi-track year-round scheduling (MTYR) to operate at a school site for as few as 163 days in each fiscal year if the governing board of the school district certifies that:

1. The number of annual instructional minutes is not less than that of schools of the same grade levels utilizing the traditional school calendar; and,
2. It is not possible for the school to maintain an MTYR containing the same number of instructional days as are provided in schools of the district utilizing the traditional school calendar given the facilities, program, class sizes, and projected number of pupils enrolled at the school site. **Signed – Chapter 509/Statutes 2003.**

AB 648 (Dymally) – Establishes the *Brown v. Board of Education of Topeka* Advisory Commission to develop, during the 2004-05 school year, community and educational awareness programs to commemorate the 50th anniversary of the Supreme Court decision in *Brown v. Board of Education of Topeka* (1954) 347 U.S. 483. The commission may perform this work only after the Department of Finance has determined that private donations in an amount sufficient to fund those programs have been deposited with the state. On May 17, 1954, the U.S. Supreme Court found in the *Brown* decision that separate educational facilities are inherently unequal and, as such, violate the 14th Amendment to the U.S. Constitution, which guarantees all citizens equal protection of the laws. **Signed -- Chapter 386/Statutes 2003.**

AB 781 (Lieber) – Allows school districts to grant high school diplomas retroactively to Japanese Americans whose education was interrupted by their internment during World War II, providing they were enrolled in a high school operated by the school district or under the jurisdiction of the county office of education immediately preceding their internment. **Signed – Chapter 130/ Statutes 2003.**

AB 1219 (Montanez) – Establishes in the California Department of Corrections the Robert E. Burton Correctional Education Board and creates a statewide system, governing board, and standards for inmate education. **Vetoed.**

AB 1472 (Goldberg) – Specifies ways in which a school governing board may comply with existing law that provides for the governing board to make school buildings available for use as polling places. **Signed – Chapter 219/Statutes 2003.**

AB 1668 (Salinas) – Authorizes school districts and county offices of education that provide child care as part of the California School Age Families Education program to apply for funding from the Child Care Facilities Revolving Fund for the purchase of portable buildings to house child care and development programs. **Signed – Chapter 523/Statutes 2003.**

Higher Education

The 2003-04 Budget Act cut funding by 4 percent across the three tiers of public higher education: the University of California (UC), California State University (CSU), and California Community Colleges (CCC). Reductions were made in outreach programs, student services, academic and institutional support, research funding for UC, and student-faculty ratios for CSU. More university campuses in the spring of 2004 may turn away otherwise eligible freshmen students and juniors who seek to transfer from community colleges. The budget raised community college student fees from \$11 per unit to \$18, while UC and CSU voluntarily increased fees 30 percent to offset the cuts. The budget also boosted financial aid by \$92 million to help compensate for increased fee costs to needy students.

SB 81 (Alpert) – Requires greater uniformity among integrated teacher preparation programs offered by CSU beginning in 2004-05. **Signed – Chapter 896/Statutes 2003.**

SB 242 (Knight) – Allows a building to be constructed in accord with either the Field Act (for earthquake standards) or the Uniform Building Code if it houses classes offered by a public college or university and is built after January 1, 2004. **Vetoed.**

SB 253 (Cedillo) – Allows a public school employer under specified conditions to hold a representative election, specifies election procedures and policies, and changes the definition of "confidential employee." **Signed – Chapter 190/ Statutes of 2003.**

SB 259 (Romero) – Compensates school and community college employees called to active military duty. Authorizes school and community college districts to pay lost salary and benefits for 180 days to such employees. This bill also provides a period of 120 days after the end of his or her service for teachers to renew any credential that expired while they were on active duty. **Signed – Chapter 783/ Statutes 2003.**

SB 328 (Escutia) – Allows nonresident students to apply for student aid administered by the California Community Colleges if they have attended high school for three years or more in California, have graduated or attained graduation equivalency, have signed an affidavit to attain legal citizenship if they do not already have such status and have registered at an accredited institution of higher education. **Vetoed.**

SB 338 (Scott) – Clarifies and strengthens existing law governing concurrent enrollment of high school students in community college classes. **Signed – Chapter 786/Statutes 2003.**

SB 644 (Burton) – Revises the composition of California Community Colleges Board of Governors by replacing one public representative with a classified employee representative. **Signed – Chapter 860/Statutes 2003.**

SB 680 (McPherson) – Requires the Student Aid Commission to convene an advisory

committee to review the formula for calculating high school grade-point averages under the Cal Grant Act. **Signed – Chapter 795/Statutes 2003.**

SB 728 (Scott) – Simplifies the Cal Grant application process by qualifying any applicant who is eligible under the federal simplified needs test. **Signed – Chapter 339/Statutes of 2003.**

SB 821 (Alarcón) – Establishes the Golden State Business and Social Responsibility Award to honor students completing graduate business programs at the state's public and private colleges and universities who show a commitment to socially responsible leadership. **Signed – Chapter 599/Statutes 2003.**

SB 955 (Burton) – Exempts service in ancillary professional activities – including governance, staff development, grant writing, and advising student organizations – from counting toward calculation of eligibility for contract status for part-time temporary employees at the California Community Colleges, unless otherwise provided in collective bargaining agreements. **Signed – Chapter 25/ Statutes of 2003.**

SB 967 (Burton) – Exempts degree-granting institutions accredited by specified regional bodies from programmatic and institutional review and approval by the Bureau for Private Postsecondary and Vocational Education. **Signed – Chapter 340/Statutes of 2003.**

AB 60 (Dymally) – Authorizes CSU to establish the African-American Political and Economic Institute at CSU Dominguez Hills. **Signed – Chapter 201/ Statutes of 2003.**

AB 547 (Liu) – Awards qualifying members of the California Army National Guard, the California Air National Guard, the state military reserves and the naval militia with an assumption of their educational loans. **Signed – Chapter 345/Statutes of 2003.**

AB 626 (Liu) – Prohibits all school districts, the CCCs and CSU from allowing the operation of 15-passenger vans unless driven by persons holding a Class B commercial license. **Signed – Chapter 559/Statutes 2003.**

AB 833 (Steinberg) – Establishes standards to determine if educational institutions – private, public, K-12 and higher education – have effectively provided equitable athletic opportunities for members of both sexes. **Signed – Chapter 660/Statutes 2003.**

Elections

SB 610 (Escutia) – Requires the secretary of state to appoint a task force to address issues faced by precinct workers on Election Day, including voters' rights, election challenge procedures, and cultural competency. The task force will recommend guidelines for training of precinct workers by January 1, 2005. **Signed – Chapter 530/Statutes of 2003.**

SB 613 (Perata) – Conforms state elections procedures to the federal Help America Vote Act of 2002. Extends confidentiality of voter registration information to the California driver's license number or any unique identifier used for voter identification. Requires the California Secretary of State to establish and maintain administrative complaint procedures to remedy grievances in the administration of elections. **Signed – Chapter 809/Statutes of 2003.**

AB 177 (Oropeza) – Establishes a Voter Bill of Rights enumerating the rights of voters as established under existing law concerning the casting of ballots, the receipt of election materials, and the reporting of illegal or fraudulent election activity. Requires that ballot

pamphlets include the Voter Bill of Rights. **Signed – Chapter 425/Statutes of 2003.**

AB 190 (Levine) – Revises requirements for counting provisional ballots of voters who are voting in precincts other than the precincts to which they were assigned. **Signed – Chapter 808/Statutes of 2003.**

AB 277 (Dutra) – Prohibits "political cyberfraud," a knowing and willful act concerning a political Web site committed with the intent to deny a person access to the site, deny a person the opportunity to register a domain name for a political Web site, cause a person reasonably to believe that a political Web site has been posted by a person other than the person who posted the Web site. For purposes of this law, "political Web site" is a Web site that urges or appears to urge the support or opposition of a state or local ballot measure. **Signed – Chapter 277/Statutes of 2003.**

AB 526 (Chan) – Permits Alameda County to establish a pilot program for county elections that allows persons to register and vote during a 14-day period up to and including election day. **Vetoed.**

AB 1245 (Laird) – Requires the secretary of state to post proposed initiative measures on the office's Web site for 30 days to facilitate public comment on the measures, prior to the attorney general preparing a ballot title and summary. Allows any person to submit a comment on the proposed initiative measure through the secretary of state Web site, and requires that all comments be made public and remain posted for at least 90 days. **Vetoed.**

Energy, Utilities and Telecommunications

See also Information Technology and High-Technology Crime

SB 33 (Figueroa) – Requires telephone solicitors to comply with all state and federal laws regarding telephone solicitations. Makes it a crime to deny or interfere with a subscriber's right to place a California telephone number on the "do not call" list. **Signed – Chapter 779/Statutes of 2003.**

SB 720 (Bowen) – States the intent of the Legislature that the Public Utilities Commission provide a nonprofit community technology program with discounts comparable to those that are provided to schools and libraries to address inequality of access to advanced telecommunications services. **Signed – Chapter 531/Statutes of 2003.**

AB 855 (Firebaugh) – Requires the director of the state Department of General Services to maintain an inventory of state-owned real property that may be available for lease to providers of wireless telecommunications services for location of wireless telecommunications facilities. Authorizes the director to enter into an agreement for the lease of certain department-managed and state-owned real property to any provider of wireless telecommunications services for location of its facilities. **Signed – Chapter 820/Statutes of 2003.**

Environmental Quality

SB 20 (Sher) – Authorizes the Department of Toxic Substances Control to adopt management standards, by regulation, as an alternative to the hazardous waste control laws for electronic waste that the department determines is hazardous. **Signed – Chapter 526/Statutes of 2003.**

SB 288 (Sher) – Enacts "new source review" rules for stationary air pollution. **Signed – Chapter 476/Statutes of 2003.**

SB 352 (Escutia) – Prohibits approval by a school district of a school site that is within 500 feet from the edge of the closest traffic lane of a freeway or other busy traffic corridor. **Signed – Chapter 668/Statutes of 2003.**

SB 656 (Sher) – Requires the Air Resources Board to adopt at a public meeting a list of the most readily available, feasible, and cost-effective proposed control measures, based on programs existing as of January 1, 2004, that could be employed by the state board and the districts to reduce emissions of particulate matter. **Signed – Chapter 738/Statutes of 2003.**

SB 709 (Florez) – Authorizes the San Joaquin Valley Unified Air Pollution Control District to require the use of best available control technology for new and modified sources of pollution, promote the use of cleaner burning alternative fuels, and encourage and facilitate ridesharing for commuters. **Signed – Chapter 483/Statutes of 2003.**

SB 1004 (Soto) – Requires the reportable quantity to the Office of Emergency Services for the discharge of perchlorate to be 10 pounds or more. **Signed – Chapter 614/Statutes of 2003.**

AB 302 (Chan) – Prohibits, on and after January 1, 2008, a person from manufacturing or commercially distributing a product containing more than 0.1 percent pentabrominated diphenyl ether or octabrominated diphenyl ether. Requires that by March 1, 2004, the Senate Office of Research submit to the President pro Tempore of the Senate and the Senate Environmental Quality Committee recommendations regarding the regulation of polybrominated diphenyl ether. **Signed – Chapter 205/Statutes of 2003.**

AB 433 (Nation) – Revises and recasts the state's law pertaining to control of non-indigenous species and ballast water management. Imposes additional requirements upon vessel masters, owners, operators, and persons in charge of vessels, to prevent the introduction of non-indigenous species into waters of the state or waters that may impact the waters of the state. **Signed – Chapter 491/Statutes of 2003.**

AB 826 (Jackson) – Enacts the Perchlorate Contamination Prevention Act and requires the Department of Toxic Substances Control to adopt regulations, by December 31, 2005, specifying best management practices for managing perchlorate materials. **Signed – Chapter 608/Statutes of 2003.**

AB 998 (Lowenthal) – Requires a \$3 per gallon fee on every manufacturer of perchloroethylene in the state, and on every person who imports perchloroethylene into the state for use in dry cleaning. Revenues will be deposited in the Nontoxic Dry Cleaning Incentive Trust Fund. Authorizes a program to provide \$10,000 grants to any eligible dry cleaner in the state that utilizes perchloroethylene in its operations to aid its transition to dry cleaning systems determined to be nontoxic and non-smog-forming. **Signed – Chapter 821/Statutes of 2003.**

AB 1497 (Montanez) – Requires a person who must file a closure plan for a solid waste landfill to also file a labor-transition plan that includes provisions for the preferential reemployment and transfer rights of displaced employees. **Signed – Chapter 823/Statutes of 2003.**

AB 1541 (Montanez) – Classifies a failure to file a required discharge monitoring report for each 30 days following the deadline as a "serious violation" subject to a penalty of \$3,000. **Signed – Chapter 609/Statutes of 2003.**

AB 1700 (Laird) – Prohibits the state controller and the director of the state Department of Finance from eliminating any position funded through an agreement with a responsible party or by a federal grant that provides oversight of remediation and hazardous substance management at military bases. **Signed – Chapter 869/Statutes of 2003.**

Family Law

Please see Civil Rights section for information on domestic partners legislation.

The Legislature sent several high-profile measures on family law to Governor Davis, including **SB 139 (Brulte)** and **SB 265 (Kuehl)**. **The governor signed both of these bills.**

Despite the passage of an earlier measure by Senator Brulte to allow mothers to give babies away to a safe haven immediately after birth, mothers are still abandoning unwanted babies in unsafe ways. SB 139 (Brulte) will expand the locations where a baby may be left and receive appropriate care.

A November 2002 report from the California Administrative Office of the Courts found that 76 percent of contested custody mediation cases in California involve a history of interpersonal violence, regardless of the demographic characteristics of the parents. This report also found that in 41 percent of all 2,500 custody cases surveyed, at least one parent reported that their child(ren) had witnessed violence between the parents. SB 265 (Kuehl) aims to protect the children in these families from experiencing future abuse.

Abandoned Newborns

In 2000 Senator Brulte authored SB 1368 to allow unwanted babies 72 hours old or younger to be given by a parent to an employee of a hospital emergency room with no questions asked and no threat of prosecution. **SB 139 (Brulte), Chapter 150/Statutes of 2003**, expands this Safe Haven Law to allow the surrender of the child to a safe-surrender site, generally defined as a hospital or other location designated for this purpose by a county board of supervisors.

Adoption

Court decisions placing a dependent child in an adoptive home may be appealed. This appeal process can take a long time, sometimes resulting in delays as long as two years in placing the child in a permanent adoptive home. **SB 59 (Escutia), Chapter 247/Statutes of 2003**, will reduce this delay time by establishing expedited appeal procedure for adoption cases where parental rights have been terminated and more than one family is competing to adopt the child.

SB 169 (Karnette) – Authorizes a minor, who was first adopted as part of a sibling group from another country and subsequently separated from his or her siblings through re-adoption, to petition the court for visitation with his or her siblings. **Signed – Chapter 19/Statutes of 2003.**

SB 182 (Scott) – Provides that when a birth parent revokes his or her consent to an adoption

within 30 days of signing a written consent to the adoption but takes no further action to regain custody of the child and signs a written statement reinstating the original consent to the adoption, a new 30-day revocation period does not begin, as it would under current law. SB 182 establishes a new basis for adoption in a guardianship proceeding that applies when children have been living with legal guardians for at least two years and are unlikely to be returned to the custody of their parents. **Signed – Chapter 251/Statutes of 2003.**

SB 947 (Ducheny) – Makes procedural changes to the basic federal law that an Indian tribe generally has exclusive jurisdiction over any custody proceeding involving an Indian child. **Signed – Chapter 469/Statutes of 2003.**

SB 984 (Scott) – Brings state law into compliance with federal law relative to inter-ethnic adoptions and allows payments from the Welfare Advance Fund to tribes and other governmental entities. **Signed – Chapter 323/Statutes of 2003**

AB 416 (LaSuer) – Reduces from one year to six months the time period before a child's legal guardian may petition for adoption of the child, when the child has been legally abandoned. **Signed – Chapter 81/Statutes of 2003.**

Child Support

AB 738 (Jackson) – Maximizes access to federal funding for child support enforcement by changing California's enforcement monitoring process from a compliance-based to a performance-based system, in accordance with recent changes in federal law. **Signed – Chapter 308/Statutes of 2003.**

Child Custody and Visitation

When two parents divorce, an issue sometimes arises if the parent with custody of the child or children wants to move away from the community where the other parent lives. Family code section 7501 says the custodial parent may relocate their residence unless the court finds that such a move would prejudice the rights or welfare of the child. The leading California Supreme Court case interpreting this code section, *In re Marriage of Burgess (1996)*, allowed the custodial parent to relocate some 40 miles away since the move was employment related and not meant to impede the children's contact with their father. SB 156 (Burton), Chapter 674/Statutes of 2003, amends section 7501 to reaffirm that the *Burgess* holding is the public policy and law of this state.

Requiring judges to consider any history of spousal abuse by a parent before determining child-custody or child-visitation rights for that parent first passed in California in 1990 (AB 2700, Roybal-Allard). Since that time, Senator Kuehl has authored a number of bills fine-tuning and strengthening this basic principle. This year Senator Kuehl authored **SB 265, Chapter 243/Statutes of 2003.**

Key provisions of SB 265 (Kuehl) are:

- In determining the best interests of the child, the legal preference for frequent and continuing contact with both parents may not be used to rebut the presumption against the award of custody to a perpetrator of domestic violence.
- Requiring custody mediators to tell their clients about the statutory presumption against custody for perpetrators of domestic violence. Since mediation often involves encouraging divorcing parents to agree to joint parenting, informing the parents will help

battered spouses resist joint parenting agreements when such custody arrangements could be harmful.

AB 1516 (Bates) – Modifies the factors a court must consider in assessing the risk of child abduction in child custody proceedings to avoid having an unfair impact on domestic violence victims. **Signed – Chapter 52/Statutes of 2003.**

Community Property

SB 285 (Speier) – Gives a spouse the same tax relief under California income tax laws that are currently available under federal income tax laws when the other spouse understates their attributable taxes on their joint return. **Signed – Chapter 52/Statutes of 2003.**

Gambling

AB 673 (Horton), Chapter 210/Statutes of 2003, creates an Office of Problem and Pathological Gambling in the Department of Alcohol and Drug Programs, and allocates \$3 million to the department for efforts to prevent problem gambling.

It also shifts \$50.6 million from an Indian gaming distribution fund to cover shortfalls in another casino-financed fund that assists tribes with fewer gambling resources in attaining greater economic self-sufficiency. About 75 tribes will benefit from the funding shift.

SB 411 (Ducheny) – Ratifies the tribal-state gaming compacts between the state of California and the Santa Ysabel Band of Diegueno Mission Indians of the Santa Ysabel Reservation, executed on September 8, 2003, and the La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation, executed on September 9, 2003. **Signed – Chapter 790/Statutes of 2003.**

SB 930 (Ducheny) – Ratifies the tribal-state gaming compact entered into between the Torres-Martinez Tribe and the state of California. **Signed – Chapter 802/Statutes of 2003.**

General Government

SB 578, Chapter 711/Statutes of 2003, by Senator Richard Alarcon will enact state procurement policies aimed at ensuring that goods and services purchased by the state of California are produced in workplaces that adhere to minimum standards for protecting workers. Another measure, **SB 640 (Burton), Chapter 657/Statutes of 2003**, will prohibit a state agency from contracting with a publicly held expatriate corporation or its subsidiary unless it's necessary to meet a compelling public interest.

SB 110 (Margett) – Revises the conditions under which public agencies may require a specific brand or trade name product in a public contract and deletes two obsolete requirements for sole-source bid proposals that are no longer considered useful. **Signed – Chapter 233/Statutes of 2003.**

SB 856 (Senate Committee on Governmental Organization) – Authorizes the director of the Department of General Services, with the approval of the state Public Works Board, to sell, exchange, or lease specific parcels of state property. **Signed – Chapter 258/Statutes of 2003.**

SB 589 (Burton) – Limits the time a governor's interim appointment of an agency secretary,

departmental director, deputy secretary or deputy director can serve to no more than six months without Senate confirmation. **Vetoed.**

AB 542 (Dutra) – Adds military equipment, artifacts, memorabilia, documents, photographs, films, literature, and any other items relating to the military history of California to the class of military items that are exempt from sale by the state controller. **Signed – Chapter 265/Statutes of 2003.**

AB 902 (Diaz) – Authorizes a public agency awarding a public works contract to allow a general contractor to substitute for a subcontractor listed in their bid if the subcontractor fails or refuses to execute a written contract for the specified scope of work and price in the their bid. **Signed – Chapter 180/Statutes of 2003.**

AB 722 (Matthews) – Implements one of the Governor's Task Force on Procurement Reform recommendations by authorizing the Department of General Services to conduct on-line reverse auctions for "commercial off-the-shelf" goods, services, and information technology. **Signed – Chapter 266/Statutes of 2003.**

AB 965 (Kehoe) – Makes "The Californian" – a 145-foot tall-ship cutter vessel – a goodwill ambassador. The Californian served as the official tall ship ambassador of California at the 1984 Los Angeles Olympics and the centennial celebration of the Statue of Liberty in 1986. **Signed – Chapter 113/Statutes of 2003.**

AB 1509 (Benoit) – Requires the Office of Emergency Services to carry out a demonstration project on the use of satellites that rely on geographic position and information technologies in managing and deploying emergency-response equipment and personnel. Such technologies can operate when ground systems have been damaged by disasters. Emergency service vehicles could be equipped with satellite-tracking technology to alert them to blocked roads and other problems. **Signed – Chapter 184/Statutes of 2003.**

AB 1748 (Assembly Budget Committee) – Provides procedures for public review of state agency acquisitions and appraisals of conservation lands. **Vetoed.**

AB 1757 (Assembly Budget Committee) – Makes various statutory changes related to abolishing the Technology, Trade and Commerce Agency and the Office of Criminal Justice Planning. **Signed – Chapter 229/Statutes of 2003.**

Health Care, Mental Health, Public Health

Health Care

Health care services, as all other public services, were dominated by the immense 2003-04 budget deficit. The final legislative budget avoided dramatic reductions in services, but eliminated the possibility of any spending increase. The Legislature delayed implementation of expanded eligibility for Healthy Families parents and reduced reimbursement for medical providers while imposing a number of one-time accounting and program adjustments to save more than \$1 billion in health expenditures.

SB 2, Chapter 673/Statutes of 2003, by Senate President pro Tempore John Burton and Senator Jackie Speier requires medium-sized and large companies to either provide employee's health insurance or pay the state to provide the coverage. It will expand employment-based health insurance to approximately 1 million currently uninsured people

through its "pay or play" options. SB 2 will make California one of only two states to require employer-based insurance.

The issue of universal health coverage received significant attention in the current year as more than seven proposals were before the Legislature including, with serious attention, a single payer health model by Senator Kuehl (SB 921). Much of the remaining health legislation sought either to deal with lifestyle and public health issues such as tobacco, obesity, and HIV or to improving the efficiency of existing services.

SB 24 (Figueroa) – Simplifies enrollment of prenatal women and newborn children into Medi-Cal. Program provides quick access to care for vulnerable individuals with immediate medical needs. **Signed – Chapter 895/Statutes of 2003.**

SB 112 (Speier) – Transfers the responsibility for establishing the California Organ and Tissue Donor Registry from the California Health and Human Services Agency to a not-for-profit organization, known as the California Organ and Tissue Donation Registrar, which would establish and maintain the Registry. **Signed – Chapter 405/Statutes of 2003.**

SB 322 (Ortiz) – Requires the Department of Health Services to develop guidelines for research involving human stem cells. Authorizes review of any human stem cell research according to the developed standards to protect public health. **Signed – Chapter 506/Statutes of 2003.**

SB 376 (Chesbro) – Establishes a pilot program to permit district hospitals to hire physicians within a specified program. Current law specifically prohibits employment of doctors to avoid influencing medical practice, but this experimental measure authorizes hiring of 20 MDs for understaffed rural hospitals. Historically, rural hospitals have had great difficulty attracting private doctors. **Signed – Chapter 411/ Statutes of 2003.**

SB 617 (Speier) – Requires organ and tissue organizations to advise donors of their right to withhold consent for donated material to be used for cosmetic purposes, to be used outside the United States, or by for profit processors. **Signed – Chapter 464/Statutes of 2003.**

SB 677 (Ortiz) – Limits the sale of sugared drinks in primary and intermediate schools in order to reduce childhood obesity. Requires schools to provide healthy alternatives for students. **Signed – Chapter 415/Statutes of 2003.**

SB 713 (Escutia) – Requires the Department of Managed Care to develop, by January 1, 2006, regulations to ensure managed health care enrollees have access to language assistance for health care services. Requires the state insurance commissioner to promulgate regulations applicable to health insurers to ensure that patients have access to linguistically appropriate health care services. **Signed – Chapter 713/Statutes of 2003.**

SB 771 (Ortiz) – Requires the Department of Health Services to create an anonymous registry of embryos available for medical research. Informs individuals seeking fertility services of the option to donate unused embryos for research. **Signed – Chapter 587/Statutes of 2003.**

SB 774 (Vasconcellos) – Would have authorized a pharmacist to furnish 30 or fewer needles or syringes without a prescription. The bill requires that used syringes be exchanged, and is intended to limit the spread of blood borne diseases. A number of cities and counties now operate public "needle exchange" programs for the same purpose. **Vetoed.**

SB 853 (Escutia) – Requires the Department of Managed Health Care to establish requirements on health plans for provision of enrollee language assistance. Bill specifies creation of standards for assessment of patient needs, interpretative services, and translation of key documents. **Signed – Chapter 713/ Statutes of 2003.**

SB 907 (Burton) – Provides for the licensure and authorizes the practice of naturopathy. Establishes criteria, scope and standards for the practice and education of naturopathic doctors. **Signed – Chapter 485/Statutes of 2003.**

SB 932 (Bowen) – Prohibits sale or transfer of a non-profit hospital if the seller restricts the type or level of service to be provided by the purchaser. Law is intended to encourage full service coverage in all communities. **Signed – Chapter 65/Statutes of 2003.**

SB 937 (Ducheny) – Permitting a primary care clinic to add a service or remodel a site without first having to apply for a new license from the Department of Health Services. **Signed – Chapter 602/Statutes of 2003.**

AB 1241 (Parra) – Requires the Office of Statewide Health Planning to establish a scholarship program for Associate Degree nurses in counties determined to have acute shortages. Funds the program from Health Professions Education Foundation. **Signed – Chapter 396/Statutes of 2003.**

AB 1528 (Cohn) – Convenes a commission on health care quality and cost containment to research and recommend strategies for improving health quality and reducing health costs. Commission includes members from business, labor, practitioners, providers and researchers. **Signed – Chapter 672/ Statutes of 2003.**

AB 1241 (Parra) – Establishes a pilot scholarship program for an associate degree nursing program in counties determined to have the greatest shortage of nurses. **Signed – Chapter 396/Statutes of 2003.**

AB 1286 (Frommer) – Expands existing "continuity of care" provisions to assure patients access to care during contract disputes with HMOs. Extends the period an insurer must provide beneficiaries from 30 to 90 days. **Signed – Chapter 591/Statutes of 2003.**

AB 1627 (Frommer) – Requires hospitals to make public charges for standard hospital procedures and to file such charges with the state. The intent is to inform the public and purchasers of relative costs among hospitals prior to admission. **Signed – Chapter 582/Statutes of 2003.**

Fraud and License Suspension

SB 359 (Figueroa) – Makes health care professionals subject to suspension or revocation of their licenses for committing worker's compensation insurance fraud. **Signed – Chapter 595/Statutes of 2003.**

AB 747 (Matthews) – Requires suspension of health professionals' licenses for conviction for Medi-Cal fraud, and revocation of licenses for more than one conviction. **Signed – Chapter 659/Statutes of 2003.**

Mental Health

SB 130 (Chesbro) – Reforms practices, standards and state oversight of seclusion and

behavioral restraints in institutional settings. **Signed – Chapter 750/Statutes of 2003.**

SB 577 (Kuehl) – Expands the authority of the non-profit agency Protection and Advocacy, Inc. to protect and advocate for the rights of persons with developmental disabilities or mental illness. **Signed – Chapter 878/Statutes of 2003.**

AB 116 (Nakano) – Extends provisions of law regulating telemedicine to apply to a dentist, a psychologist, a marriage and family therapist and a clinical social worker. **Signed – Chapter 20/Statutes of 2003.**

AB 183 (Nation) – Includes services provided by a licensed marriage and family therapist and a licensed clinical social worker as eligible Medi-Cal services. **Vetoed.**

AB 348 (Chu) – Provides that a psychologist who has personally evaluated a person and also has a collaborative treatment relationship with a psychiatrist may recommend the person's early release from confinement in a psychiatric setting. **Signed – Chapter 94/Statutes of 2003.**

AB 464 (Levine) – Prohibits adult day health care centers from requiring family members to assist a client at the center. **Signed – Chapter 105/Statutes of 2003.**

AB 528 (Mullin) – Requires training in sundown syndrome for direct care staff in facilities that serve persons with Alzheimer's disease. **Signed – Chapter 383/ Statutes of 2003.**

AB 938 (Yee) – Provides for educational grants to mental health service providers who provide direct patient care in shortage areas or publicly funded facilities. **Signed – Chapter 437/Statutes of 2003.**

AB 941 (Yee) – Requires the Department of Mental Health to report information regarding criminal defendants staying in state hospitals to legislative committees in February of each year. **Signed – Chapter 356/Statutes of 2003.**

AB 1102 (Yee) – Expands requirements of existing law that relate to peace officer training in dealing with persons with developmental disabilities or mental illness. **Signed – Chapter 269/Statutes of 2003.**

AB 1370 (Yee) – Prohibits the state Department of Mental Health from requiring 24-hour onsite nursing staff at Community Treatment Facilities. **Signed – Chapter 575/Statutes of 2003.**

AB 1475 (Steinberg) – Requires that the state Department of Housing and Community Development give priority in the Multifamily Housing Program to projects that house persons with disabilities who are at risk of homelessness. **Signed – Chapter 578/Statutes of 2003.**

AB 1669 (Chu) – Requires psychological evaluations given to peace officers to be given by a physician, surgeon or licensed psychologist who has at least five full-time years of postgraduate experience in the diagnosis of emotional and mental disorders. **Signed – Chapter 777/Statutes of 2003.**

Public Health

SB 189 (Escutia) – Directs the Department of Health Services, Cal-EPA, and the University of California to jointly develop and design a system for integrating data to create an

environmental health tracking system. Intent is to make the most efficient use of existing information in order to reduce environmental health threats. **Signed – Chapter 407/Statutes of 2003.**

AB 766 (Longville) – Establishes a three year pilot program to screen at-risk pupils for Type II diabetes. Pilot is voluntary, but is targeted to schools with high numbers of children whose habits and condition make them especially vulnerable to adult onset diabetes. **Signed – Chapter 745/Statutes of 2003.**

SB 774 (Vasconcellos) – Permits a pharmacist to furnish, without a prescription, up to 30 hypodermic needles/syringes to persons over 18 years of age. Provides for an evaluation and sunsets in 2007. Studies indicate that access to clean needles reduces the spread of hepatitis and HIV among non-drug users. **Vetoed.**

AB 946 (Berg) – Authorizes cities and counties to develop clean needle and syringe exchanges that meet prescribed conditions. Bill provides greater stability for such programs by eliminating the need periodically to declare medical emergencies. **Vetoed.**

AB 1676 (Dutra) – Requires blood testing of pregnant women for HIV in order to prevent transmission of the disease. HIV testing is done in concert with current testing for other diseases and may be refused by patients. **Signed – Chapter 749/Statutes of 2003.**

Drugs and Alcohol

SB 151 (Burton) – Permanently eliminates the requirement that addictive drug prescriptions for Schedule II products be done in triplicate. Adds other addictive and harmful drugs to Schedule II and permanently implements the CUREs system of drug control without the burdensome administration of triplicate prescriptions. **Signed – Chapter 406/Statutes of 2003.**

SB 420 (Vasconcellos) – Establishes a voluntary program providing medical marijuana to patients with chronic and severe conditions. Program provides for medical justification, patient identification and enhanced access to marijuana and penalties for failure to comply. Program would implement intent of Proposition 215 and offer regulated access for patients with AIDS, cancer and other serious conditions. **Signed – Chapter 875/Statutes of 2003.**

SB 490 (Alpert) – Authorizes a pharmacist to initiate emergency contraception drug therapy in accordance with a standardized procedure. Expands access to emergency contraception by permitting additional pharmacists to provide the service. **Signed – Chapter 651/Statutes of 2003.**

SB 582 (Speier) – Prohibits sale of products containing ephedrine alkaloids. This drug is commonly used in diet products and has been associated with hundreds of deaths and serious illnesses in California. The federal government has initiated a review of the product. **Signed – Chapter 903/Statutes of 2003.**

AB 1308 (Goldberg) – Authorizes local correctional facilities to provide addiction treatment at local correctional facilities. **Vetoed.**

Tobacco

SB 1016 (Bowen) – Requires every retail sale of cigarettes in California to be a vendor-assisted, face-to-face sale or comply with the provisions of the federal Jenkins Act. **Signed –**

Chapter 603/Statutes of 2003.

AB 71 (Horton) – Creates the California Cigarette and Tobacco Products Licensing Act of 2003 to provide for the licensure by the State Board of Equalization of manufacturers, distributors, wholesalers, importers, and retailers of cigarette or tobacco products that are engaged in business in California. Prohibits retailers, manufacturers, distributors, and wholesalers from distributing or selling those cigarette and tobacco products unless they are licensed. **Signed – Chapter 890/Statutes of 2003.**

Housing, Homelessness, and Urban Growth

Affordable Housing Funding

California faces an enormous shortage of affordable housing. If there is no change in housing assistance levels, the total unmet affordable housing needs will rise by 2020 to 3.7 million units – and this projection may be low given rising rents.

In 2002, the Legislature and the voters passed Proposition 46 (SB 1227/ Burton), a \$2.1 billion bond issue for state and local affordable housing programs.

This year, use of these bond funds to replace General Fund allocations allowed the Legislature to preserve most housing programs. However, the budget shortfall allowed only limited housing-program expansions that could be accomplished without General Fund expenditures.

SB 162 (Alarcón) – Expands the Extra Credit Teacher Home Purchase Program to include classified (non-teaching) school employees who work at low-performing schools. Federally tax-exempt bonds, issued by the state, support this below-market-rate home loan program, which is a tool to help recruit and retain qualified school staff. As of January 2003, more than 400 teachers and other credentialed staff had received homeownership assistance. **Signed – Chapter 853/Statutes of 2003.**

SB 353 (Ducheny) – Repeals a requirement that the California Housing Finance Agency (Cal HFA) mortgages and terms take lien priority over all other liens. The intent is to allow Cal HFA to subordinate its regulatory agreements to those of other public lenders to ensure maximum affordability of publicly financed rental housing. The bill also clarifies that Cal HFA may make unsecured loans to local government agencies, or loans that are secured by assets other than real property. **Signed – Chapter 193/Statutes of 2003.**

AB 304 (Mullin) – Raises the limits on down-payment assistance available to homebuyers through the Housing in Revitalization Areas Program and the Extra Credit Teachers Program, both administered by Cal HFA. The bill also allows Cal HFA to make California Housing Loan Insurance Fund mortgage loans to families making more than 120 percent of an area's median income if necessary to meet the requirements for participation in an affordable housing program or product offered by Fannie Mae and Freddie Mac. **Signed – Chapter 553/Statutes of 2003.**

AB 475 (Correa) – Allows the California Public Employees Retirement System (CalPERS) to make home loans to CalPERS members of up to 100 percent of a home's value. **Signed – Chapter 97/Statutes of 2003.**

Affordable Housing Losses

In addition to the existing affordable-housing shortage, California faces the prospect of losing more than 150,000 apartments from its current inventory of assisted units in the next few years as affordability restrictions on these units expire.

The largest portion of the at-risk stock was financed in the 1960s and 1970s by the federal Housing and Urban Development Department. In exchange for this financing, the owners committed to maintain rents at affordable levels for 30 years. These affordability obligations are now expiring, and owners have the opportunity to renew federal assistance or convert their properties to market-rate rental housing. Currently, more than 78,000 of these units are considered "at-risk" of imminent conversion. In addition, more than 19,000 units of housing affordable to lower-income households have already been lost.

To minimize the impact of tenant displacement and to give communities an opportunity to preserve the affordability of the units, current state law requires an owner to give tenants, the state Department of Housing and Community Development (HCD), and the local government advance notice of any termination of affordability restrictions at least 12 months prior to the anticipated date of termination. Additionally, at least six months prior to the conversion, the owner must provide a more detailed notice that contains specified information for tenants, including the anticipated new rent after conversion, and specified information for HCD and the local governments, including the number of affected tenants, their ages and incomes, and the owner's plans for the development.

SB 538 (Torlakson) – Requires owners to give prospective tenants copies of any notices issued to existing tenants relating to termination of affordability restrictions. The notice shall be given at the time they are interviewed for eligibility. **Signed – Chapter 255/Statutes of 2003.**

Affordable and Multifamily Housing: Removing Barriers

Housing developers and advocates often cite the lack of appropriately zoned land and the uncertainty of gaining approval even on appropriately zoned sites as one of the major barriers to increasing the production of affordable housing.

Local opposition to high-density or subsidized affordable housing – known as the "not in my backyard" effect, or "NIMBYism" – has proved one of the most potent obstacles to meeting California's housing needs.

SB 619 (Ducheny) – Makes major changes to laws to remove barriers to development of affordable housing. Specifically, the bill:

1. *Prohibits discrimination* – Prohibits a local government from rejecting or discriminating against a housing development because it consists of multifamily housing when that use is consistent with the local general plan and zoning. Also clarifies that a local government cannot deny or condition a housing development based on the method of financing or intended occupancy by low- or moderate-income persons or persons of a protected class.
2. *Eliminates some discretionary approvals* – Provides that multifamily housing in multifamily zones is a permitted use -- not subject to a local government's discretionary approval – if it is exempt from the California Environmental Quality Act or meets specific requirements, including that at least 10 percent of the units are affordable to very-low-income households, 20 percent are affordable to low-income households, or 50 percent are affordable to moderate-income households.

3. *Extends the anti-NIMBY law* – Provides that protections of the anti-NIMBY ("not in my backyard") law apply to a mixed-use residential development of at least two stories in which neighborhood-serving commercial uses occupy the first floor. The law prohibits a local government from disapproving an affordable-housing development unless it makes specific findings.
4. *Punishes frivolous and dilatory lawsuits* – Allows a court to award attorney fees to a nonprofit housing developer when a suit challenging the developer's affordable housing project is found to be frivolous and designed to delay or thwart the development.
5. *Reforms the Cal HOME program* – Makes several changes to the Cal HOME loan program, including adding "creates balanced communities" to the list of weighted funding criteria.
6. *Encourages affordable housing on the coast* – Requires the state Coastal Commission to encourage housing opportunities for low- and moderate-income households. Also provides that the commission may impose measures that reduce adverse impacts on coastal resources – but not measures that reduce the density of a housing project below that allowed by local zoning ordinances and the state density bonus law, unless the commission finds that there is no feasible method to accommodate the density on the site without creating a significant adverse impact on coastal resources. **Signed – Chapter 793/Statutes of 2003.**

Common-Interest Development (CID) Homeowner Associations

In a common-interest development (CID), each homeowner has an exclusive interest in a unit and a shared interest in common-area property. Condominiums, planned unit developments, stock cooperatives, and community apartments all fall under the umbrella of CIDs. An estimated 6 million Californians live in approximately 30,000 CIDs. Each CID is governed by its own homeowners' association with an elected board, subject to the Davis-Stirling Act.

AB 104 (Lowenthal) – Requires homeowner association boards to make their accounting books and records and the minutes of proceedings available for inspection and copying by association members. **Signed – Chapter 375/ Statutes of 2003.**

AB 512 (Bates) – Creates a process for a homeowners association to adopt and change its operating rules, giving association members notice and an opportunity to comment. Provides that the seller of any separate interest in a CID shall provide a copy of the operating rules, along with copies of other governing documents, to prospective purchasers. **Signed – Chapter 557/ Statutes of 2003.**

AB 1086 (Laird) – Prohibits a community service organization (CSO) or similar entity created by a homeowners association from charging a fee for the transfer of title to an individual interest in the CID, with certain exceptions. **Signed – Chapter 393/Statutes of 2003.**

AB 1525 (Longville) – Permits homeowners association members to display noncommercial signs, posters, banners, or flags on their own separate-interest property in the CID, unless an association rule against such display is necessary to protect public safety or the posting violates local, state, or federal law. Allows associations to impose reasonable size restrictions prohibiting signs or posters of more than nine square feet, and flags or banners of more than 15 square feet. The bill's goal is to protect homeowners association members' free speech rights. **Signed – Chapter 774/Statutes of 2003.**

Community Development and Redevelopment

SB 109 (Torlakson) – Changes legal procedures to allow the attorney general more leverage to force a local redevelopment agency to correct major audit violations such as failing to deposit all required property-tax-increment revenues directly into the agency's Low and Moderate Income Housing Fund. Also allows the state controller to perform quality-control reviews of redevelopment agencies' independent financial audit reports. **Signed – Chapter 318/Statutes of 2003.**

SB 114 (Torlakson) – Eliminates local governments' authority to provide financial assistance to a vehicle dealer or "big box retailer" moving from one community to another in the same market area. **Signed – Chapter 781/ Statutes of 2003.**

SB 305 (Ducheny) – Transfers administration of the Enterprise Zone Program to the Housing and Community Development Department from the Technology, Trade and Commerce Agency, which the Legislature abolished in a budget cut. **Signed – Chapter 593/Statutes of 2003.**

SB 1045 (Senate Budget and Fiscal Review Committee) – Requires local redevelopment agencies to transfer \$135 million to the Educational Revenue Augmentation Fund to reduce the state General Fund contribution needed to meet the school funding minimum guaranteed by Proposition 98. **Signed – Chapter 260/Statutes of 2003.**

AB 922 (Maze) – Would have required the California Infrastructure and Economic Development Bank (I-Bank) to consider various factors in the selection of infrastructure projects to fund to the extent practicable. The bill's intent was to direct more I-Bank funds to projects in a high-unemployment and low-wage areas. **Vetoed.**

Fair Housing

AB 1536 (Goldberg) – Amends the Fair Employment and Housing Act to streamline procedures for discrimination complaints. **Signed – Chapter 447/Statutes of 2003.**

Farm-Labor Housing

Farm workers often suffer from some of California's worst housing shortages and housing conditions.

SB 306 (Ducheny) – Allows the Housing and Community Development Department (HCD) to make grants or loans under the Joe Serna, Jr. Farmworker Housing Grant Program for acquisition of manufactured homes, to address the impact of displacement on farm worker families due to closure of substandard mobilehome parks. Clarifies that if 12 or fewer mobilehomes, manufactured homes, or recreational vehicles are located on agricultural land and rented or leased to agricultural employees, an annual permit to operate or pay related fees is not required by either the Mobilehome Parks Act or the Special Occupancy Parks Act. **Signed – Chapter 814/Statutes of 2003.**

Homelessness and Supportive Housing

Supportive housing is permanent housing reserved for disabled persons who are homeless or at risk of becoming homeless and need support services to live independently. Currently, there are two state programs to fund supportive housing:

- The Multifamily Housing Program (MHP) in HCD provides construction funds. This program recently received an allocation of \$195 million from the Proposition 46 housing bond funds; and
- The Supportive Housing Initiatives Act (SHIA) in the Mental Health Department, intended to provide service and operating funds. There is no current funding for this program, and the program is scheduled to sunset on January 1, 2004.

A third related program, the Adult and Older Adult Mental Health System of Care Act in the Mental Health Department, known as the AB 34 program, funds counties to provide comprehensive services to mentally ill homeless persons. These funds are often used to provide temporary housing but can be used to place clients in permanent housing.

AB 1475 (Steinberg) – Amends the three programs that fund supportive housing to try to maximize existing resources by leveraging AB 34 services funding and Proposition 46 capital development funds with each other, thereby accelerating the development of supportive housing for homeless mentally ill people. Amends MHP by requiring HCD to give priority to supportive housing projects. Extends the 2004 sunset date on the SHIA to January 1, 2009. Requires counties that receive a AB 34 grant after January 1, 2004, to contract with sponsors of new supportive housing developments to the greatest extent possible, and encourages participating counties to commit a portion of their grant to long-term leases for units in such developments. **Signed – Chapter 578/Statutes of 2003.**

AB 1594 (Assembly Veterans Affairs Committee) – Prohibits emergency shelter or transitional housing providers from restricting occupancy on the basis of military veteran status, in the same manner that providers are prohibited from discriminating against a person because of sex or because the person is 24 years of age or younger. **Signed – Chapter 776/Statutes of 2003.**

Homeowner Foreclosure Protection

SB 455 (Torlakson) – Authorizes a court to award a civil penalty of up to \$2,500 to a homeowner in foreclosure who wins a suit against an equity purchaser for violations including transferring property prior to the cooling-off period, violating contract terms, fraud, or misleading or unconscionably taking advantage of the homeowner. Also increases the maximum criminal fine from \$10,000 to \$25,000 for such violations. **Signed – Chapter 74/Statutes of 2003.**

SB 804 (Machado) – Increases the homestead exemption for money judgments from \$125,000 to \$150,000 for individuals 65 years or older, and physically or mentally disabled individuals. If a home cannot be sold for an amount greater than the homestead exemption, it shall not be sold to satisfy a judgment. **Signed – Chapter 64/Statutes of 2003.**

Mobilehomes and Manufactured Housing

SB 54 (Dunn) – Declares that it is necessary for HCD or the delegated local enforcement agency to follow-up with a mobilehome park resident who filed a health or safety complaint by notifying him or her in advance of the inspection so the resident can talk to the inspector. Declares that it is necessary for the enforcement agency to notify the resident of the inspector's findings. Provides that mobilehome park and special occupancy park lot lines shall not be moved or adjusted without a permit issued by the enforcement agency. **Signed – Chapter 815/Statutes of 2003.**

SB 116 (Dunn) – Allows owners of mobilehomes in mobilehome parks to display campaign signs in their windows or on the sides of their mobilehomes for 90 days before an election and 15 days after the election. Clarifies that manufactured housing is covered by the Civil Code requirements for real estate transfers. **Signed – Chapter 249/Statutes of 2003.**

AB 682 (Corbett) – Allows a mobilehome owner to elect to sell his or her mobilehome within 60 days of the mobilehome park management obtaining and serving an unlawful detainer judgment against the owner. Provides that a mobilehome owner shall pay past due rent and utilities upon sale of their mobilehome. Prohibits park management from requiring that a mobilehome be removed upon sale to a third party. **Signed – Chapter 561/Statutes of 2003.**

AB 693 (Corbett) – Provides that a mobilehome park owner who willfully violates the Mobilehome Residency Law may be liable for a statutory penalty of up to \$2,000, or punitive damages – but not both – if the conduct is malicious, fraudulent, or oppressive. **Signed – Chapter 98/Statutes of 2003.**

AB 767 (Nakano) – Permits mobilehome park management to evict a tenant who is convicted of committing certain crimes in the park, including child molestation, arson, battery resulting in serious bodily injury, or assault with a firearm. **Signed – Chapter 388/Statutes of 2003.**

AB 805 (Diaz) – Requires mobilehome park owners to provide residents with a notice that failure to make timely payment of rent or other charges three times or more in a year can result in a termination of tenancy without a grace period or further notice. The required notice must be placed in a late payment notice already required by existing law. **Signed – Chapter 85/Statutes of 2003.**

AB 1173 (Haynes) – Provides that a mobilehome park space is exempt from rent control only if the mobilehome owner is domiciled out of state. Also provides that a mobilehome is eligible for rent control when it is being held available for sale by the owner, so long as the homeowner actively markets and advertises the mobilehome for sale in good faith to bona fide purchasers. **Signed – Chapter 132/Statutes of 2003.**

AB 1287 (Lieber) – Requires mobilehome park management to provide prospective mobilehome buyers with a notice regarding tenants' financial obligations, including a disclosure of rent and other charges that the prospective buyer would be charged. **Signed – Chapter 767/Statutes of 2003.**

Landlord-Tenant Relations

SB 90 (Torlakson) – Establishes specific methods and deadlines for a landlord to satisfy his or her obligation to return any unused security deposit to a former tenant and to provide an itemized accounting of any amount deducted for repair or cleaning. Requires a landlord to give a former tenant copies of receipts and other documents showing charges deducted. **Signed – Chapter 335/Statutes of 2003.**

SB 345 (Kuehl) – Requires that, if a tenant prevails in an eviction (called an "unlawful detainer") lawsuit within 60 days after filing suit, the court records must be sealed. This is intended to protect tenants from future unfair denial of housing. Requires that a landlord filing an unlawful detainer suit must attach the lease and other specified documents. Clarifies that a notice of the landlord's entry into the unit is not required to respond to an emergency or if the tenant is present and consents to the entry at the time of the entry, or has orally agreed in

the preceding week to a specific entry time. **Signed – Chapter 787/Statutes of 2003.**

AB 647 (Nunez) – Provides tenants additional recourse when a landlord fails to abate a nuisance or repair a substandard condition after a housing code enforcement officer has provided notice. Prohibits a landlord from demanding rent, collecting rent, issuing a notice of a rent increase, or issuing a three-day notice to pay or quit if specified conditions exist as provided under existing law prior to the landlord's demand or notice. **Signed – Chapter 109, Statutes of 2003.**

AB 1059 (Lieber) – Provides additional protections to tenants against a landlord who retaliates against a tenant for the tenant's exercise of his or her rights or to influence the tenant to vacate the rental premises. Provides that a landlord may not use or threaten force or engage in theft, extortion, or unlawful entry to get a tenant to vacate. Provides that a tenant is entitled to a civil penalty of up to \$2,000 for a violation of the bill's requirements. Increases the limit on punitive damages that may be awarded to a tenant who has been the subject of a retaliatory eviction from \$1,000 to \$2,000. **Signed – Chapter 542/Statutes of 2003.**

AB 1217 (Leno) – Increases the authority of Los Angeles, Sad Diego, and San Francisco to stem the loss of residential hotel rooms from the affordable-housing stock. Creates an exception to the Ellis Act for guestrooms and efficiency units in residential hotels in those cities that were built before 1990 and for which the owner has not filed a notice to withdraw the units from the market before 2004. The Ellis Act prohibits a local government from compelling most residential rental property owners to continue offering their property as rental housing. **Signed – Chapter 766/Statutes of 2003.**

AB 1384 (Maddox) – Creates an exception to the law requiring a landlord to notify a tenant of the tenant's right to an initial inspection of the premises to identify deficiencies that may result in a charge against the tenant's security deposit. Provides that the landlord is not required to provide the notice when the tenancy is terminated pursuant to a three-day notice for breach of the lease and the breach is not cured or curable by the tenant. **Signed – Chapter 576/ Statutes of 2003.**

AB 1576 (Liu) – Provides that tenants may not be evicted to comply with the requirement that water heaters be braced, anchored, or strapped. Also provides that failure to brace a water heater is a nuisance that building-code inspectors may enforce. **Signed – Chapter 581/Statutes of 2003.**

Senior and Disabled Housing

SB 211 (Dunn) – Specifies requirements for the form and content of admission agreements for residential care facilities for the elderly, and requires a facility to conspicuously post a copy of its agreement within the facility. The admission agreement is required to include a fee schedule, an explanation of third-party services, information relating to residents' rights, billing and payment, and other terms. **Signed – Chapter 409/Statutes of 2003.**

SB 1025 (Escutia) – Requires that 10 percent of multilevel townhomes of at least four units and apartments of at least three units without elevators be accessible to persons with disabilities. **Signed – Chapter 642/Statutes of 2003.**

AB 1400 (Wolk) – Requires developers of new housing to offer buyers a list of "universal design" modifications that may be made to the home at the buyer's expense. The requirement takes effect July 1, 2004, and stays in effect until the Housing and Community Development

Department adopts guidelines or a model universal-design ordinance pursuant to AB 2787 (Arner, Chapter 726/Statutes of 2002). With respect to housing, "universal design" refers to making dwellings accessible or easily adaptable for persons with mobility problems. Many universal design elements are relatively small items that, when installed at the time of construction, add little or no cost to the price of a home or apartment. **Signed – Chapter 648/Statutes of 2003.**

Standards and Enforcement

SB 262 (Kuehl) – Adds civil penalties to the remedies prosecutors may seek in enforcing building access laws for physically disabled persons. Prosecutors enforcing access laws in privately owned buildings open to the public may seek civil penalties of \$2,500 for each violation. For each violation that remains in effect 90 days after the violator receives written notice from a government agency, the violator shall be subject to an additional civil penalty of not less than \$500 or more than \$2,500 per violation per day. **Signed – Chapter 872/Statutes of 2003.**

SB 443 (Figueroa) – Requires jail terms of at least 90 days for repeated convictions of contracting without a license, unless the court finds unusual circumstances justifying a lesser penalty or a fine. **Signed – Chapter 706/Statutes of 2003.**

SB 567 (Torlakson) – Increases the fines for second or subsequent infraction violations of local building and safety codes. Provides that an infraction violation is punishable by a fine up to \$100 for a first violation, up to \$500 for second violation of the same ordinance within one year, and a fine up to \$1,000 for each additional violation of the same ordinance within one year of the first violation. **Signed – Chapter 60/Statutes of 2003.**

SB 919 (Ortiz) – Raises the maximum county jail term for misdemeanor assault or battery without injury on a code enforcement officer from six months to one year, and increases the maximum fine from \$1,000 to \$2,000. **Signed – Chapter 274/Statutes of 2003.**

AB 1034 (Mullin) – Clarifies that local governments may collect any fees, costs, or charges incurred to enforce local ordinances that implement state building and fire safety codes, in addition to the state codes themselves. Allows local building officials to institute any appropriate action to abate a nuisance after less than 30 days' notice if necessary to abate or prevent an imminent threat to health and safety. Requires a property owner with outstanding citations to record and provide the enforcement agency with the names, addresses, and driver's license numbers of all buyers and sellers within five days of sale or transfer. **Signed – Chapter 474/Statutes of 2003.**

Urban Growth and Jobs-Housing Balance

While recent interest rates helped push new housing construction to its highest point in over a decade, California in 2002 still produced at least 55,000 fewer housing units than it needed to keep up with population growth. The greatest shortages are in multifamily housing (condominiums and apartments) and especially in affordable housing.

The Planning and Zoning Law requires every county and city to adopt a general plan, including a housing element. The housing element must contain an assessment of housing needs, including an inventory of land suitable for residential development. The element must also contain a five-year action program, including the identification of adequate sites to encourage the development of housing for all income levels. Last year, the Legislature required each city

and county to ensure that its inventory or programs of adequate housing sites can accommodate its share of regional housing needs during that planning period (AB 2292 (Dutra), Chapter 706/Statutes of 2002). Called the "no net loss" law, the 2002 bill forces communities to find other sites for higher densities if they retreat from approved densities.

SB 491 (Ducheny) – Gives local governments a deadline of one additional year to revise the housing elements of their general plans. **Signed – Chapter 58/ Statutes of 2003.**

SB 639 (Torlakson) – Extends the Inter-Regional Partnership State Pilot Project to Improve the Balance of Jobs and Housing through 2008. The IRP tests policies and incentives to mitigate imbalances of jobs and housing in Alameda, Contra Costa, Santa Clara, San Joaquin, and Stanislaus counties. **Signed – Chapter 501/Statutes of 2003.**

AB 51 (Simitian) – Would have require the land-use element of a city or county general plan to identify categories, if any, that provide child-care facilities other than family day-care homes. **Vetoed.**

AB 170 (Reyes) – Requires San Joaquin Valley local governments to plan for air quality in their general plans. **Signed – Chapter 472/Statutes of 2003.**

AB 218 (Simitian) – Would have required the state Finance Department to make a determination based on U.S. Census Bureau definitions when there is a dispute between the HCD and a local government, in preparing the local government's general plan, regarding what constitutes a housing unit. **Vetoed.**

AB 305 (Mullin) – Requires a city or county to grant additional density bonuses, concessions and other incentives if a child-care facility is included as part of a proposed housing development that is entitled to density bonuses under existing law, unless the local government finds that the community has adequate child-care facilities. **Signed – Chapter 430/Statutes of 2003.**

AB 518 (Salinas) – Requires a local agency formation commission to consider how a proposed city or county boundary change will affect the community in meeting its fair share of the regional housing needs. **Signed – Chapter 176/Statutes of 2003.**

AB 668 (Cox) – Allows a county and a newly incorporated city to agree to revise their respective regional housing-need allocations. **Signed – Chapter 769/Statutes of 2003.**

AB 677 (Firebaugh) – Requires a local government agency or private entity seeking housing development approval to file a public notice with the state Office of Planning and Research if the project qualifies for one of the housing exemptions from the California Environmental Quality Act. The exemptions are for certain farm-worker housing, affordable housing, and residential in-fill projects. Without an exemption, each projects requires an environmental impact report, a negative declaration, or a mitigated declaration. The bill's intent is to track the exemptions and any resulting benefits. **Signed – Chapter 837/ Statutes of 2003.**

AB 728 (Leno) – Expands financing options for condominium development by making it easier for developers to pre-sell condominiums before they are built and to use the binding sales contracts and escrow deposits as the basis for obtaining bigger construction loans at better terms. The bill should help the market meet the strong demand for condos, which are a way to use land efficiently. **Signed – Chapter 434/Statutes of 2003.**

AB 1309 (Goldberg) – Authorizes a city or county to acquire and utilize or convey real property for construction of new school-site replacement housing. The bill's intent is to give local governments a tool to replenish housing when it is taken for the construction of new schools in extreme affordable-housing shortage areas. **Signed – Chapter 574/Statutes of 2003.**

AB 1347 (Maze) – Requires cities and counties to follow the accounting and reporting requirements of the Mitigation Fee Act for any fees they receive or costs they recover from development agreements signed on or after January 1, 2004. **Signed – Chapter 288/Statutes of 2003.**

AB 1410 (Wolk) – Requires state or local agencies that are selling surplus property in a transit village area or in-fill opportunity zone to give a right of first refusal to the county, city, or redevelopment, public transportation, or housing agency in which the property is located. **Signed – Chapter 772/Statutes of 2003.**

Human Services

Realignment

Under state statutes enacted in the early 1990s, referred to as "realignment," much of the fiscal and program responsibility for a number of programs in health, mental health, and human services was transferred to counties. Statutory provisions provide support for those local programs through dedicated sales-tax revenues. Current law also specifies which programs, services and "caseload" growth receive priority for funding should new funds become available through growth in sales-tax revenue.

However, as a number of years have passed since realignment was signed into law, there is a growing recognition that the revenue provisions and allocations need to be reviewed and revised. Different programs have grown at varying rates, causing unavoidable caseload increases, due in part to an increasing elderly population. This has created fiscal pressures on other health and human services programs. This year the Legislature expressed its intent to review the complicated realignment system and recommend improvements.

AB 1716 (Assembly Human Services Committee) – Makes temporary revisions to the allocation of sales tax revenue to local human services programs under the realignment fiscal allocation system. AB 1716 specifies that, for fiscal year 2003-04 only, no sales tax growth account funds shall be allocated to other programs until the caseload portion of the base of each county's social service account is funded to the level funded in 2001-02. AB 1716 also states the intent that specified committees of the Legislature shall develop recommendations on the existing realignment legislation. **Signed – Chapter 450/Statutes of 2003.**

Child Abuse Prevention/Foster Care Services

The focus of legislation this year on child abuse prevention and foster care has been to add protections and services for children, especially in the areas of the education of children in foster care and helping children in foster care maintain important relationships. Another theme has been to increase prevention of child abuse by adding more professionals to the list of mandated reporters and by increasing the statute of limitations on certain crimes committed against children who are in foster care.

SB 316 (McPherson) – Adds custodial officers to the list of professionals mandated to report

to law enforcement any case of suspected child abuse or child neglect. The existing Child Abuse and Neglect Reporting Act requires a mandated reporter to report whenever he or she, in the scope of his or her professional capacity or employment, has knowledge of or observes a child whom he or she knows or reasonably suspects is the victim of child abuse or neglect.

Signed – Chapter 122/Statutes of 2003.

SB 591 (Scott) – Makes a number of changes to foster care statutes intended to protect children's privacy and safety, while giving foster parents needed information about the child. Among other provisions, the bill permits foster parents to obtain records proving the child's age in order to enroll the child in school, requires that caregivers be provided with a caregiver placement agreement, requires caregivers be provided information about sibling visitation, and requires that the child's case plan include information about the willingness of caregivers to provide legal permanency for the child. **Signed – Chapter 812/ Statutes of 2003.**

SB 739 (Ducheny) – Establishes a historic two-state pilot project permitting the California Department of Social Services to enter agreements with the Washoe tribe of both California and Nevada, allowing the tribe to administer child welfare services or foster care. Existing law requires each county to provide child welfare and foster care services to children residing in the county, but also authorizes such services to be delegated to Indian tribes through legal agreements that meet the provisions of state and federal law. The pilot project authorized by SB 739 will continue until January 1, 2007, and will provide services to a broad population of Indian children and families within Indian reservations or rancherias. **Signed – Chapter 373/Statutes of 2003.**

AB 408 (Steinberg) – Makes numerous revisions to foster care statutes, including requiring child welfare agencies to make reasonable attempts to maintain relationships important to a child over age 10 when that child is placed in a foster-care group home. Permits a child age 10 or over to attend a hearing on and participate in his or her permanency planning. Current law requires that courts review every six months the placement of and services that have been provided to children in foster care and their families, where applicable. This bill requires those services to include reasonable efforts to maintain emotional relationships with individuals that a child over age 10 has identified as important to him or her, such as relatives. **Signed – Chapter 813/ Statutes of 2003.**

AB 464 (Murray) – Requires local education agencies to include a foster-care group home representative in a special education Individualized Education Plan meeting when the meeting is being held to determine educational decisions for a disabled child residing in a foster-care group home. The purpose of this bill is to allow foster-care group home staff to provide input into the educational decisions and school placement of the child in special education who is in their care. **Signed – Chapter 105/Statutes of 2003.**

AB 490 (Steinberg) – Among other provisions strengthening the educational opportunities of children in foster care, requires local educational agencies to designate a staff person as educational liaison for foster children to facilitate school enrollment and transfer, when necessary. Many children in foster care are not provided sufficient educational support and do not graduate from high school. AB 490 enhances requirements on the foster care program by requiring licensed children's institutions and foster family homes to insure children placed in their care attend school and requires that the regular local school be the first choice to be considered, prior to consideration of juvenile court schools. Also, requires school districts and county offices of education to accept, for credit, full or partial coursework completed by a child at other schools. **Signed – Chapter 862/Statutes of 2003.**

AB 1151 (Dymally) – Extends the statute of limitations for claims of injury or death of a minor child that occur while the child is in foster care. AB 1151 states legislative intent that the state has a special duty to protect children that the state places in foster care that the state assumes responsibility for the child's safety. A recent court case found that a county was not liable for a foster caregiver's sexual abuse of a child due a statute of limitations. Thus, AB 1151 extends that statute of limitations to insure the county is held responsible for the protective custody of children in the county's care. **Signed – Chapter 847/ Statutes of 2003.**

Child Care

Increasing access to child care, which is necessary for parents to retain employment, was the major theme of child care legislation enacted by the Legislature this year.

AB 1668 (Salinas) – Authorizes local education agencies that provide before and after-school child care to access a revolving loan fund for the purchase of portable buildings or renovation of existing buildings. Child care offered at the school site, before and after school, is convenient for both parents and children and reduces the need to transport the children to a different site during the work day. Under AB 1668 schools that already provide child care pursuant to the Cal-SAFE program will be eligible to apply for funding from another existing funding source, the Child Care Facilities Revolving Fund program. **Signed – Chapter 523/Statutes of 2003.**

TANF/CalWORKs/Food Stamps

The federal Temporary Assistance to Needy Families (TANF) program, that provides almost \$3 billion to California each year, was due to be reauthorized by the U.S. Congress this year. During 2003, Congress deliberated on a number of changes to the TANF program that would affect the operation and policies of the state's CalWORKs program and, depending upon the specific change, either cost or save the state a considerable amount of state funds. Congress recently has extended the deadline for reauthorization to March 2004. In addition, Congress is considering reauthorization of the federal Food Stamp program, the Head Start program and the Child Care and Development Block Grant. California has a significant interest in the reauthorization of these programs that provide billions of dollars and needed support to households in California.

SCR 12 (Alarcón) – Establishes a two-house Joint Committee to Develop a Master Plan to End Poverty in California. As 14 percent of Californians live on incomes below the federal poverty level (i.e., below a "subsistence" level), with a high proportion of children included in this group, the Joint Committee will report to the Legislature by December 2005 on the state of poverty in California. The committee's Master Plan is required to recommend solutions to end poverty. **Resolution Chapter 117/Statutes of 2003.**

SJR 3 (Alarcón) – Calls upon Congress, during the TANF reauthorization process, to extend the federal TANF time limits, increase federal TANF funding to states, and allow states more flexibility in designing employment strategies. Due to the national recession and high unemployment rates in many states, SJR 3 urges Congress to extend the time limits for families in the TANF program to allow them more time to find employment, including those who are meeting work requirements or who live in high unemployment areas. The increased TANF funding is requested to provide more services to families, such as child care. **Resolution Chapter 136/Statutes of 2003.**

AJR 38 (Firebaugh) Calls upon the California Congressional Delegation to use the opportunity – offered by this year's expected federal reauthorizations of health and human services programs – to seek revisions in the formulas used to allocate federal grant funds to states, in order to relieve funding formula disparities that disadvantage California. Disparities exist to the extent that California taxpayers pay more in federal taxes than they receive back in federal grant programs, in comparison to other states. A recent federal Government Accounting Office study revealed that federal funding formulas disadvantage California low-income households (and taxpayers) by providing less federal support per capita than low-income households receive in other states through those programs. AJR 38 also asks President Bush to resume publishing a federal document, the "Budget Information for States," that is necessary for states to determine the equity of funding formulas. **Resolution Chapter 155/Statutes of 2003.**

AB 231 (Steinberg) – Makes numerous revisions to the Food Stamp program, including revising the method of determining the value of an automobile that CalWORKs and food stamp recipients can retain and meet eligibility requirements for these two programs. This bill also eliminates a five-month limit on transitional food stamps for families leaving the Cal-WORKs program. In addition, AB 231 revises specified eligibility procedures for food stamp applications, to the extent allowed by federal law. Food stamp benefits for the most part are paid by the federal government. **Signed – Chapter 743/Statutes of 2003.**

Immigrants

SB 60 (Cedillo), Chapter 326/Statutes of 2003, changes the eligibility requirements for a driver's license or identification card issued by the Department of Motor Vehicles, including:

- Allowing persons who do not have legal presence in the United States to be eligible to apply for a California driver's license or ID card;
- Permitting license applicants to submit a federal taxpayer ID number or other identifier number deemed appropriate by the DMV, rather than a Social Security number where required by the department;
- Providing for a signed affidavit procedure if the applicant does not have a Social Security account; and
- Increasing fees for specified driver's licenses and deleting fees for senior ID cards.

SB 328 (Escutia) – Allows nonresident students to apply for student aid administered by the California Community Colleges if they have attended high school for three years or more in California, have graduated or attained graduation equivalency, have signed an affidavit to attain legal citizenship if they do not already have such status and have registered at an accredited institution of higher education. **Vetoed.**

AB 522 (Diaz) – Requires local officers and employees to accept the identification card issued by the Mexican Consulate Office as personal identification. Allows peace officers to ask for additional evidence of identification if they believe the document is forged, altered or identifies someone else. **Vetoed.**

Information Technology and High-Techology Crime

E-commerce

SB 220 (Romero) – Authorizes the secretary of state and the Corporations Department to accept and file documents presented in electronic form, including faxes. Expands the definition of "signature" to include a signature in a facsimile document presented for filing with the secretary of state or the department. **Signed – Chapter 273/Statutes of 2003.**

E-government

Budget legislation requires the development of a plan to consolidate the Health and Human Services Data Center and the Stephen P. Teale Data Center by July 1, 2004.

SB 99 (Burton) – Makes permanent the Legislative Data Center's pilot system that "broad bands" certain information technology (IT), civil-service classifications and conducts exams on a position-by-position basis. Finds that the system has improved the LDC's ability to match candidates and IT jobs, and has expedited hiring. **Signed – Chapter 528/Statutes of 2003.**

AB 722 (Matthews) – Authorizes the General Services Department to utilize an online-bidding procedure known as "reverse auctioning" for the acquisition of goods, services, and IT. Defines a "reverse auction" as a competitive on-line solicitation process for fungible goods, IT, or services in which vendors compete against each other online in real time in an open and interactive environment. **Signed – Chapter 266/Statutes of 2003.**

AB 1245 (Laird) – Would have created an on-line process to allow the public to comment on the drafts of proposed statewide ballot initiatives, and allow the proponents to amend their initiatives before they start circulating the petitions to put them on the ballot. The bill's intent was to permit correction of errors, oversights, and unclear language and thus reduce the lawsuits and uncertainty that often follow passage of initiatives. Specifically, the bill would have required initiative proponents to give a draft to the secretary of state, who must post it on the Internet for 30 days for comment. The proponents then could decide whether to revise the draft. **Vetoed.**

AB 1418 (Laird) – Requires the Contractors State License Board to make information regarding contractors who willfully violate labor laws available on its Web site. **Signed – Chapter 849/Statutes of 2003.**

Electronics Recycling

SB 20 (Sher) – Creates a comprehensive system to collect and recycle electronic waste (called e-waste), to end the illegal disposal of electronic devices, and to establish manufacturer responsibility for phasing out hazardous materials in electronic devices and increase the use of recycled materials. A manufacturer's fee of \$6 to \$10 per electronic device sold starting July 1, 2004, and civil penalties of up to \$5,000 per violation, are to support the new system. **Signed – Chapter 526/Statutes of 2003.**

High-Technology Crime

The 2003-04 state budget eliminates \$8.5 million for grants to local law-enforcement agencies for technology equipment purchases. However, it continues to provide \$10.2 million for the High Technology Theft, Apprehension, and Prosecution program, which funds the regional high-tech crime task forces, and \$3.3 million for the High Technology Identity Theft program.

AB 49 (Simitian) – Creates the California High Technology Crimes Task Force comprised of the existing state-funded regional task forces. Also directs the High Technology Crime

Advisory Committee to evaluate the new state task force's work annually. **Signed – Chapter 618/Statutes of 2003.**

AB 1277 (Cohn) – Adds willful violations of labor laws, recording piracy, illegal sale of live performance, and failure to disclose origin of recording or audiovisual work to the list of crimes that should be a priority for the high-tech crime task forces. Adds a representative of the Recording Industry Association of America to the High Technology Crime Advisory Committee.

Also restores the statutory framework – but not the funding – of the California Film Commission, largely related to promoting filming in California and marketing programs, which the Legislature eliminated as a budget cut. Signed – Chapter 662/Statutes of 2003.

Internet Privacy and Spam

SB 186 (Murray) – Enacts the United States' strongest law against unsolicited electronic-mail advertisements (called "spam"). Specifically, the bill:

1. Authorizes a spam recipient, an e-mail service provider, or the attorney general to sue for actual damages, and/or liquidated damages of \$1,000 per unsolicited e-mail ad, up to \$1 million per incident. Cuts the liquidated damages to a maximum of \$100 for each unsolicited ad, or a maximum of \$100,000 per incident, if the defendant implements practices to prevent spam. Provides for reasonable attorney's fees and costs to a prevailing plaintiff.
2. Allows consumers to opt out of receiving otherwise-legal e-mail ads sent pursuant to a preexisting or current business relationship. The consumer may call a toll-free phone number provided by the advertiser to stop receiving the ads, or may send an "unsubscribe" e-mail to the advertiser. However, this opt-out option is not available to persons who receive free e-mail service from providers that send them e-mail ads.
3. Prohibits spam sent to or from California under any of the following circumstances: the ad contains or is accompanied by a third party's domain name without the permission of the third party; the ad contains or is accompanied by falsified, misrepresented, obscured, or forged header information; or the ad has a subject line that a person knows will likely mislead a recipient, acting reasonably under the circumstances, about a material fact regarding the contents or subject matter of the message.
4. Prohibits sending spam by collecting e-mail addresses on the Internet or using e-mail addresses obtained by automated means.

The bill takes effect January 1, 2004, unless Congress preempts it by passing a federal law and prohibiting states from adopting stronger laws such this bill. **Signed – Chapter 487/Statutes of 2003.**

AB 68 (Simitian) – Requires operators of Web sites and on-line services that collect personally identifiable information about California consumers to post and comply with specified privacy policies. **Signed – Chapter 829/Statutes of 2003.**

Political Cyberfraud

AB 277 (Dutra) – Prohibits "political cyberfraud," a knowing and willful act concerning a political Web site committed with the intent to deny a person access to the site, deny a person the opportunity to register a domain name for a political Web site, cause a person reasonably to believe that a political Web site has been posted by a person other than the person who posted the Web site. For purposes of this law, "political Web site" is a Web site that urges or

appears to urge the support or opposition of a state or local ballot measure.

Also allows a court to consider an individual's intent to mislead, deceive, or defraud voters in determining whether the individual engaged in the bad-faith registration of an Internet domain name that is identical or confusingly similar to the personal name of another living person or a deceased personality. Allows a court to order the transfer of a domain name as part of the relief awarded for a violation. **Signed – Chapter 277/Statutes of 2003.**

Public-Safety Communications

SB 605 (McPherson) – Would have required a state agency that purchases public-safety radio equipment to comply with recommendations of the Public Safety Radio Strategic Planning Committee. Would have allowed agencies to continue to use a low band frequency system to maintain their statewide inter-operability without being affected by the requirements for new equipment purchases. **Vetoed.**

Taxes

Internet sales grew to \$79 billion nationally in 2002, accounting for 3 percent of all retail sales, and may hit \$95 billion in 2003. U.S. Department of Commerce figures show on-line sales grew 28 percent in the three months leading up to Christmas 2002 when compared to the same 3-month period a year before.

Out-of-state retailers with no business nexus (generally, a physical presence) in California are not required to collect state sales taxes. Instead, Californians who buy from out-of-state retailers are required to pay an equivalent use tax. However, individuals who buy by Internet, phone, or mail order typically evade the tax.

As a result of non-payment, the state lost \$1.75 billion in sales tax revenue in 2001, according to one study. Nationwide, state and local governments lost up to \$13.3 billion in sales tax from Internet purchases in 2001, and that number is expected to grow to \$45 billion by 2006.

California retailers complain that the current system puts them at a competitive disadvantage to out-of-state retailers.

No one state alone has the constitutional power to require all out-of-state retailers to collect the state's sale or use taxes, and the complexity of the states' tax system has been a barrier to reaching a realistic agreement.

SB 157 (Bowen) – Creates a board to negotiate a national Streamlined Sales and Use Tax Agreement with other states. California will become the 36th state to join the Streamlined Sales Tax Project. The goal is to develop measures to design, test, and implement a system that radically simplifies sales and use taxes. The board is to recommend changes in state law to implement the agreement. The long-term purpose is to seek congressional approval to compel out-of-state retailers to collect a simplified, streamlined tax on purchases and distribute revenues to the states where the consumers live. **Signed – Chapter 702/Statutes of 2003.**

SB 1009 (Alpert) – Authorizes individuals to report and pay use taxes on their state income-tax forms for purchases they make from out-of-state retailers who do not pay California sales taxes. Also prevents a state agency from buying from a vendor or contractor that does not have a valid seller's permit or has not registered with the Board of Equalization. This is

intended to signal that the state does not wish to do business with entities that do not collect California sales and use taxes. According to the Board of Equalization, the bill will stop the loss of \$13 million per year in state and local sales and use taxes; \$8 million from corporate and franchise taxpayers and \$5 million from individual taxpayers. **Signed – Chapter 718/Statutes of 2003.**

Telemedicine

SB 969 (Bowen) – Requires a health-care service plan that provides telephone medical advice to ensure that only staff who are licensed, certified, or registered in a specified health care profession provide medical advice. Requires that no staff member use a title that would mislead someone into believing the staff member is licensed, certified, or registered. Defines "medical advice" to include assessment, evaluation, referral, or advice to patients or family members. **Signed – Chapter 885/Statutes of 2003.**

AB 116 (Nakano) – Clarifies that the Telemedicine Development Act applies to dentists, podiatrists, psychologists, marriage and family therapists, and clinical social workers, so that they may deliver health-care services using interactive audio, video, or data communications without person-to-person contact. **Signed – Chapter 20/Statutes of 2003.**

Insurance

A measure stemming from the murder of Laci Peterson and her unborn son stipulates that a person has a right to know if a spouse could gain financially from his or her death. AB 1083, Chapter 115/Statutes of 2003, by Assemblymember Dave Cogdill will prohibit an insurer from issuing a life insurance policy that covers the applicant's spouse with a face value exceeding \$50,000 unless the spouse has either signed the application or been otherwise notified.

An investigation into the Peterson case concluded that Laci Peterson had been in the room when her husband Scott, who has been charged with the murders, signed an insurance policy on her life. However, the investigation also revealed that the state does not specifically require that a spouse be aware when a policy is drawn on his/her life.

On the auto insurance front, SB 841 by Senator Don Perata amends California's voter-approved Proposition 103 "good driver discounts" by allowing automobile insurers to provide a discount to customers who have been consistently insured by one or more insurance companies. In signing the bill, Governor Gray Davis noted that the Legislative Counsel recently opined that

SB 841 furthers the intent of Proposition 103 by encouraging rate competition among insurers by permitting insured drivers to shop for the best rates without fear of losing "loyalty" discounts given for maintaining insurance with a single company.

The Foundation for Taxpayer and Consumer Rights reports that about 85 percent of automobile insurers offer loyalty discounts. SB 841 will allow a consumer to keep such discounts when shopping for another insurer with lower rates.

Davis, however, conditioned his signature on a commitment from the bill's author to seek follow-up legislation to set an expiration date for the bill, along with a five-year study of its consequences on low-income and previously uninsured individuals. **SB 841, Chapter 169/Statutes of 2003**, became effective with the governor's signature in August.

Other insurance measures include:

Earthquake Policies

AB 1048 (Calderon) – Addresses the claims-paying capacity of the California Earthquake Authority by modifying its accounting methods to require the use of standard industry accounting and policyholder-protection practices. **Signed – Chapter 144/Statutes of 2003.**

Insurer Misconduct

SB 618 (Scott) – Authorizes the insurance commissioner to suspend or revoke an insurer's license for specified offenses and increases a variety of fines for insurer misconduct from about \$200 to between \$1,000 and \$50,000. Requires that an administrative hearing addressing alleged insurer misconduct be held 90 days or sooner after a complaint is received by the state Department of Insurance. **Signed – Chapter 546/Statutes of 2003.**

Life Insurance

AB 226 (Vargas) – Prohibits the sale of corporate-owned life insurance policies that designate the employer as the beneficiary of insurance coverage of rank-and-file employees. **Signed – Chapter 328/Statutes of 2003.**

AB 1600 (Nakano) – Authorizes the state insurance commissioner to report market-conduct data relating to life and disability insurance, and establishes civil penalties for failure to comply with the commissioner's request for information or for submission of false information. Extends from two years to five years the period of time that life and disability insurers must maintain records on activities of their agents. **Signed – Chapter 166/Statutes of 2003.**

Property and Liability Insurance

AB 996 (Wiggins) – Protects reproductive health care facilities, including those that provide abortions, from discrimination by insurers for being targets of hate crimes or anti-reproductive-rights crimes. Specifically, the bill prohibits an insurer from canceling or refusing to renew a facilities insurance, or imposing an excessive or unfairly discriminatory premium, solely because the facility has filed a claim as a result of a hate crime or anti-reproductive-rights crime in the preceding five years. It also requires an insurer to report a cancellation or non-renewal to the state insurance commissioner if the facility has submitted a claim that is the result of an anti-reproductive-rights crime. **Signed – Chapter 647/ Statutes of 2003.**

AB 1727 (Committee on Insurance) – Increases the notice-of-cancellation period from five to 20 days for homeowner and residential property/liability policyholders, except when insurers are canceling coverage for reasons of non-payment of premium or fraud. **Signed – Chapter 148/Statutes of 2003.**

Seniors

SB 618 (Scott) – Makes several changes to existing law to protect senior citizens from financial abuse in the insurance industry. Authorizes the state insurance commissioner to suspend or revoke the license of any insurance agent who induces a client to make the agent (or a friend, domestic partner, business partner or relative of the agent) a beneficiary of a loan, an insurance or annuity policy, an investment, or a testamentary gift from the client. **Signed – Chapter 546/Statutes of 2003.**

SB 620 (Scott) – Protects seniors from insurance scams through a number of provisions, such as banning deceptive advertising of life insurance policies and annuities, prohibiting sale of annuities for "Medi-Cal planning" to persons whose income makes such planning unnecessary, prohibiting sharing of fees or commissions earned by insurance agents with attorneys, protecting seniors' investments in variable annuities from market losses during the 30-day "free look" period, requiring that agents give prospective clients written notice 24 hours in advance of a home visit, and establishing that it is a violation of the Insurance Code for agents and insurers to recommend unnecessary replacement of annuity products. **Signed – Chapter 547/Statutes of 2003.**

Surplus Funds

SB 212 (Machado) – Allows self-funded and partially self-funded Multiple Employer Welfare Arrangements, which are associations of employers created to facilitate the provision of health insurance for their employees, to invest up to 75 percent of surplus funds in mutual funds. **Signed – Chapter 320/Statutes of 2003.**

Vehicle Insurance

SB 333 (Romero) – Extends the time for which a cause of action may be filed under an uninsured motorist insurance policy from one year to two years from the date of the accident or from the date that the insured knew, or should have known, that the other motorist was uninsured. **Signed – Chapter 56/Statutes of 2003.**

AB 1274 (Chavez) – Permits "non-risk" motor clubs, which provide only maps, discount coupons and trip assistance, to operate without an insurance license issued by the state insurance commissioner. **Signed – Chapter 88/Statutes of 2003.**

Judiciary

Tenants will have additional legal remedies against landlords who attempt to unjustly evict them for attempting to improve unsafe living conditions. **AB 647 by Assemblymember Fabian Nunez** is designed to strengthen a tenant's ability to initiate and defend lawsuits based on serious code violations. The measure, **Chapter 109/Statutes of 2003**, was prompted by landlords who refuse to comply with mandates to make their dwellings habitable.

Collecting Fines

SB 940 (Escutia) – Requires the Judicial Council to establish a court-county working group and guidelines to facilitate collecting judicially imposed fines and penalties. Establishes an amnesty program to waive the interest and collection costs on outstanding fines and assessments. **Signed – Chapter 275/Statutes of 2003.**

Court and Legal Procedures

SB 144 (Escutia) – Requires the Judicial Council to adopt rules providing for public notice and input into decisions concerning the administrative and financial functions of a trial court, including decisions relating to the court's budget prior to submittal to the council and subsequent to budget approval. **Signed – Chapter 367/Statutes of 2003.**

AB 418 (Pacheco) – Revises the procedures by which a person or business organization may be served a summons and complaint in a civil action. **Signed – Chapter 128/Statutes of**

2003.

AB 1180 (Harman) – Permits courts to fine prospective jurors up to \$1,500 for failing to respond to a jury summons. **Signed – Chapter 359/Statutes of 2003.**

AB 1273 (Nakanishi) – Codifies case law that stipulates courts may not dismiss a case due to a failure to meet the good cause requirements for a continuance before the expiration of a 60-day statutory limit. **Signed – Chapter 133/ Statutes of 2003.**

AB 1641 (Keene) – Allows courts, with the approval of the head of the Judicial Council, to declare "court holidays" on days when emergencies have interfered with court proceedings to permit extension of court deadlines. **Signed – Chapter 293/Statutes of 2003.**

AB 1759 (Assembly Budget Committee) – Includes, as an omnibus court bill and budget trailer measure, provisions related to trial court security, various trial court and appellate court fees, and recovery of certain litigation costs in public rights civil actions. **Signed – Chapter 159/Statutes of 2003.**

Court Records

SB 660 (Speier) – Requires that Social Security numbers in dissolution matters be placed in the confidential portion of court files, although the remainder of the file continues to be open to inspection. **Signed – Chapter 154/Statutes of 2003.**

Legislative Witnesses

SB 401 (Florez) – Revises procedures for granting immunity to witnesses who are compelled to give testimony or produce documents in legislative proceedings when they have asserted their privilege of self-incrimination under the Constitution. **Signed – Chapter 195/Statutes of 2003.**

State Bar

AB 1708 (Assembly Judiciary Committee) – Authorizes the State Bar of California to collect up to \$310 as basic annual Bar membership dues for the year 2004. Permits the Bar to pursue money judgments against attorneys whose bad conduct has necessitated payments from Bar funds. **Signed – Chapter 334/Statutes of 2003.**

Unauthorized Practice of Law

SB 337 (Romero) – Provides that the statute of limitations for prosecuting the unauthorized practice of law shall be from the discovery of the crime or the time the crime reasonably could have been discovered. **Signed – Chapter 152/ Statutes of 2003.**

Workplace Harassment

AB 76 (Corbett) – Invalidates an appellate court's rulings in *Salazar v. Diversified Paratransit, Inc.*, which held that the Fair Employment and Housing Act does not impose employer liability for harassment of an employee in the workplace by a client, customer or other third party. Prohibits harassment of an employee in the workplace by a person other than another worker or supervisor. **Signed – Chapter 671/Statutes of 2003.**

Labor and Employment

Workers' Compensation

The escalating costs of workers' compensation was one of the major issues facing the Legislature in 2003. A number of bills were introduced early in the session to address this crisis. All bills were sent to a conference committee which deliberated the many issues and passed a series of bills aimed at cutting the costs and increasing the financial stability of the system. Two major bills, SB 228 (Alarcón) and AB 227 (Vargas), addressed some of the major cost drivers to the program.

SB 228, Chapter 639/Statutes of 2003, reforms the workers' compensation program by limiting the number of chiropractic and physical therapy visits, implementing utilization guidelines for services, creating a new outpatient facility fee schedule, and repealing the treater's presumption of correctness for medical treatment, except when the employee has "pre-designated" his or her physician. **AB 227, Chapter 635/Statutes of 2003**, repeals vocation rehabilitation benefits and implements a new supplemental job displacement benefit for injuries, provides for 100 percent user funding for the Division of Workers' Compensation, increases the maximum fine for fraud from \$50,000 to \$150,000, and authorizes the California Infrastructure and Economic Development Bank to issue up to \$1.5 billion worth of bonds to generate funds to ensure the continued solvency of the California Insurance Guarantee Association.

A number of other key measures were also crafted in final form by the conference committee. **AB 1528 (Cohn), Chapter 672/Statutes of 2003**, authorizes the governor to convene the California Health Care Quality Improvement and Cost Containment Commission and requires the commission to examine and address strategies for promoting high quality care and containing health care costs. **AB 1262 (Mathews), Chapter 637/Statutes of 2003**, requires insurers to certify that their claims adjusters meet minimum standards and requires the state Department of Insurance to adopt regulations setting forth these standards. **AB 968 (Correa), Chapter 831/Statutes of 2003**, specifies that any injury suffered by an employee as a result of a vaccination administered to prevent infection by a biochemical substance or blood-borne infectious disease arises out of and in the course of employment for workers' compensation purposes. **AB 149 (Cohn), Chapter 831/Statutes of 2003**, extends the statute of limitations for claims for workers' compensation death benefits in the case of firefighters who death results from asbestosis.

Other Measures

SB 75 (Burton) – Specifies the factors that can be considered during mandatory mediation and conciliation for agricultural employees who have secured union representation but have yet to secure a contract; provides that, prior to January 1, 2008, a party may not file more than 75 declarations with the Agricultural Labor Relations Board during the mandatory mediation and conciliation process. Also eliminates the January 1, 2008 sunset clause for mandatory mediation and conciliation provisions. **Signed – Chapter 870/Statutes of 2003.**

SB 158 (Alarcón) – Establishes a bidding preference for public transit service contractors and subcontractors who agree to retain, for a period of at least 90 days, employees of the previous contractor or subcontractor. **Signed – Chapter 103/Statutes of 2003.**

SB 179 (Alarcón) – Provides that any person or entity that enters into a contract for labor or services, in specified industries, that knows or should know that the contract does not provide

sufficient funds to comply with various laws, violates state law. Employees will be able to recover actual damages through civil action. **Signed – Chapter 908/Statutes of 2003.**

SB 210 (Burton) – Requires that the Coogan set-aside monies for minors employed under contracts for creative or artistic services or for sport activities be paid by the employer to a non-profit organization to hold and manage until distributed if the minor's parent or guardian had not established a **Coogan trust account within 180 days of the minor's commencement of employment.** **Signed – Chapter 667/Statutes of 2003.**

SB 440 (Burton) – Provides that the decision of an arbitrator that has been requested by representatives of firefighters or law enforcement officers after an impasse has been declared may be overturned by a unanimous decision of a county board of supervisors or city council. **Signed – Chapter 877/Statutes of 2003.**

SB 478 (Dunn) – Enables employees who are crime victims, the immediate family members of crime victims, the registered domestic partners of crime victims, and children of the registered domestic partners of crime victims to be absent from work to attend scheduled judicial proceedings. **Signed – Chapter 630/Statutes of 2003.**

SB 578 (Alarcón) – Enacts labor guidelines to state procurement policies that ensure that goods and services purchased by the state of California are produced in workplaces that adhere to minimum standards for protecting workers. **Signed – Chapter 711/Statutes of 2003.**

SB 777 (Escutia) – Provides that an employer may not retaliate against an employee for refusing to participate in an illegal activity or activity that may result in violations of state or federal statute or regulation. Increases the civil penalty for a violation to \$10,000 from \$1,000. Raises the employer's burden of proof to clear and convincing evidence that an adverse employment action would have taken place regardless of whistleblowing activity. Requires the state attorney general to maintain a whistleblower hotline for corporate crime and regulatory misconduct and to refer calls to the appropriate investigative or regulatory agency. **Signed – Chapter 484/Chapter 2003.**

SB 796 (Dunn) – Allows employees to sue their employers for civil penalties for employment violations. This bill is intended to augment enforcement abilities of the labor commissioner by creating an alternative "private attorney general" system for labor law enforcement. **Signed – Chapter 906/Statutes of 2003.**

AB 76 (Corbett) – Rejects a 2002 court of appeal decision which held workers in California are not protected against workplace sexual harassment perpetrated by customers, vendors, and other third parties, and thus harmonizes state and federal law regarding harassment by such persons. **Signed – Chapter 671/ Statutes of 2003.**

AB 98 (Koretz) – Provides that the Industrial Welfare Commission may exempt employees covered by valid collective bargaining agreements from provisions of a wage order relating to meal and rest periods. **Signed – Chapter 327/Statutes of 2003.**

AB 109 (Dymally) – Makes it unlawful for a public school employer to provide substantially inaccurate or misleading information regarding the school district's financial resources during contract negotiations in response to a request for information by the labor organization. **Signed – Chapter 276/Statutes of 2003.**

AB 276 (Koretz) – Increases the fines and civil penalties for specified violations of the Labor Code, and earmarks a portion of the increased penalties to a fund dedicated to educating employers about their obligations under state labor law. **Signed – Chapter 329/Statutes of 2003.**

AB 290 (Firebaugh) – Requires school and community college districts to provide classified school employees with 45 days notice of layoff and to require short-term employees to be given layoff notices before permanent classified employees are laid off. **Signed – Chapter 880/Statutes of 2003.**

AB 330 (Parra) – Exempts from the meal requirement in existing law, certain employees in the wholesale baking industry who are covered by a valid collective bargaining agreement. **Signed – Chapter 207/Statutes of 2003.**

AB 331 (Kehoe) – Waives the current one-week unpaid waiting period for unemployment benefits when an individual's unemployment is due to an unforeseen lockout by the employer during a labor dispute. **Vetoed.**

AB 446 (Matthews) – Establishes requirements for the timely payment of wages of state employees, and to provide civil and misdemeanor penalties for violations of those requirements. **Vetoed.**

AB 852 (Lieber) – Establishes a mechanism for the determination of prevailing wage rates on non-public works projects, where a public and private entity voluntarily agree by contract that the employees will receive prevailing wages. **Signed – Chapter 343/Statutes of 2003.**

AB 978 (Negrete McCloud) – Requires trustees of the California State University to become employers whose employees are eligible for state disability insurance. **Signed – Chapter 841/Statutes of 2003.**

AB 1093 (Lieber) – Enacts the California Living Wage Act, which requires the state and any qualified contractor and subcontractor to pay not less than a living wage to each of its employees. Living wage is defined at \$10 per hour with health insurance coverage and \$12 per hour without health insurance coverage. **Vetoed.**

AB 1133 (Koretz) – Provides that an employer who has failed to satisfy judgment for unpaid wages within six months of the conclusion of any appeal shall be required to pay a penalty equal to the amount of the judgment. **Vetoed.**

AB 1418 (Laird) – Establishes minimum penalties relating to violations of prevailing wage requirements, and requires the Contractors State License Board to make information available on its Web site regarding contractors who willfully violate labor laws. **Signed – Chapter 849/Statutes of 2003.**

AB 1688 (Goldberg) – Establishes a system to regulate the employment of workers in the car washing and polishing industry. **Signed – Chapter 825/ Statutes of 2003.**

Local Government

The Legislature addressed local government issues in the budget and throughout the policy committee process. It continued working on improving local finance, infrastructure and incentives for "big box" retailers.

Land Use and Development

SB 114 (Torlakson) – Prohibits local officials from subsidizing relocation of "big box" stores – large warehouse-style retailers – and auto dealerships within specified areas. **Signed – Chapter 789/Statutes of 2003.**

SB 621 (Burton) – Allocates monies from the Indian Gaming Special Fund to local governments. **Signed – Chapter 858/Statutes of 2003.**

SB 745 (Ashburn) – Makes permanent the Subdivision Map Act's environmental subdivision provisions. **Signed – Chapter 76/Statutes of 2003.**

AB 51 (Simitian) – Requires counties and cities to add child care facilities to the land use elements of their general plans. **Signed – Chapter 472/Statutes of 2003.**

AB 170 (Reyes) – Requires San Joaquin Valley counties and cities to add air quality concerns to their general plans. **Signed – Chapter 472/Statutes of 2003.**

AB 332 (Mullin) – Requires counties and cities to notify airport land use commissions and the state Department of Transportation before overriding airport land use compatibility plans. **Signed – Chapter 351/Statutes of 2003.**

AB 944 (Steinberg) – Allows Property and Business Improvement Districts to issue assessment bonds and levy assessments on businesses. **Signed – Chapter 763/Statutes of 2003.**

AB 1228 (Dutton) – Requires county and city zoning ordinances to allow amateur radio antennas, codifying the FCC's limited preemption of local land use control. **Signed – Chapter 50/Statutes of 2003.**

AB 1347 (Maze) – Requires counties and cities to account for development agreement fees the same way they account for other development project fees. **Signed – Chapter 288/Statutes of 2003.**

AB 1492 (Laird) – Creates a new procedure for local officials to terminate a Williamson Act contract if there's a material breach of contract. **Signed – Chapter 694/Statutes of 2003.**

Local Agency Formation Commissions (LAFCOs)

AB 518 (Salinas) – Requires LAFCOs to consider how proposed boundary changes affect regional housing needs. **Signed – Chapter 176/Statutes of 2003.**

AB 520 (Salinas) – Allows the Santa Cruz LAFCO to approve phased annexations that implement Watsonville's urban growth boundary. **Signed – Chapter 36/Statutes of 2003.**

Local Government Powers

SB 341 (Senate Local Government Committee) – Enacts the Public Cemetery District Law, revising the laws that govern cemetery districts. **Signed – Chapter 57/Statutes of 2003.**

SB 1068 (Senate Local Government Committee) – Sets deadlines for the state controller's annual financial reports for cities, counties, and special districts. **Signed - Chapter 126/Statutes of 2003.**

Local Finance

SB 109 (Torlakson) – Allows the state controller to check the quality of redevelopment agencies' annual audits and improves the attorney general's oversight procedures. **Signed – Chapter 318/Statutes of 2003.**

SB 114 (Torlakson) – Prohibits local officials from subsidizing the relocation of big box stores and vehicle dealers within the same market area. **Signed – Chapter 781/Statutes of 2003.**

SB 392 (Local Government Committee) – Conforms the benefit assessment procedures in the Improvement Act of 1911 and the Municipal Improvement Act of 1913 to the constitutional requirements of Proposition 218. **Signed – Chapter 194/Statutes of 2003.**

AB 1766 (Budget Committee) – Contains the so-called "triple flip," limiting county and city sales tax rates but offsetting their revenue losses with larger shares of the property tax, as part of the state budget package for 2003-04. **Signed – Chapter 162/Statutes of 2003.**

AB 1768 (Budget Committee) – Requires a vehicle license fee "backfill gap" loan to be repaid to cities and counties no later than August 15, 2006. **Signed – Chapter 231/Statutes of 2003.**

Natural Resources and Wildlife

SB 277 (Ducheny) – Establishes the Salton Sea Restoration Fund and requires the fund to be administered by the director of the Department of Fish and Game. **Signed – Chapter 611/Statutes of 2003.**

SB 317 (Kuehl) – Requires that the Colorado River Quantification Settlement Agreement be executed by October 12, 2003. Requires the Resources Agency to undertake a study relating to the restoration of the Salton Sea ecosystem and the protection of wildlife dependent on that ecosystem. Requires the secretary to use all available authority to enter into a memorandum of understanding with the secretary of the Interior to obtain federal participation in the restoration of the Salton Sea. **Signed – Chapter 612/Statutes of 2003.**

SB 418 (Sher) – Revises streambed alteration agreements in a number of ways, including requiring that a holder of an agreement to alter a streambed remain responsible for implementing any mitigation or other measures necessary to protect fish and wildlife resources after the agreement has expired. **Signed – Chapter 736/Statutes of 2003.**

SB 607 (Aanestad) – Provides that in a rural region the Department of Conservation may increase a beverage container recycling convenience zone that is otherwise not being served by a certified recycling center to include the area within a three-mile radius of a supermarket, if the expanded convenience zone would then be served by a certified recycling center or location. **Signed – Chapter 478/Statutes of 2003.**

SB 810 (Burton) – Requires both the federal Environmental Protection Agency and the State Water Resources Control Board to certify that provisions of the Z'berg-Nejedly Forest Practice Act of 1973 constitute the best management practices for silviculture pursuant to the federal Water Pollution Control Act after January 1, 2003 in order to obtain a waiver from waste discharge requirements. **Signed – Chapter 900/Statutes of 2003.**

AB 455 (Chu) – Prohibits, as of January 1, 2006, a manufacturer, importer, agent, or supplier

from offering for sale or for promotional purposes a packaging component that includes a regulated metal, or cadmium, mercury, or hexavalent chromium, if that regulated metal has been intentionally introduced into the package during manufacturing or distribution. **Signed – Chapter 74/ Statutes of 2003.**

AB 1XX (Jackson) – Provides that members appointed by the Senate Rules Committee or speaker of the Assembly to the state Coastal Commission serve four-year terms. Members appointed by the governor will serve a two-year term at the pleasure of the governor. **Signed – Chapter 1/Statutes of 2003, Second Extraordinary Session.**

Privacy, Public Information, and Identity Theft

Please see "Internet Privacy and Spam," in the section on Information Technology and High-Technology Crime

Consumer Privacy

The Legislature passed three major Senate bills this year to give individual California consumers the most complete control in the United States over financial institutions and other businesses sharing consumers' personal information.

The consumers' protected information includes names, signatures, social security numbers, physical descriptions, addresses, telephone numbers, passport numbers, driver's license or state identification card numbers, insurance policy numbers, educational and employment histories, bank account numbers, credit and debit card numbers, and customer status information.

SB 1 (Speier and Burton) – Prohibits financial institutions from sharing or selling personally identifiable nonpublic information without obtaining a consumer's consent. Requires that a consumer actively consent ("opt in") for sharing with an unaffiliated third party, and requires that consumers be given the opportunity to "opt out" of sharing with the financial institution's affiliates. Takes effect July 1, 2004. **Signed – Chapter 241/Statutes of 2003.**

SB 27 (Figueroa) – Requires a business that discloses a consumer's personal information to a third party for direct-marketing purposes to provide to the customer, upon request, a written description of recipients of that information and a description of categories of the information disclosed (e.g., age and gender of customer's children, height or weight of customers, name and address, income). Financial institutions that comply with SB 1, above, are exempt. Takes effect in 2005. **Signed – Chapter 505/Statutes of 2003**

SB 590 (Speier) – Would have prohibited merchants from requesting or requiring a consumer's personal information when it is unnecessary for the transaction. Would have banned the sharing of personal information with a third party, including an affiliated business, except when it is necessary to effect a transaction, is otherwise authorized by the consumer, or if the consumer is given the clear and conspicuous opportunity to refuse to allow that sharing ("opt-out"). Vetoed.

AB 213 (Leslie) – Restricts the use of data from recording devices that manufacturers install in vehicles. Makes the data the sole property of the vehicle owner, and says that no other person may retrieve the data, with certain exceptions. Requires that the presence of a recording device must be disclosed in the vehicle's owner's manual. Applies to vehicles made on or after July 1, 2004. **Signed – Chapter 427/Statutes of 2003**

Criminal Records

SB 599 (Perata) – Allows a court to seal the arrest record of any person who successfully completes a court-administered drug diversion program, except where such a record should be open for purposes of peace-officer applications or future drug-diversion programs. The sealing order does not apply to state Justice Department records. **Signed – Chapter 792/Statutes of 2003.**

SB 873 (McPherson) – Makes explicit the state Justice Department's authority to obtain federal criminal records from the Federal Bureau of Investigation in response to requests from human-resource agencies, and clarifies the law regarding juvenile criminal history information. **Signed – Chapter 124/ Statutes of 2003.**

SB 970 (Ortiz) – Requires the state Justice Department to accept fingerprint images and related information to process criminal-offender record information for employment, licensing, certification, custodial child placement, or adoption purposes only if transmitted electronically. Requires the attorney general to establish a communications network to allow requests from private service providers relative to specified criminal offender record information. **Signed – Chapter 470/Statutes of 2003.**

DMV Records

SB 247 (Murray) – Gives private colleges and universities access to home addresses from Department of Motor Vehicle (DMV) files of vehicle owners cited for parking violations on campus. Requires that the institution establish and maintain a system that ensures that confidential information obtained from the DMV is used solely for the purposes of enforcing parking restrictions. **Signed – Chapter 410/Statutes of 2003.**

AB 184 (Lowenthal) – Provides that participation in the secretary of state's Safe At Home program is sufficient evidence for inclusion in the DMV records-suppression program. Safe At Home is a no-cost mail-forwarding service designed to help domestic-violence victims, stalking victims, and reproductive health care service providers, employees, volunteers, and patients keep their new addresses confidential. **Signed – Chapter 720/Statutes of 2003.**

AB 365 (J. Horton) – Gives city attorneys prosecuting specified misdemeanor actions the same 24-hours access to DMV records as other prosecutors, public defenders, and law-enforcement officers. **Signed – Chapter 127/Statutes of 2003.**

AB 1675 (Longville) – Prohibits attorneys access to confidential DMV records for the purpose of collecting private parking fees or delinquent charges. **Signed – Chapter 649/Statutes of 2003**

Identity Theft

The Federal Trade Commission recently reported that 12.7 percent of surveyed Americans reported that they were victims of identity theft in the previous five years. The FTC estimated the annual costs to victims as \$5 billion and the total cost to the economy as approaching \$50 billion.

By some accounts, identity theft remains the fastest-growing crime in the United States.

California has led the nation for several years in combating identity theft. The Legislature

continued the battle this year with the three Senate bills discussed under Consumer Privacy above, and with the following bills to prevent such crimes, arrest and convict the criminals who perpetrate them, and assist victims.

SB 25 (Bowen) – Requires any person who extends credit on the basis of a credit report to take reasonable steps to verify the consumer's identity if the consumer has placed a security alert in the credit report. If a consumer has placed a statement requesting that identity be verified by calling a specified phone number, the consumer must be contacted at that number. The bill also prohibits making public an individual's Social Security number or using Social Security numbers as passwords or on or in an identification card – including in a bar code, chip, magnetic strip, or other technology. **Signed – Chapter 907/ Statutes of 2003.**

SB 544 (Chesbro) – Requires that a county recorder, before recording any U.S. military veteran's discharge document, must obtain a signed statement from the veteran acknowledging that it will become part of the official record of the county, and subject to inspection, as provided by existing law. Provides, contingent on the enactment of AB 1179 (Parra), that no copy of a recorded military discharge document may be issued except as provided by that bill. **Signed – Chapter 301/Statutes of 2003.**

SB 602 (Figueroa) – Enacts the Identity Theft Prevention and Assistance Act. Specifically, the bill:

1. Authorizes a civil penalty of up to \$2,500 against a credit-reporting agency that recklessly or intentionally fails to place a security alert on a credit file when the consumer requests it. Also requires notice of a security-alert expiration.
2. Caps the fee for a credit freeze at \$10 where the consumer is not an identity-theft victim. A freeze is free when the consumer is a victim.
3. Restrict businesses' use of encoded data on driver's licenses. Prohibits unauthorized retention of information from a license. Makes violation a misdemeanor.
4. Requires businesses that provide credit, installment, or telephone accounts to send specified change-of-address request notifications.
5. Creates a right of action for damages against businesses that fail to provide a consumer with required information when an identity thief opens an unauthorized account in the consumer's name.
6. Specifies that the law-enforcement agency with jurisdiction over the victim's place of residence is primarily responsible for victim-initiated investigation of identity theft.

Signed – Chapter 533/Statutes of 2003.

SB 660 (Speier) – Requires that a Social Security number that is part of a court file in a dissolution matter shall be placed in the confidential portion of the file, but the remainder of the file shall be open to public inspection. **Signed – Chapter 154/Statutes of 2003.**

SB 684 (Alpert) – Requires credit issuers to provide information to consumers who suspect they are identity-theft victims about the possibly fraudulent issuance of new credit cards on existing accounts or other additions or renewals of credit – not just about new credit applications, as in the past. **Signed – Chapter 534/Statutes of 2003**

SB 752 (Alpert) – Creates a procedure where a person can contest a notice to appear in criminal court on the basis that he or she is not the person who was issued the notice. The bill's intent is to provide a method for identity-theft victims to quickly clear themselves when arrestees use the victims' names. **Signed – Chapter 467/Statutes of 2003.**

AB 763 (Liu) – Prohibits mailing a Social Security number if the number is visible without opening the envelope or printed on any mailer that does not require an envelope. **Signed – Chapter 532/Statutes of 2003.**

AB 1105 (Jackson) – Provides that the three-year statute of limitations for identity theft runs from the date of discovery. **Signed – Chapter 73/Statutes of 2003.**

AB 1294 (Wiggins) – Requires a debt collector to stop trying to collect a consumer debt if a consumer provides the collector with a written statement that certifies that the consumer is a victim of identity theft. Makes it a misdemeanor crime to lie on the statement. Provides that the collector may recommence debt collection activity only upon making a good-faith determination that the information does not rule out the consumer's responsibility for the debt. Requires that the collector notify the consumer of that determination in writing before recommencing collection activity. **Signed – Chapter 287/Statutes of 2003.**

AB 1610 (Pavley) – Requires the user of a consumer credit report to take reasonable steps to verify the accuracy of a name and Social Security number supplied in a credit application if that name or Social Security number does not match the information contained in the credit report. **Signed – Chapter 41/Statutes of 2003.**

AB 1772 (Assembly Banking and Finance Committee) – Allows an identity-theft victim, upon proper request and presentation of a copy of a police report, to obtain information about unauthorized mail receipt and forwarding services, or office rental applications, made in the victim's name. **Signed – Chapter 90/Statutes of 2003.**

AB 1773 (Assembly Banking and Finance Committee) – Allows a judge to issue a search warrant good in another county when the property to be seized pursuant to the warrant is evidence of identity theft or possession of identifying information with intent to defraud and when the victim resides in the same county as the issuing court. **Signed – Chapter 137/Statutes of 2003.**

Law Enforcement

AB 1106 (J. Horton) – Clarifies the rules exempting investigations by a grand jury or public prosecutor from the usual rules requiring confidentiality of law-enforcement personnel records. **Signed – Chapter 102/Statutes of 2003.**

AB 1774 (Assembly Banking and Finance Committee) – Clarifies that the state Financial Institutions Department can examine the office of any financial institution whether the office is within or outside the state and expands the department's authority to do criminal background checks, as required by the federal USA Patriot Act. Conforms with federal regulations that allow banks to make loans to a trust in which an insider serves as both a trustee and a beneficiary. **Signed – Chapter 404/Statutes of 2003.**

Public Information

SB 144 (Escutia) – Requires the Judicial Council to adopt rules providing for public notice and input into decisions concerning the administrative and financial functions of a trial court, including decisions relating to the court's budget prior to submittal to the council and subsequent to budget approval. **Signed – Chapter 367/Statutes of 2003**

Victim Privacy

SB 378 (Morrow) – Requires the DMV to immediately issue replacement license plates when requested by subjects of stalking. **Signed – Chapter 153/Statutes of 2003.**

AB 184 (Lowenthal) – Provides that participation in the secretary of state's Safe At Home program is sufficient evidence for inclusion in the DMV records-suppression program. Safe At Home is a no-cost mail-forwarding service designed to help domestic-violence victims, stalking victims, and reproductive health-care service providers, employees, volunteers, and patients keep their new addresses confidential. **Signed – Chapter 720/Statutes of 2003.**

AB 634 (Steinberg) – Establishes state policy disfavoring confidential settlement agreements in civil actions for violation of the Elder Abuse and Dependent Adult Civil Protection Act. These include financial abuse, neglect, or physical abuse. The bill requires a specified showing before a court may recognize or enforce a confidentiality agreement in such a proceeding. **Signed – Chapter 242/ Statutes of 2003.**

Public Employment and Retirement

The Legislature ratified memorandums of understanding (MOUs) negotiated between the state and a number of state bargaining units in an attempt to achieve employee compensation cost savings. **SB 439 (Senate Public Employment and Retirement Committee), Chapter 617/Statutes of 2003**, approved amendments to existing MOUs entered into with Bargaining Units 5 and 8. This provides that employees will forego a 5 percent pay increase on 2003-04 in exchange for a personal leave day each month. The employer will increase the contribution towards health care coverage to 80 percent of the premium for the employee and 80 percent for dependent coverage.

AB 375 (Bermudez), Chapter 615/Statutes of 2003, ratifies the MOU negotiated between the state and Units 1, 4, 10, 11, 14, 15, 16, 17, 19, 20 and 21, which also specifies that for the 2003-04 fiscal year employees shall have their pay reduced by 5 percent in exchange for eight hours of leave per month. Also, the monthly retirement contributions of employees will be reduced to zero and this reduction will be amortized over 15 years beginning in the 2005-06 fiscal year.

SB 85 (Torlakson) – Makes specified domestic partners of county employees eligible for death benefits and survivor benefits, subject to approval by the Board of Supervisors, applicable to all counties in California. **Signed – Chapter 780/ Statutes of 2003.**

SB 269 (Soto) – Authorizes the Public Employee Retirement System (PERS) and state Teachers Retirement System (STRS) boards to establish appropriate classifications within the civil service for senior executive and investment management positions and prohibits any person who served in one of those positions for less than five years from taking any specified actions on behalf of any person, other than the state, to influence certain actions by the boards or systems within two years after leaving that position. **Signed – Chapter 856/ Statutes of 2003.**

SB 640 (Burton) – Prohibits a state agency from entering into any agreement or contract with a publicly held expatriate corporation, or its subsidiary, unless the corporation provides specified shareholder rights and other legal and financial arrangements or the contract serves a compelling public interest. **Signed – Chapter 657/Statutes of 2003.**

SB 20X (Senate Budget and Fiscal Review Committee) – Decreases the state General Fund appropriation to the Supplemental Benefit Maintenance Account in STRS by \$500 million

in 2003-04. **Signed – Chapter 6/Statutes of 2003.**

SB 29X (Senate Budget and Fiscal Review Committee) – Enacts the California Pension Obligation Financing Act, which authorizes the issuance of bonds and the creation of ancillary obligations for the purpose of funding or refunding the state's pension obligations. **Signed – Chapter 11/Statutes of 2003.**

AB 55 (Correa) – Authorizes a county board of supervisors, in counties operating retirement systems under the County Employees Retirement Law of 1937, to allow active members of the retirement system to purchase up to five years of service credit for additional retirement credit, upon approval of the board of supervisors. **Signed – Chapter 261/Statutes of 2003.**

AB 80 (Negrete McLeod) – Allows counties operating retirement systems under the Employees' Retirement Law of 1937 to purchase county retirement service credit relating to prior police and firefighting employment with any public agency. **Vetoed.**

AB 106 (Corbett) – Defines a "spouse," for purposes of receiving survivor benefits under STRS, as (1) a person who married for less than 12 months if the member's death accidental and (2) a person who was married to a member for the period beginning prior to an injury or onset of an illness that resulted in the member's death. **Signed – Chapter 548/Statutes of 2003.**

AB 199 (Oropeza) – Establishes the Los Angeles County Metropolitan Transportation Authority (MTA) Transit Employer-Employee Relations Act, governing employee relations for supervisor employees in MTA. Creates an administrative procedure under the Public Employment Relations to resolve labor disputes. **Signed – Chapter 833/Statutes of 2003.**

AB 457 (Negrete McLeod) – Authorizes specified state, local, and school employees to receive credit for up to two additional years of service or two additional years of age or both. The bill also authorizes employers under the County Employees Retirement Law of 1937 to offer the same benefit to county employees. **Vetoed.**

AB 475 (Correa) – Raises the loan-value ratio for a home loan under the PERS member home loan program from the existing 95 percent to 100 percent. **Signed – Chapter 97/Statutes of 2003.**

AB 719 (Negrete McLeod) – Allows various PERS members, including employees or officers of the state, a public university, a school employer or a contracting agency and certain legislative employees, to be eligible to purchase up to five years of non-qualified service in PERS. **Signed – Chapter 838/ Statutes of 2003.**

AB 908 (Chan) – Requires trustees of the California State University to provide temporary allowances to its employees forced into disability retirement in a manner similar to what existing law requires of other state employers. **Signed – Chapter 213/Statutes of 2003.**

AB 977 (Diaz) – Ratifies the MOU with Bargaining Unit 9 and states the intent of the Legislature that Bargaining Unit 9 will seek future legislative approval for parity adjustments after Department of Personal Administration completes a salary survey and submits it to the Legislature for review. **Signed – Chapter 616/Statutes of 2003.**

AB 1141 (Diaz) – Deletes confidential and supervisory employees from the statutory list of employees for whom an agency shop "fair share" fee arrangement does not apply. **Signed – Chapter 31/Statutes of 2003.**

AB 1207 (Corbett) – Allows school and community college districts to provide two early retirement options for members of the Defined Benefit Program, either two additional years of service credit, or two additional years of service credit along with two years added to the employee's age factor. **Signed – Chapter 313/Statutes of 2003.**

AB 1606 (S. Horton) – Authorizes an employee of a contracting agency and his or her family members to continue their enrollment in a health benefits plan for up to one year while the employee is on military duty. **Signed – Chapter 271/Statutes of 2003.**

Public Safety

Among other advances, permanent changes occurred in two general areas of public safety as a result of 2003-04 legislation: Reshaping of the bureaucracies and reforming of key state prison policies.

The Office of Criminal Justice Planning (OCJP), an arm of the governor's office, and the Youthful Offender Parole Board (YOPB) were abolished. OCJP functions are transferred to other agencies where efficiencies are anticipated. Duties of the YOPB are transferred to a new board more closely associated with the California Youth Authority and the young offenders incarcerated there.

Also this year, reforms were implemented to provide improved alternatives for adult parole violators, for the education of inmates and resulting time-off credits to reduce their sentences and for the treatment and provisional early release of inmates requiring drug addiction treatment. Each of those reforms are estimated to achieve cost reductions to the Department of Corrections through reduced recidivism and reduced time served in prison.

Another significant change occurred with respect to capital punishment. That and other principal legislation affecting public safety are summarized below. At the end of this section is a discussion of sexual assault and domestic violence legislation.

SB 3 (Burton) – Prohibits the state execution of defendants in capital cases if the defendant is found by a judge or jury to be mentally retarded as defined by existing state law. **Signed – Chapter 700/Statutes of 2003.**

The U.S. Supreme Court ruled last year in *Atkins v. Virginia* that capital punishment of retarded persons is unconstitutional. But the court left it to each state where a death penalty is authorized to define for itself the degree of mental retardation by which the ban would apply.

In response to *Atkins*, SB 3 places in law the requirements in California for creating a mental retardation defense in cases where the prosecution seeks the death penalty. The bill adopts the definition for mental retardation that is already present in the California Penal Code. Additionally, the bill sets up a procedure for a separate trial, to take place before the guilt-or-innocence trial in a capital case, to determine if mental retardation of the defendant has been established. If a judge or jury so rules, a death sentence is precluded and the maximum penalty that a court can impose upon conviction is life without possibility of parole.

SB 226 (Cedillo) – Adds those who are restrained by an elder abuse restraining order to the categories of persons prohibited from owning or possessing a firearm. Creates a notice to the restrained person that they cannot own or possess a firearm while the protective order is in

force. **Signed – Chapter 498/Statutes of 2003.**

SB 255 (Ducheny) – Allows a person uncertain of his or her past criminal record to undergo the state background check required of persons buying a firearm. But under this procedure, the person withholds his application to make the purchase until the outcome of the background check is known. An individual can thus be forewarned against breaking the law that prohibits someone with a criminal record from applying to buy a gun. **Signed – Chapter 298/Statutes of 2003.**

SB 278 (Ducheny) – Requires the Department of Corrections to adopt policies and procedures for drug utilization that will optimize efficacy and cost efficiency. Requires the release on parole placement to a medical facility of prisoners with medical conditions who are determined by the department not to pose a threat to public safety. These provisions do not apply to condemned inmates. **Vetoed.**

SB 337 (Romero) – Makes the statute of limitation for immigration consultation fraud by unscrupulous immigration lawyers from the date of the fraud's discovery, not date of the crime. **Signed – Chapter 152/Statutes of 2003.**

SB 420 (Vasconcellos) – Requires the Department of Health Services to issue identification cards, if the recipient so desires, for patients who qualify under state law to receive physician-prescribed marijuana treatment for a physical ailment. **Signed – Chapter 875/Statutes of 2003.**

SB 489 (Scott) – Requires new models of semiautomatic handguns sold in California to come equipped with two additional safety devices to prevent accidental discharge. One is an indicator to the gun user that a round is in the firing chamber. The other is a mechanism to prevent the gun from firing when the magazine is removed. One or the other feature must be part of newly designed guns offered for sale after January 1, 2006. Both features must be incorporated on specified categories of firearms after January 1, 2007. **Signed – Chapter 500/Statutes of 2003.**

SB 549 (Vasconcellos) – Authorizes the Dept. of Corrections to contract with private facilities for the incarceration and care of geriatric inmates in need of skilled nursing facilities. **Signed – Chapter 708/Statutes of 2003.**

SB 459 (Burton) – Abolishes the Youthful Offender Parole Board and consolidates its functions under the Department of the Youth Authority in a Youth Authority Board. The change is intended to improve the connection between the CYA and the members of the reconstituted board in dealing with such issues as parole and length of confinement of CYA wards. The bill also requires the CYA to submit treatment plans to the courts and probation departments for the wards it houses, and requires lengths of confinement not to exceed confinement time for equivalent offenses in the adult system. **Signed – Chapter 4/Statutes of 2003.**

SB 618 (Scott) – Protects senior citizens from financial abuse in the insurance industry. Among other things, agents face sanctions including loss of license for inducing clients to name the agent or someone in league with the agent as beneficiaries, or for misrepresenting the terms of a policy. **Signed – Chapter 546/Statutes of 2003.**

SB 620 (Scott) – Also protects seniors from insurance fraud by banning deceptive advertising as well as the selling of annuities of "Medi-Cal planning" to clients who don't qualify for Medi-Cal, or fee-splitting between agents and attorneys. Other features include: Protection of

seniors' investments in variable annuities from market losses during the 30 day "free look" period; agents to provide prospective clients time for a family or other adviser to be present during a home visit by giving a written notice 24 hours in advance of any such visit. The bill also makes it a new violation of the insurance code for agents and insurers to recommend unnecessary replacement of annuity products. **Signed – Chapter 547/Statutes of 2003.**

SB 762 (Brulte) – Clarifies that Proposition 36 is only available to persons who possess drugs for personal use. Some have argued that the voter-approved initiative is ambiguous and could allow a person who possessed drugs for purposes of sexual assault to claim that he or she has a right to treatment under the initiative. **Signed – Chapter 155/Statutes of 2003.**

SB 1032 (Murray) – Creates the new crime of recording a motion picture being displayed in a movie theater. Fines of up to \$2,500 or one year in jail or both can be imposed upon conviction. **Signed – Chapter 670/Statutes of 2003.**

AB 319 (Frommer) – Adds the carrying of a concealed weapon or a loaded gun, including firearms in vehicles, to the list of offenses that prohibit adjudicated juveniles from possessing or using a gun until age 30. **Signed – Chapter 490/Statutes of 2003.**

AB 245 (Cohn) – Imposes a fine of up to \$250 for anyone throwing objects on the field or court at professional sporting events or themselves entering the area of play without permission. **Signed – Chapter 818/Statutes of 2003.**

AB 936 (Reyes) – Provides protections against baby stalking. It makes it a crime to trespass without authorization into a neonatal unit, maternity ward, or birthing center. **Signed – Chapter 355/Statutes of 2003.**

AB 1102 (Yee) – Extends for one year, until October, 2004, the deadline by which the Police Officer Standards Training (POST) Academy is required to report to the Legislature on its effort to train law enforcement officers in the care and handling of mentally ill or developmentally disabled persons. **Signed – Chapter 269/Statutes of 2003.**

AB 1313 (Parra) – Extends to Jan. 1, 2007, authorization to operate the state's Megan's Law database by which members of the public can access information disclosing the residential addresses of the approximately 100,000 registered sex offenders living in California. At one time during the 2003 legislative session, legislation authorizing maintenance of the database beyond 2003 was jeopardized by failure of passage in the Assembly. At a later date, the Assembly joined the Senate in approving this legislation. **Signed – Chapter 634/Statutes of 2003.**

AB 1438 (Longville) – Requires government agencies that have seized business records pursuant to a search warrant to return copies of the seized records to the owners within five business days after a demand from the owners of the records has been made to the government agency. **Vetoed.**

AB 1757 (Oropeza) – In this, the budget bill, the Office of Criminal Justice Planning is abolished. The director of the Department of Finance will designate an agency or agencies to assume its duties. **Signed – Chapter 229/Statutes of 2003.**

A number of changes reflected in the 2003-04 state budget also had significant impact on the criminal justice system, particularly in reforms applied to the California Department of Corrections (CDC). Among them:

- More opportunities for prison inmates to enroll in vocational and academic instruction classes, and thereby earn further time-off credits to reduce their prison term. Such instruction is added to CDC inmate reception centers at a cost of \$10 million. Another \$10.9 million is restored to retain education and art program staff previously slated for reduction. As a result of the new programs and reduced prison terms, savings of \$22.3 million are estimated for the current budget year and \$51.5 million in the next year.
- Non-violent inmates requiring drug treatment are added to those qualifying to spend the final 120 days of their prison term on the outside, in a supervised program. Net savings to the state from improved treatment and reduced time in prison is estimated at \$20.1 million currently and \$44.4 million next budget year.
- Alternative sanctions for minor parole violations are added to parole programs, reducing the number of such violations that result in returning parolees to prison at substantial costs. With the new sanctions in place, a net cost of \$12.8 million is estimated in the current year, but a net savings of \$100.8 million in the next budget year.

Sexual Assault

AB 898 (Chu) – Enacts the Sexual Assault Victims DNA Bill of Rights. Some of these provisions are:

- Law enforcement will be required to inform victims of sexual assault if they do not intend to analyze DNA evidence within the statute of limitations.
- Law enforcement will be required to inform victims of sexual assault if law-enforcers intend to destroy or dispose of rape kit or other crime scene evidence prior to the expiration of the statute of limitations.
- Law enforcement will be authorized but not required to inform interested sexual assault victims of the status of DNA evidence testing. **Signed – Chapter 537/Statutes of 2003.**

Domestic Violence

Please see the Family Law section, for additional domestic-violence bills related to child custody.

Addressing the tragedy of domestic violence in the Legislature and in our communities is an on-going challenge. The California Department of Justice says 196,880 incidents of domestic violence were reported to local law enforcement in California in 2000. Arrests on domestic violence charges rose by 17 percent, to more than 51,000, in California between 1990 and 2000. Based on the 1998 California Women's Health Survey, the California Department of Health Services estimates that 6 percent of California adult women, or more than 620,000, were physically abused in the year before the survey. Studies consistently find that women are much more likely than men to be hurt by an intimate.

Criminal Justice

In 2001 Senator Karnette successfully authored SB 799. This measure allowed women who were convicted of homicide prior to the enactment of the law allowing evidence at trial of battering and its effects to bring a writ of habeas corpus when there is a reasonable probability that the result of the case would have been different had evidence of the effects of

domestic violence been admissible in the original trial. The provisions of SB 799 were set to expire on January 1, 2005. Because these incarcerated women needed more time to prepare writs of habeas corpus, **SB 784 (Karnette), Chapter 136/Statutes of 2003**, extends the expiration date to January 1, 2010.

AB 134 (Cohn) – Adds battery to the list of priors that subject a person who has never been convicted of felony domestic violence to increased penalties. **Signed – Chapter 262/Statutes of 2003.**

AB 383 (Cohn) – Current law generally allows a person's attorney to appear in court for the defendant who is accused of a misdemeanor. However, a previous bill by Assemblymember Cohn requires a defendant accused of a misdemeanor domestic violence offense or a misdemeanor violation of a domestic violence protective order, as specified, to personally appear in court for arraignment and sentencing. This bill extends existing law to require a defendant charged with a misdemeanor domestic violence offense or a violation of a domestic violence protective order to additionally be present at any time during the proceedings when ordered by the court for the purpose of being informed of the conditions of a domestic violence protective order. **Signed – Chapter 29/Statutes of 2003.**

Firearms

Existing California and federal laws ban a person convicted of a felony from firearm ownership, possession or purchase for life. Misdemeanor convictions related to domestic violence result in a ten-year prohibition. Existing law also prohibits an individual subject to a domestic violence restraining order from owning, possessing or purchasing a firearm for the duration of the protective order. Law enforcement is required to remove any firearms at the scene of a domestic violence incident, or any firearms found after a consensual search.

AB 580 (Nunez) – Provides that a person who, following successful completion of probation, has obtained dismissal of the underlying charges, cannot legally possess a firearm, whether handgun or long gun, if the underlying offense includes or results in a firearm **possession ban**. **Signed – Chapter 49/Statutes of 2003.**

AB 1290 (Jackson) – Extends firearms restrictions that attach to domestic violence protective orders to elder abuse protective orders and stalking protective orders. **Signed – Chapter 495/Statutes of 2003.**

Funding

AB 352 (Goldberg) – Increases from \$200 to \$400 the minimum, mandatory payment imposed on persons granted probation for a domestic violence crime and changes the formula for disbursement of these funds. The formula will change from one-third to two-thirds the allocation of these payments received by counties for county domestic violence program special funds, and decreases from two-thirds to one-third the allocation of these payments received by the state for two domestic violence-related funds. These provisions will be in effect until 2007. **Signed – Chapter 431/Statutes of 2003.**

Housing

SB 345 (Kuehl) – Contains a number of reforms relating to landlord-tenant law. One provision requires a public housing authority, in exercising its discretion to evict a tenant for the drug or criminal activity of the tenant, a family member or a guest to terminate the

tenancy only if the tenant engaged in the criminal activity or the tenant (a) should have reasonably foreseen the activity, (b) failed to take affirmative steps to prevent it, and (c) was not the victim of the criminal activity, if the criminal activity was either domestic violence or a hate crime. **Signed – Chapter 787/Statutes of 2003.**

Restraining Orders

SB 399 (Kuehl) – Expands the definition of protective order to include orders issued under anti-stalking laws in the Uniform Interstate Enforcement of Domestic Violence Protection Orders Act thereby allowing the enforcement of such out-of-state restraining orders in California. **Signed – Chapter 134/ Statutes of 2003.**

AB 1488 (Bates) – Requires a defendant, who knowingly violates a restraining order and harms, threatens to harm, or stalks the victim, to appear in court for a preliminary hearing before being released on his or her own recognizance or on bail. **Signed – Chapter 30/Statutes of 2003.**

Stalking

SB 378 (Morrow) – Allows victims of stalking to obtain a new set of license plates from the Department of Motor Vehicles. Existing law already allows victims of domestic violence access to new plates. **Signed – Chapter 153/ Statutes of 2003.**

State Administration of Grants to Shelters

AB 1757 (Oropeza) – As previously noted, this bill makes various statutory changes related to abolishing the Office of Criminal Justice Planning. When signing AB 1757, Governor Davis submitted a letter to the Legislature saying: "This bill also will require a shift in oversight responsibility for the former OCJP domestic violence program. I intend to submit a plan for administering this important program in consultation with the Legislature and persons working against domestic violence." **Signed – Chapter 229/Statutes of 2003.**

Revenue and Taxation

U.S. Department of Commerce figures show on-line sales grew by 28 percent in the three months leading up to Christmas 2002, when compared to the same three-month period a year before.

Out-of-state retailers with no business nexus (generally, a physical presence) in California are not required to collect state sales taxes. Instead, Californians who buy from out-of-state retailers are required to pay an equivalent use tax but this requirement is difficult to enforce. California "brick-and-mortar" retailers complain that the current system puts them at a competitive disadvantage to Internet and out-of-state retailers.

SB 157 by Senator Debra Bowen, Chapter 702/Statutes of 2003, creates a board to participate with some 30 other states in supporting a national Streamlined Sales and Use Tax Agreement with the long-term goal of obtaining congressional approval to permit states to require Internet and out-of-state retailers to collect a streamlined sales tax on their behalf.

Meanwhile, **SB 1009 by Senator Dede Alpert, Chapter 718/Statutes of 2003**, authorizes individuals to report and pay use taxes on their state income-tax forms for purchases they make from out-of-state retailers. The Alpert bill also prevents a state government agency from

buying from a vendor or contractor that does not have a valid seller's permit or has not registered with Board of Equalization. This is intended to send the signal that the state does not wish to do business with entities that do not collect California sales and use taxes. The Board of Equalization estimates the bill could stop the loss of \$13 million per year in state and local sales and use taxes – \$8 million from corporate and franchise taxpayers and \$5 million from individual taxpayers.

SB 103 (Alpert) – Clarifies that dividends received by a California corporate shareholder from a regulated investment company are generally not excludable from the income of that corporate shareholder. Declares that this clarification is operative for taxable years beginning on or after January 1, 2003. **Signed – Chapter 655/Statutes of 2003.**

SB 180 (Burton) – Requires monies contributed to the California Firefighters' Memorial Fund to be allocated to the California Fire Foundation for maintenance of the California Firefighters' Memorial, ceremonies to honor the memory of fallen firefighters, and an information guide detailing survivor benefits to assist the widows and children of fallen firefighters. **Signed – Chapter 189/Statutes of 2003.**

SB 566 (Scott) – Authorizes any city to levy, increase, or extend a transactions and use tax in accordance with the Transactions and Use Tax Law. **Signed – Chapter 709/Statutes of 2003.**

SB 614 (Cedillo) – Adds provisions to statute to curtail abusive tax shelters, increases penalties for "material advisors" of abusive tax shelters and establishes a voluntary compliance initiative. **Signed – Chapter 656/Statutes of 2003.**

SB 1064 (Burton) – Clarifies the amount of the sales tax refund for Manufacturer Investment Credits available to a taxpayer filing a claim for a refund. **Signed – Chapter 606/Statutes of 2003.**

AB 71 (J. Horton) – Licenses the sale of tobacco products in order to reduce illegal and black-market sales. Provides penalties for sales of counterfeit or untaxed tobacco products to assure revenue to state programs. **Signed – Chapter 890/Statutes of 2003.**

AB 94 (Chu) – Allows a local agency to impose a higher property tax rate to finance payments in support of pension programs approved by the voters before July 1, 1978. **Vetoed.**

AB 1601 (Frommer) – Increases the penalties for tax avoidance and abusive tax shelters. Requires the Franchise Tax Board to develop a voluntary compliance initiative from January 1, 2004, to April 15, 2004, for abusive tax shelters used before January 1, 2003. **Signed – Chapter 654/Statutes of 2003.**

AB 7X (Oropeza) – Creates the California Fiscal Recovery Financing Authority and authorizes it to issue bonds for funding the accumulated budget deficit. **Signed – Chapter 13/Statutes of 2003-04, First Extraordinary Session.**

Transportation

SB 60 (Cedillo) – Allows persons who do not have a legal presence in the United States to be eligible to apply for a California driver's license or ID card. **Signed – Chapter 326/Statutes of 2003.**

SB 112 (Speier) – Transfers the responsibility for establishing the California Organ and Tissue Donor Registry from the California Health and Human Services Agency to a not-for-profit organization, known as the California Organ and Tissue Donation Registrar, which would establish and maintain the Registry. **Signed – Chapter 405/Statutes of 2003.**

SB 127 (Chesbro) – Extends the sunset (termination) date on the exemption on truck length limits for livestock trucks on portions of State Highway Route 101 and requires a study relative to the effects that the exemption has on public safety. **Signed – Chapter 188/Statutes of 2003.**

SB 248 (Murray) – Requires that the practices and activities of recreational vehicle dealers be regulated by the New Motor Vehicle Board. **Signed – Chapter 703/Statutes of 2003.**

SB 314 (Murray) – Authorizes the Los Angeles County Metropolitan Transportation Authority (MTA) to impose a one-half percent sales tax in Los Angeles County for specified transportation purposes. **Signed – Chapter 785/ Statutes of 2003.**

SB 333 (Romero) – Increases from one year to two years the permitted time for an insured driver with uninsured motorist coverage to file a cause of action against an uninsured motorist or to commence arbitration proceedings under his or her uninsured motorist policy. **Signed – Chapter 56/Statutes of 2003.**

SB 378 (Morrow) – Requires the Department of Motor Vehicles (DMV) to immediately issue replacement license plates when requested by subjects of stalking. **Signed – Chapter 153/Statutes of 2003.**

SB 504 (Kuehl) – Creates the Exposition Metro Line Construction Authority to oversee and administer final design and construction contracts for the completion of a Los Angeles exposition light rail project from downtown Los Angeles to Santa Monica. **Signed – Chapter 827/Statutes of 2003.**

SB 552 (Burton) – Requires the state Department of General Services, in consultation with the state Air Resources Board and the California Energy Commission to develop specifications and standards for all passenger cars and light-duty trucks that are leased or purchased on behalf of, or by, state offices, agencies, and departments. **Signed – Chapter 737/Statutes of 2003.**

SB 760 (Scott) – Extends the state and local sales tax exemption for the sale and lease of public passenger transportation vehicles to January 1, 2009. **Signed – Chapter 597/Statutes of 2003.**

SB 795 (Karnette) – Allows local Service Authorities for Freeway Emergencies (SAFEs) to use their highway call box funds for Freeway Service Patrol (FSP) services and to operate the FSPs in their areas. **Signed – Chapter 374/Statutes of 2003.**

SB 915 (Perata) – Implements the operations of the San Francisco Water Transit Authority and the development of water transit (ferry) services in the Bay Area. Specifies that any duties and responsibilities imposed by this act shall be contingent upon funding for those purposes being derived from increases in tolls on state-owned toll bridges in the Bay Area, pursuant to the expenditure plan in SB 916 below. **Signed – Chapter 714/Statutes of 2003.**

SB 916 (Perata) – Requires that a special election be held in seven Bay Area counties to

determine whether a Regional Traffic Relief Plan should take effect, which in turn would trigger a \$1 increase in the vehicle tolls on Bay Area toll bridges. The additional revenues would be used for Bay Area Rapid Transit (BART) expansion, expanded rail and bus networks, expanded ferry services, transit linkages, highway construction, the Transbay Terminal project, new bridges, transit operations, bicycle and pedestrian improvements, transit vehicles, and other transit and transportation services and projects in the Bay Area. This bill distinguishes the Bay Area Toll Authority (BATA) as a separate entity from the Metropolitan Transportation Commission (MTC), articulates the authority's responsibilities and adds other provisions intended to reduce congestion in the greater Bay Area and generally improve travel within bridge corridors. **Signed – Chapter 715/Statutes of 2003.**

SB 1055 (Senate Budget and Fiscal Review Committee) – Increases various fees to avert a shortfall in the Motor Vehicle Account and the state Department of the California Highway Patrol's budget, adjusts the truck weight fee schedule to a level supported by the trucking industry, and makes other budget related changes. **Signed – Chapter 719/Statutes of 2003.**

AB 13 (Harman) – Authorizes the state Department of Transportation (CalTrans) to transfer a specific environmental mitigation property to a local public agency or non-profit corporation for open space or land conservation purposes. Establishes the terms and conditions of such a property transfer. **Signed – Chapter 503/Statutes of 2003.**

AB 16 (Jackson) – Requires oil produced off the shore of California from new extraction operations to be transported by pipeline. Allows overland truck and rail shipment if the oil is too viscous to allow transport through a pipeline, and allows for any method of transport if a state of emergency is declared. **Signed – Chapter 420/Statutes of 2003.**

AB 184 (Lowenthal) – Provides that participation in the Safe at Home program for victims of domestic violence, stalking or other specified crimes is sufficient evidence for inclusion in the DMV records suppression program. **Signed – Chapter 720/Statutes of 2003.**

AB 327 (Runner) – Allows courts to assess a \$100 penalty for specified violations of disabled parking placards. Requires the DMV to print the amount of fines on applications for a disabled parking placard and on placards issued beginning in 2005. **Signed – Chapter 555/Statutes of 2003.**

AB 332 (Mullin) – Requires a local agency that overrides a decision made by an airport land use commission to provide notice of its proposed decision to the commission and Caltrans, and include in its published decision responses by the airport land use commission and Caltrans. **Signed – Chapter 351/ Statutes of 2003.**

AB 361 (Kehoe) – Establishes a public collaborate planning process by which the San Diego Consolidated Transportation Agency would move forward on issues involving comprehensive planning in the San Diego region. **Signed – Chapter 508/Statutes of 2003.**

AB 427 (Longville) – Deletes the 20-year limitation on the duration of a local transportation sales tax and provides that any such tax remain in effect for the period of time specified in the tax ordinance. **Signed – Chapter 129/Statutes of 2003.**

AB 467 (Dutra) – Requires that ticket vending machines for transit systems be equipped with audio instructions for visually impaired persons whenever ticket machines are improved or replaced with machines with video instructions. **Signed – Chapter 141/Statutes of 2003.**

- AB 626 (Liu)** – Prohibits all school districts, the California Community Colleges, and the California State University from allowing the operation of 15-passenger vans unless driven by persons holding a Class B commercial license. **Signed – Chapter 559/Statutes of 2003.**
- AB 692 (Dutra)** – Authorizes, until January 1, 2010, certain transportation authorities to use a design-build process for bidding on highway construction projects. Includes a requirement that design-build entity bidders provide certain information in a questionnaire submitted to the transportation authority that is verified under oath. **Vetoed.**
- AB 813 (Salinas)** – Requires that certain costs for liability insurance premiums and complementary paratransit service not within the control of a transit operator be excluded from the calculation of a transit operator's farebox-to-operating-cost ratio for purposes of qualifying for allocation subsidies of sales tax revenues. **Signed – Chapter 354/Statutes of 2003.**
- AB 1022 (Oropeza)** – Revises provisions regulating the use of automated traffic enforcement systems (red light cameras) to address concerns and conclusions from a Bureau of State Audits report and recent court decisions. This includes requirements for the operation of the systems, restrictions on contracts with equipment vendors, and the consideration of alternative methods of enforcement. **Signed – Chapter 511/Statutes of 2003.**
- AB 1303 (Simitian)** – Provides that it is not a violation of the law to block the view of the rear license plate by a wheelchair lift or carrier if it is a disabled license plate or the vehicle displays a disabled parking placard. **Signed – Chapter 626/Statutes of 2003.**
- AB 1343 (Spitzer)** – Eliminates the option of a person 15 years of age to receive an instruction permit issued by the DMV simply by enrolling in a simultaneously administered program of driver education and driver training, and makes other changes relating to driver education. **Signed – Chapter 768/Statutes of 2003.**
- AB 1409 (Wolk)** – Permits, under certain circumstances, a bus with a length of up to 45 feet to exceed the length if equipped with a folding device located in the front of the vehicle for transporting bicycles. **Signed – Chapter 399/Statutes of 2003.**
- AB 1410 (Wolk)** – Requires state or local agencies that sell surplus property in a transit area or infill zone to give right of first refusal to the county, city, redevelopment agency, public transportation agency, or housing agencies in which the property is located. **Signed – Chapter 772/Statutes of 2003.**
- AB 1625 (Benoit)** – Deletes the inclusion of penalty assessments and court costs in determining the maximum fine that a court may impose for the failure to wear a seat belt. Increases the total amount owed for failure to wear a seat belt from \$22 to \$64 for a first offense and from \$55 to \$151 for a subsequent violation. **Signed – Chapter 521/Statutes of 2003.**
- AB 1662 (Plescia and Firebaugh)** – Allows recreational vehicles to exceed 102 inches in width if the excess width is caused by specified equipment. **Signed – Chapter 222/Statutes of 2003.**
- AB 1697 (Pavley)** – Effective January 1, 2005, requires that child passengers under the age of six or less than 60 pounds in weight must be secured in a child seat restraint in the rear seat of a vehicle, with some specified exceptions. **Signed – Chapter 524/Statutes of 2003.**

AB 1745 (Assembly Transportation Committee) – Gives Caltrans discretion to reduce the amount of payment bond requirements for projects costing more than \$250 million. **Signed – Chapter 186/Statutes of 2003.**

AB 1750 (Assembly Budget Committee) – Pursuant to Article XIX B of the California Constitution, partially suspends the transfer of motor vehicle fuel sales tax revenues from the General Fund to the Transportation Investment Fund for the 2003-04 fiscal year. The amount of the transfer during that year is limited to \$289 million. **Signed – Chapter 223/Statutes of 2003.**

AB 1751 (Assembly Budget Committee) – Allocates funds from the Transportation Investment Fund (TIF), establishes the repayment of all motor vehicle fuel sales tax revenues that are not transferred to the TIF in 2003-04, and transfers surplus revenues from the Public Transportation Account to the General Fund. **Signed – Chapter 224/Statutes of 2003.**

AB 1768 (Budget Committee) – Repays local governments by August 15, 2006, for their loss of Vehicle License Fee (VLF) backfill payments during the budget shortfall period. This is the period between July 1, 2003, when state General Fund backfill payments end pursuant to the 2003-04 Budget Act and the time when full VLF revenues are restored under the trigger mechanism (approximately October 2003). **Signed – Chapter 231/Statutes of 2003.**

Veterans' Affairs

The Legislature continued its work on disabled veterans' programs, providing for state oversight of expanding veterans' cemeteries and administering programs for veterans.

Sales Taxes

AB 189 (Cogdill) – Exempts from sales taxes the meals served by nonprofit veterans' organizations as a part of fundraising activities. **Signed – Chapter 721/Statutes of 2003.**

Homeless Veterans

AB 1594 (Committee on Veterans Affairs) – Gives shelters that serve homeless veterans the same exemption from the state's emergency housing discrimination law as is available to shelters that serve only men or women or shelters that serve individual's 24 years of age or younger. This will allow emergency shelters to exclusively serve this homeless population and will allow these shelters to compete for state housing grants and other financial assistance for building shelters and other accommodations. **Signed – Chapter 776/Statutes of 2003.**

Disabled Veterans

AB 322 (Parra) – Extends the disabled veterans' property tax exemption to a veterans' spouse. **Signed – Chapter 278/Statutes of 2003.**

AB 1420 (Laird) – Reduces the threshold (from 70 percent disability to 50 percent) for purchasing a reduced-fee hunting license for "disabled veterans." **Signed – Chapter 291/Statutes of 2003.**

State Administration of Veterans Affairs

SB 73 (Alpert) – Permits the adjutant general to establish rules and regulations for the

provision of morale, welfare and recreation activities for members of the National Guard.

Signed – Chapter 248/Statutes of 2003.

SB 748 (McPherson) – Creates the Governor's Commission on State Veterans' Cemeteries. This commission is to identify the needs and set priorities for any new state-operated veterans' cemeteries. **Signed – Chapter 466/Statutes of 2003.**

SB 965 (Aanestad) – Requires each veterans' home to have an administrator recommended by the secretary of Veterans' Affairs and appointed by the governor. **Signed – Chapter 198/Statutes of 2003.**

SB 1008 (Machado) – Requires the defendant to pay all of a plaintiff's costs and attorney fees in a civil action when someone fraudulently obtains a certificate as a disabled veterans business enterprise. **Signed – Chapter 632/Statutes of 2003.**

Water

SB 654 (Machado) – Makes findings that in order to resolve conflicts that have prevented the implementation of California's Colorado River Water Use Plan it is necessary to provide a mechanism to allocate environmental mitigation responsibility between water agencies and the state for the implementation of the Quantification Settlement Agreement. **Signed – Chapter 613/Statutes of 2003.**

SB 317 (Kuehl) – Requires the secretary of the Resources Agency to study the restoration of the Salton Sea ecosystem and the protection of wildlife dependent on that ecosystem. **Signed – Chapter 240/Statutes of 2003.**

AB 314 (Kehoe) – Declares that it is the policy of the state that desalination projects developed by or for public water entities be given the same opportunities for state assistance and funding as other water supply and reliability projects, and that desalination be consistent with all applicable environmental protection policies in the state. **Signed – Chapter 206/Statutes of 2003.**

AB 514 (Kehoe) – Requires certain urban water suppliers that receive water from the federal Central Valley Project on or before January 1, 2013, to install water meters on service connections to residential and nonagricultural commercial buildings constructed prior to January 1, 1992. **Signed – Chapter 680/Statutes of 2003.**

AB 1747 (Committee on Budget) – Requires state agencies disbursing grants or loans pursuant to Proposition 50 to develop project solicitation and evaluation guidelines. Requires the Department of Water Resources to allocate \$20 million to competitive grants for groundwater management and recharge projects. **Signed – Chapter 240/Statutes of 2003.**