

AMENDMENTS TO ASSEMBLY BILL NO. 1771

Amendment 1

In the title, in line 1, after "act" insert:

to amend Sections 65584, 65584.04, and 65584.05 of the Government Code,

Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 65584 of the Government Code is amended to read:

65584. (a) (1) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the department shall determine the existing and projected need for housing for each region pursuant to this article. For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing need shall include that share of the housing need of persons at all income levels within the area significantly affected by the general plan of the city or county.

(2) While it is the intent of the Legislature that cities, counties, and cities and counties should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, it is recognized, however, that future housing production may not equal the regional housing need established for planning purposes.

(3) The Legislature finds and declares that insufficient housing in job centers hinders the state's environmental quality and runs counter to the state's environmental goals. In particular, when Californians seeking affordable housing are forced to drive longer distances to work, an increased amount of greenhouse gases and other pollutants is released and puts in jeopardy the achievement of the state's climate goals, as established pursuant to Section 38566 of the Health and Safety Code, and clean air goals.

(b) The department, in consultation with each council of governments, shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. The appropriate council of governments, or for cities and counties without a council of governments, the department, shall adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county at least one year prior to the scheduled revision for the region required by Section 65588. The allocation plan prepared by a council of governments shall be prepared pursuant to Sections 65584.04 and ~~65584.05 with the advice of the department.~~ 65584.05.

(c) Notwithstanding any other provision of law, the due dates for the determinations of the department or for the council of governments, respectively, regarding the regional housing need may be extended by the department by not more than 60 days if the extension will enable access to more recent critical population or housing data from a pending or recent release of the United States Census Bureau or the Department of Finance. If the due date for the determination of the department or



the council of governments is extended for this reason, the department shall extend the corresponding housing element revision deadline pursuant to Section 65588 by not more than 60 days.

(d) The regional housing needs allocation plan shall ~~be consistent with further, and not undermine the intent of,~~ all of the following objectives:

(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households.

(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns.

(3) Promoting an improved intraregional relationship between jobs and ~~housing,~~ housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.

(4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, and allocating a higher proportion of housing need to an income category when a jurisdiction already has a disproportionately low share of households in that income category, as compared to the countywide distribution of households in that category from the most recent decennial United States census.

(5) Increasing access to areas of high opportunity for lower-income residents, avoiding displacement and affirmatively furthering fair housing.

(e) For purposes of this section, "household income levels" are as determined by the department as of the most recent decennial census pursuant to the following code sections:

(1) Very low incomes as defined by Section 50105 of the Health and Safety Code.

(2) Lower incomes, as defined by Section 50079.5 of the Health and Safety Code.

(3) Moderate incomes, as defined by Section 50093 of the Health and Safety Code.

(4) Above moderate incomes are those exceeding the moderate-income level of Section 50093 of the Health and Safety Code.

(f) Notwithstanding any other provision of law, determinations made by the department, a council of governments, or a city or county pursuant to this section or Section 65584.01, 65584.02, 65584.03, 65584.04, 65584.05, 65584.06, 65584.07, or 65584.08 are exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

SEC. 2. Section 65584.04 of the Government Code is amended to read:

65584.04. (a) At least two years prior to a scheduled revision required by Section 65588, each council of governments, or delegate subregion as applicable, shall develop a proposed methodology for distributing the existing and projected regional housing need to cities, counties, and cities and counties within the region or within the subregion, where applicable pursuant to this section. The methodology shall ~~be consistent with further, and not undermine the intent of,~~ the objectives listed in subdivision (d) of Section 65584.

(b) (1) No more than six months prior to the development of a proposed methodology for distributing the existing and projected housing need, each council of governments shall survey each of its member jurisdictions to request, at a minimum, information regarding the factors listed in subdivision (d) that will allow the development of a methodology based upon the factors established in subdivision (d).

(2) The council of governments shall seek to obtain the information in a manner and format that is comparable throughout the region and utilize readily available data to the extent possible.

(3) The information provided by a local government pursuant to this section shall be used, to the extent possible, by the council of governments, or delegate subregion as applicable, as source information for the methodology developed pursuant to this section. The survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to Section 65584.01.

(4) If the council of governments fails to conduct a survey pursuant to this subdivision, a city, county, or city and county may submit information related to the items listed in subdivision (d) prior to the public comment period provided for in subdivision (c).

(c) Public participation and access shall be required in the development of the methodology and in the process of drafting and adoption of the allocation of the regional housing needs. Participation by organizations other than local jurisdictions and councils of governments shall be solicited in a diligent effort to achieve public participation of all economic segments of the community. The proposed methodology, along with any relevant underlying data and assumptions, ~~and~~ an explanation of how information about local government conditions gathered pursuant to subdivision (b) has been used to develop the proposed methodology, ~~and~~ how each of the factors listed in subdivision (d) is incorporated into the methodology, and how the proposed methodology furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584, shall be distributed to all cities, counties, any subregions, and members of the public who have made a ~~written~~ request for the proposed methodology. The council of governments, or delegate subregion, as applicable, shall conduct at least ~~one~~ two ~~public hearing~~ hearings to receive oral and written comments on the proposed methodology.

(d) To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to workers at those wage levels, as well as how many jobs were added and at what wage levels compared to how many housing units were added and at what income levels in the last planning period.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer

or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

(4) ~~The market existing and projected demand for housing.~~ housing at each of the income levels listed in subdivision (e) of Section 65584.

(5) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county.

(6) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

~~(7) High housing cost burdens.~~

(7) The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30% and more than 50% of their income in rent.

(8) The rate of overcrowding.

~~(8)~~

(9) The housing needs of farmworkers.

~~(9)~~

(10) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

~~(10)~~

(11) Any other factors adopted by the council of ~~governments.~~ governments, provided that the council of governments specifies which of the objectives listed in subdivision (d) of Section 65594 that each additional factor is necessary to further.

(e) The council of governments, or delegate subregion, as applicable, shall explain in writing how each of the factors described in subdivision (d) was incorporated into

the methodology and how the methodology ~~is consistent with~~ further, and does not undermine, the intent of subdivision (d) of Section 65584. The methodology may include numerical weighting.

(f) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county shall not be a justification for a determination or a reduction in the share of a city or county of the regional housing need.

~~(g) In addition to the factors identified pursuant to subdivision (d), the council of governments, or delegate subregion, as applicable, shall identify any existing local, regional, or state incentives, such as a priority for funding or other incentives available to those local governments that are willing to accept a higher share than proposed in the draft allocation to those local governments by the council of governments or delegate subregion pursuant to Section 65584.05.~~

~~(h)~~

~~(g) Following the conclusion of the 60-day public comment period described in subdivision (c) on the proposed allocation methodology, and after making any revisions deemed appropriate by the council of governments, or delegate subregion, as applicable, as a result of comments received during the public comment period, each council of governments, or delegate subregion, as applicable, shall adopt submit the draft allocation methodology to the department. Within 60 days, the department shall determine whether or not the methodology further, and does not undermine, the objectives listed in subdivision (d) of Section 65584.~~

~~(h) Following the receipt of the department's determination, the council of governments or delegate subregion, as applicable, shall make any necessary changes and adopt a final regional, or subregional, housing need allocation methodology and provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion as applicable, and to the department.~~

~~(i) (1) It is the intent of the Legislature that housing planning be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan shall allocate housing units within the region consistent with the development pattern included in the sustainable communities strategy. Nothing in this consistency requirement shall limit the application of subparagraph (B) of paragraph (2) of subdivision (d).~~

~~(2) The final allocation plan shall ensure that the total regional housing need, by income category, as determined under Section 65584, is maintained, and that each jurisdiction in the region receive an allocation of units for low- and very low income households.~~

~~(3) The resolution approving the final housing need allocation plan shall demonstrate that the plan is consistent with the sustainable communities strategy in the regional transportation plan. plan and further, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.~~

SEC. 3. Section 65584.05 of the Government Code is amended to read:

65584.05. (a) At least one and one-half years prior to the scheduled revision required by Section 65588, each council of governments and delegate subregion, as applicable, shall distribute a draft allocation of regional housing needs to each local government in the region or subregion, where applicable, based on the methodology adopted pursuant to Section 65584.04. The draft allocation shall include the underlying

data and methodology on which the allocation is ~~based~~, based, and a statement as to how it furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584. It is the intent of the Legislature that the draft allocation should be distributed prior to the completion of the update of the applicable regional transportation plan. The draft allocation shall distribute to localities and subregions, if any, within the region the entire regional housing need determined pursuant to Section 65584.01 or within subregions, as applicable, the subregion's entire share of the regional housing need determined pursuant to Section 65584.03.

(b) Within 60 days following receipt of the draft allocation, a local government may request from the council of governments or the delegate subregion, as applicable, a revision of its share of the regional housing ~~need~~ need. In addition, a housing organization may request from the council of governments or the delegate subregion, as applicable, a revision of the share of the regional housing need allocated to one or more local government. These requests shall be in accordance with the objectives listed in subdivision (d) of Section 65584 and with the factors described in paragraphs (1) to (9), inclusive, of subdivision (d) of Section 65584.04, including any information submitted by the local government or governments to the council of governments pursuant to subdivision (b) of that section. The request for a revised share shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate ~~documentation~~ documentation, and shall include a statement as to how it furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65594. A request for a revised share pursuant to this subdivision shall be consistent with, and not to the detriment of, the development pattern in an applicable sustainable communities strategy developed pursuant to paragraph (2) of subdivision (b) of Section 65080.

(c) Within 60 days after the request submitted pursuant to subdivision (b), the council of governments or delegate subregion, as applicable, shall accept the proposed revision, modify its earlier determination, or indicate, based upon the information and methodology described in Section 65584.04, why the proposed revision is inconsistent with the regional housing ~~need~~ need and does not further the objectives listed in subdivision (d) of Section 65584.

(d) If the council of governments or delegate subregion, as applicable, does not accept the proposed revised share or modify the revised share to the satisfaction of the requesting party, the local government or the housing organization may appeal ~~its the~~ draft allocation to the department based upon either or both of the following criteria:

(1) The council of governments or delegate subregion, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04, or a significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant to that subdivision.

(2) The council of governments or delegate subregion, as applicable, failed to determine ~~its the~~ share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, ~~Section 65584.04~~ Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.

(e) ~~The council of governments or delegate subregion, as applicable,~~ department shall conduct public hearings to hear all appeals within 60 days after the date established

to file appeals. The local government or housing organization shall be notified within 10 days by certified mail, return receipt requested, of at least one public hearing on its appeal. The date of the hearing shall be at least 30 days and not more than 35 days after the date of the notification. Before taking action on an appeal, the ~~council of governments or delegate subregion, as applicable, department~~ shall consider all comments, recommendations, and available data based on accepted planning methodologies submitted by the appellant. The final action of the ~~council of governments or delegate subregion, as applicable, department~~ on an appeal shall be in writing and shall include ~~information and other evidence explaining~~ written findings, supported by a preponderance of the evidence on the record, as to how its action is consistent with this article. The final action on an appeal may require the council of governments or delegate subregion, as applicable, to adjust the allocation of ~~a one or more local government governments that is are~~ one or more local government governments that ~~is are~~ are not the subject of an appeal.

(f) The council of governments or delegate subregion, as applicable, shall issue a proposed final allocation within 45 days after the completion of the 60-day period for hearing ~~appeals~~. ~~appeals, taking into account the department's actions on all appeals.~~ The proposed final allocation plan shall include responses to all comments received on the proposed draft allocation and reasons for any significant revisions included in the final allocation.

(g) In the proposed final allocation plan, the council of governments or delegate subregion, as applicable, shall adjust allocations to local governments based upon the results of the revision request process and the appeals process specified in this section. If the adjustments total 7 percent or less of the regional housing need determined pursuant to Section 65584.01, or, as applicable, total 7 percent or less of the subregion's share of the regional housing need as determined pursuant to Section 65584.03, then the council of governments or delegate subregion, as applicable, shall distribute the adjustments proportionally to all local governments. If the adjustments total more than 7 percent of the regional housing need, then the council of governments or delegate subregion, as applicable, shall develop a methodology to distribute the amount greater than the 7 percent to local governments. In no event shall the total distribution of housing need equal less than the regional housing need, as determined pursuant to Section 65584.01, nor shall the subregional distribution of housing need equal less than its share of the regional housing need as determined pursuant to Section 65584.03. Two or more local governments may agree to an alternate distribution of appealed housing allocations between the affected local governments. If two or more local governments agree to an alternative distribution of appealed housing allocations that maintains the total housing need originally assigned to these communities, then the council of governments shall include the alternative distribution in the final allocation plan.

(h) Within 45 days after the issuance of the proposed final allocation plan by the council of governments and each delegate subregion, as applicable, the council of governments shall hold a public hearing to adopt a final allocation plan. To the extent that the final allocation plan fully allocates the regional share of statewide housing need, as determined pursuant to Section ~~65584.01~~, 65584.01 and has taken into account the department's actions on all appeals, the council of governments shall have final authority to determine the distribution of the region's existing and projected housing need as determined pursuant to Section 65584.01. The council of governments shall

submit its final allocation plan to the department within three days of adoption. Within 60 days after the department's receipt of the final allocation plan adopted by the council of governments, the department shall determine whether or not the final allocation plan is consistent with the existing and projected housing need for the region, as determined pursuant to Section 65584.01. The department may revise the determination of the council of governments if necessary to obtain this consistency.

(i) Any authority of the council of governments to review and revise the share of a city or county of the regional housing need under this section shall not constitute authority to revise, approve, or disapprove the manner in which the share of the city or county of the regional housing need is implemented through its housing program.

(j) For purposes of this section, "housing organization" means a nonproject organization whose mission includes providing or advocating for increased access to housing for low-income households.

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

Amendment 3

On page 2, strike out lines 1 to 7, inclusive

AMENDMENTS TO ASSEMBLY BILL NO. 1786

Amendment 1

In the title, in line 1, after "act" insert:

to amend Section 66025.7 of the Education Code,

Amendment 2

On page 1, before line 1, insert:

SECTION 1. Section 66025.7 of the Education Code is amended to read:

66025.7. ~~By (a) By March 31, 2019, the Chancellor of the California Community Colleges shall designate a statewide articulation officer at the Office of the Chancellor of the California Community Colleges.~~

~~(b) By July 1, 2015, 2019, the Chancellor of the California Community Colleges, officer designated pursuant to subdivision (a) shall,~~ using common course descriptors and pertinent recommendations of the American Council on Education, ~~shall~~ determine for which courses credit should be awarded for prior military experience.

Amendment 3

On page 1, strike out lines 1 to 4, inclusive



AMENDMENTS TO ASSEMBLY BILL NO. 1792

Amendment 1

In the title, in line 1, after "act" insert:

to amend Section 62254 of the Government Code,

Amendment 2

On page 1, before line 1, insert:

SECTION 1. Section 62254 of the Government Code is amended to read:
62254. An authority may do all of the following:

(a) Provide for low- and moderate-income housing and affordable workforce housing in accordance with this division.

(b) Remedy or remove a release of hazardous substances pursuant to the Polanco Redevelopment Act (Article 12.5 (commencing with Section 33459) of Chapter 4 of Part 1 of Division 24 of the Health and Safety Code) or Chapter 6.10 (commencing with Section 25403) of Division 20 of the Health and Safety Code.

(c) Provide for seismic retrofits of existing buildings in accordance with all applicable laws and regulations.

(d) Acquire and transfer real property in accordance with Section 62260. The authority shall retain controls and establish restrictions or covenants running with the land sold or leased for private use for the periods of time and under the conditions as provided in the plan. The establishment of these controls is a public purpose under this division.

(e) Issue bonds in conformity with Article 4.5 (commencing with Section 53506) and Article 5 (commencing with Section 53510) of Chapter 3 of Part 1 of Division 2 of Title 5.

(f) (1) Borrow money, receive grants, or accept financial or other assistance or investment from the state or the federal government or any other public agency or private lending institution for any project within its area of operation, and comply with any conditions of a loan or grant. An authority may qualify for funding as a disadvantaged community pursuant to Section 79505.5 of the Water Code or as defined by Section 56033.5. An authority may also enter into an agreement with a qualified community development entity, as defined by Section 45D(c) of the Internal Revenue Code, to coordinate investments of funds derived from the New Markets Tax Credit with those of the authority in instances where coordination offers opportunities for greater efficiency of investments to improve conditions described in subdivisions (c) and (d) within the territorial jurisdiction of the authority.

(2) Receive funds allocated to it pursuant to a resolution adopted by a city, county, or special district to transfer these funds from a source described in subdivision (d), (e), or (f) of Section 53398.75, subject to any requirements upon, or imposed by, the city, county, or special district as to the use of these funds.

(g) Adopt an affordable housing plan pursuant to Section 62252.



70664

03/08/18 02:51 PM
RN 18 08187 PAGE 2
Substantive

(h) Make loans or grants for owners or tenants to improve, rehabilitate, or retrofit buildings or structures within the plan area.

(i) Construct foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights sites for buildings to be used for purposes of providing affordable housing pursuant to this division.

(j) (1) Provide for infrastructure to support the development of affordable housing pursuant to this division.

(2) For purposes of this subdivision, infrastructure includes, but is not limited to, streets, roads, sidewalks, sewer lines, water lines, power lines, and gas lines within one-quarter mile of the affordable housing development.

Amendment 3

On page 1, strike out lines 1 to 4, inclusive

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 1907

Amendment 1

In the title, in line 1, strike out "23114 of" and insert:

42001.4 of

Amendment 2

On page 1, before line 1, insert:

SECTION 1. Section 42001.4 of the Vehicle Code is amended to read:

42001.4. Every person convicted of an infraction for violation of Section 23114
or 23117 shall be punished as follows:

(a) By a fine of not less than fifty dollars (\$50) nor more than one hundred dollars (\$100).

(b) For a second infraction occurring within one year of a prior infraction which resulted in a conviction, a fine of not less than seventy-five dollars (\$75) nor more than two hundred dollars (\$200).

(c) For a third or any subsequent infraction occurring within one year of two or more prior infractions which resulted in convictions, a fine of not less than one hundred dollars (\$100) nor more than two hundred fifty dollars (\$250).

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Amendment 3

On page 1, strike out lines 1 to 5, inclusive, and strike out pages 2 to 4, inclusive



AMENDMENTS TO ASSEMBLY BILL NO. 1937

Amendment 1

In the title, in line 1, strike out "Section 3508.5 of" and insert:

Sections 45060 and 87833 of the Education Code, and to amend Sections 1150, 1152, 1153, 1157.3, 71638, and 71824 of, and to repeal 1157.10 of,

Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 45060 of the Education Code is amended to read:

45060. (a) Except as provided in Section 45061, the governing board of each school district, when drawing an order for the salary payment due to a certificated employee of the district, shall ~~with or without charge~~ reduce the order by the amount which it has been requested in a revocable written authorization by the employee to deduct for the purpose of paying the dues of the employee for membership in any local professional organization or in any statewide professional organization, or in any other professional organization affiliated or otherwise connected with a statewide professional organization which authorizes the statewide organization to receive membership dues on its behalf and for the purpose of paying his or her pro rata share of the costs incurred by the district in making the deduction. ~~No charge shall exceed the actual cost to the district of the dues deduction.~~ behalf, or to deduct for the purpose of paying dues in, or for any other service, program, or committee provided or sponsored by, any certified or recognized employee organization, of which the employee is a bargaining unit member, whose membership consists, in whole or in part, of employees of the school district, and which has as one of its objectives improvements in the terms or conditions of employment for the advancement of the welfare of the employees. Any revocation of a written authorization shall be in writing and shall be effective commencing with the next pay ~~period.~~ period provided the revocation complies with the terms of the written authorization.

~~Unless~~

(b) ~~Unless~~ otherwise provided in an agreement negotiated pursuant to Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, the governing board shall, no later than the 10th day of each pay period for certificated employees, draw its order upon the funds of the district in favor of the organization designated by the employee for an amount equal to the total of the dues or other deductions made with respect to that organization for the previous pay period and shall transmit the total amount to that organization no later than the 15th day of each pay period for certificated employees. When timely transmittal of dues or other payments by a county is necessary for a school district to comply with the provisions of this section, the county shall act in a timely manner. ~~If the employees of a district do not authorize the board to make a deduction to pay their pro rata share of the costs of making deductions for the payment of dues, the~~ The governing board shall deduct from the amount transmitted to the organization on whose account the dues or other



payments were deducted ~~the actual~~ reasonable, one-time startup costs of making ~~the deduction.~~ deductions. These deductions shall not exceed the actual cost to the district to start making the deductions.

~~The~~

(c) The revocable written authorization shall remain in effect until expressly revoked in writing by the employee. ~~employee, pursuant to the terms of the written authorization.~~ Whenever there is a change in the amount required for the payment to the organization, the employee organization shall provide the employee with adequate and necessary data on the change at a time sufficiently prior to the effective date of the change to allow the employee an opportunity to revoke the written authorization, ~~if desired.~~ desired and if permitted by the terms of the written authorization. The employee organization shall provide the public school employer with notification of the change at a time sufficiently prior to the effective date of the change to allow the employer an opportunity to make the necessary adjustments and with a copy of the notification of the change which has been sent to all concerned employees.

~~The~~

(d) The governing board shall not require the completion of a new deduction authorization when a dues or other change has been effected or at any other time without the express approval of the concerned employee organization.

(e) The governing board shall honor the terms of the employee's written authorization for payroll deductions. Prior to processing a revocation request, the governing board shall either provide a copy of the request to the applicable employee organization or confirm that the employee has sent it a copy, and shall provide the organization five days in which to advise the district whether the request is in conformity with the authorization. The governing board may rely on the employee organization's statement that the request is not in conformity with the authorization, and the employee organization shall indemnify the district for any claims made by the employee for deductions made in reliance on that statement.

(f) After receiving notification from a certified or recognized employee organization that it possesses a written authorization for deduction, the governing board shall commence the first deduction in the next pay period following the closing date for receipt of changes in pay warrants. A certified or recognized employee organization that certifies that it has and will maintain individual employee authorizations shall not be required to submit to the governing board of a school district a copy of the employee's written authorization in order for the payroll deductions described in this section to be effective, unless a dispute arises about the existence or terms of the written authorization. The employee organization shall indemnify the district for any claims made by the employee for deductions made in reliance on its notification.

SEC. 2. Section 87833 of the Education Code is amended to read:

87833. (a) Except as provided in Section 87834, the governing board of each community college district, when drawing an order for the salary payment due to an academic employee of the district, shall ~~with or without charge~~ reduce the order by the amount which the board has been requested in a revocable written authorization by the employee to deduct for the purpose of paying the dues of the employee for membership in any local professional organization, or in any statewide professional organization, or in any other professional organization affiliated or otherwise connected with a statewide professional organization which authorizes the statewide organization

to receive membership dues on its behalf and for the purpose of paying his or her pro rata share of the costs incurred by the district in making the deduction. No charge shall exceed the actual cost to the district of the dues deduction, behalf, or to deduct for the purpose of paying dues in, or for any other service, program, or committee provided or sponsored by, any certified or recognized employee organization, of which the employee is a bargaining unit member, whose membership consists, in whole or in part, of employees of the community college district, and which has as one of its objectives improvements in the terms and conditions of employment for the advancement of the welfare of the employees. Any revocation of a written authorization shall be in writing and shall be effective commencing with the next pay period, provided the revocation complies with the terms of the written authorization.

~~Unless~~

(b) Unless otherwise provided in an agreement negotiated pursuant to Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, the governing board shall, no later than the 10th day of each pay period for academic employees, draw its order upon the funds of the district in favor of the organization designated by the employee for an amount equal to the total of the dues or other deductions made with respect to that organization for the previous pay period and shall transmit the total amount to that organization no later than the 15th day of each pay period for academic employees. When timely transmittal of dues or other payments by a county is necessary for a community college district to comply with the provisions of this section, the county shall act in a timely manner. ~~If the employees of a district do not authorize the board to make a deduction to pay their pro rata share of the costs of making deductions for the payment of dues, the~~ The board shall deduct from the amount transmitted to the organization on whose account the dues or other payments were deducted the actual reasonable, one-time startup costs of making the deduction. deductions. These deductions shall not exceed the actual cost to the district to start making the deductions.

~~The~~

(c) The revocable written authorization shall remain in effect until expressly revoked in writing by the ~~employee~~ employee, pursuant to the terms of the written authorization. Whenever there is a change in the amount required for the payment to the organization, the employee organization shall provide the employee with adequate and necessary data on the change at a time sufficiently prior to the effective date of the change to allow the employee an opportunity to revoke the written authorization, ~~if desired~~ desired and if permitted by the terms of the written authorization. The employee organization shall provide the public school employer with notification of the change at a time sufficiently prior to the effective date of the change to allow the employer an opportunity to make the necessary adjustments and with a copy of the notification of the change which has been sent to all concerned employees.

~~The~~

(d) The governing board shall not require the completion of a new deduction authorization when a dues or other change has been effected or at any other time without the express approval of the concerned employee organization.

(e) The governing board shall honor the terms of the employee's written authorization for payroll deductions. Prior to processing a revocation request, the governing board shall either provide a copy of the request to the applicable employee

organization or confirm that the employee has sent it a copy, and shall provide the organization five days in which to advise the district whether the request is in conformity with the authorization. The governing board may rely on the employee organization's statement that the request is not in conformity with the authorization, and the employee organization shall indemnify the district for any claims made by the employee for deductions made in reliance on that statement.

(f) After receiving notification from a certified or recognized employee organization that it possesses a written authorization for deduction, the governing board of the community college shall commence the first deduction in the next pay period following the closing date for receipt of changes in pay warrants. A certified or recognized employee organization that certifies that it has and will maintain individual employee authorizations shall not be required to submit to the governing board of a community college district a copy of the employee's written authorization in order for the payroll deductions described in this section to be effective, unless a dispute arises about the existence or terms of the written authorization. The employee organization shall indemnify the district for any claims made by the employee for deductions made in reliance on its notification.

SEC. 3. Section 1150 of the Government Code is amended to read:

1150. As used in this article:

(a) "State employee" means all persons who receive wages for services through the uniform payroll system established and administered by the Controller under Section 12470.

(b) "Public agency" includes counties, cities, municipal corporations, political subdivisions, public districts, and other public agencies of the state.

(c) "Employee organization" means an organization which represents employees of the state or the California State University in their employer-employee relations, and which is registered with the Department of Human Resources or the Trustees of the California State University, or which of a public employer and that has been recognized or certified by the public employer or the Public Employment Relations Board. Board as the exclusive representative of the employees.

(d) "Bona fide association" means an organization of employees and former employees of an agency of the state and the California State University, and which does not have as one of its purposes representing these employees in their employer-employee relations.

(e) "Deduction" does not include direct deposit by electronic fund transfer, as authorized by Sections 7506 and 12480.

(f) (1) "Public employer" means the state, the Regents of the University of California, the Trustees of the California State University and the California State University, the Judicial Council, a trial court, a county, city, district, public authority, including transit district, public agency, or any other political subdivision or public corporation of the state, except as provided in paragraph (2).

(2) A school district or community college district is not a public employer for purposes of transmittal of payroll deductions to professional organizations or employee organizations. These entities shall be governed by Sections 45060, 45168, 87833, and 88167 Education Code, as may be applicable.

SEC. 4. Section 1152 of the Government Code is amended to read:

1152. Deductions may be requested by employee organizations and bona fide associations from the salaries and wages of their members, and public employers shall honor these requests, as follows:

(a) Employee organizations may request membership dues, initiation fees, and general assessments, as well as payment of any other membership benefit program sponsored by the organization.

(b) Bona fide associations may request membership dues and initiation fees.

The Controller shall not be required to make any benefit deductions for an employee member whose membership dues are not deducted.

SEC. 5. Section 1153 of the Government Code is amended to read:

1153. The public employer or the Controller shall provide for the administration of payroll deductions as set forth in Sections 1151, 1151.5, and 1152, 1152, and 1157.3, salary reductions pursuant to Section 12420.2, and may establish, by rule or regulation, procedures for that purpose. Those purposes, after the public employer or the state meets and confers with the applicable employee organization.

In administering these programs the public employer or the Controller shall:

(a) Make, cancel, or change a deduction or reduction at the request of the person or organization authorized to have receive the deduction or reduction. All requests shall be made on forms approved by the Controller.

(b) Obtain a certification from any state agency, employee organization, or business entity requesting a deduction or reduction that they have and will maintain an authorization, signed by the individual from whose salary or wages the deduction or reduction is to be made. An employee organization that certifies that it has and will maintain individual employee authorizations shall not be required to provide a copy of an individual authorization to the public employer or the Controller unless a dispute arises about the existence or terms of the authorization.

(c) Provide for an agreement from individuals, organizations, and business entities receiving services to relieve the state, its officers and employees, of any liability that may result from making, canceling, or changing requested deductions or reductions. However, no financial institution receiving a payroll service pursuant to this section shall be required to reimburse the state for any error in the payroll service received by that financial institution after 90 days from the month in which the payroll service was deducted from an individual's paycheck.

(d) Determine the cost of performing the requested service and collect that cost from the organization, entity, or individual requesting or authorizing the service. Services requested which are incidental, but not necessary, to making the deduction may be performed at the Controller's discretion with any additional cost to be paid by the requester. At least 30 days prior to implementation of any adjustment of employee costs pursuant to Section 12420.2, the Controller shall notify in writing any affected employee organization. If the requestor is an employee organization, the public employer or the Controller may charge the employee organization reasonable one-time startup costs, if any, for making the deductions.

(e) Prior to making a deduction for an employee organization or a bona fide association, determine that the organization or association has been recognized, certified, or registered by the appropriate authority.

~~(f) Decline to make salary services for any individual, organization, or entity if the Controller determines that it is not administratively feasible or practical, or if the~~

Controller determines that the individual, organization, or entity requesting or receiving the salary service has failed to comply with any statute, rule, regulation, or procedure for the administration of salary services:

(f) After receiving notification from the employee organization that it possesses a written authorization for deduction, commence the first deduction in the next pay period following the closing date for receipt of changes in pay warrants. The employee organization shall indemnify the public employer or Controller for any claims made by the employee for deductions made in reliance on that notification.

(g) Make, cancel, or change a deduction or reduction not later than the month subsequent to the month in which the request is received, except that a deduction for an employee organization can be revoked only pursuant to the terms of the employee's written authorization. Prior to processing a revocation request, the public employer or Controller shall either provide a copy of the request to the employee organization, or confirm that the employee has sent it a copy, and shall provide the organization five days in which to advise the public employer or Controller whether the request is in conformity with the authorization. The public employer or Controller may rely on the employee organization's statement that the request is not in conformity with the authorization, and the employee organization shall indemnify the public employer or Controller for any claims made by the employee for deductions made in reliance on that statement. Except as provided in subdivision (c), all cancellations or changes shall be effective when made by the public employer or the Controller.

(h) At the request of a state agency, transfer employee deduction authorization for a state-sponsored benefit program from one provider to another if the benefit and the employee contribution remain substantially the same. Notice of the transfer shall be given by the Controller to all affected employees.

SEC. 6. Section 1157.3 of the Government Code is amended to read:

1157.3. (a) Employees, including retired employees, of a public agency employer in addition to any other purposes authorized in this article, on approval of the governing body of such public agency, article, may also authorize deductions to be made from their salaries, wages, or retirement allowances for the payment of dues in, or for any other service, program, or committee provided or sponsored by, any bona fide employee organization whose membership is comprised, in whole or in part, of employees of such agency, the public employer and employees of such organization and which has as one of its objectives improvements in the terms or conditions of employment for the advancement of the welfare of such employees, such deductions to be made in accordance with the provisions made by the governing body of the public agency, the employees.

(b) The public employer shall honor employee authorizations for the deductions described in subdivision (a). The revocability of an authorization shall be determined by the terms of the authorization.

SEC. 7. Section 1157.10 of the Government Code is repealed.

1157.10. Payroll deductions for state employees of public agencies, other than those under the uniform payroll system, shall be administered by the appropriate officer of the public agency. In administering payroll deductions the officer shall do all of the following:

(a) ~~Make, cancel, or change a deduction at the request of the person or organization authorized to have the deduction. All requests shall be on forms approved by the public agency.~~

(b) ~~Obtain a certification from any state agency, employee organization, or business entity requesting a deduction that they have, and will maintain, an authorization to make the deduction, signed by the individual from whose salary or wages the deduction is to be made.~~

(c) ~~Provide for an agreement from organizations and business entities receiving deductions to relieve the public agency, its officers and employees, of any liability that may result from making, canceling, or changing requested deductions.~~

(d) ~~Determine the cost of performing the requested deduction service and collect that cost from the organization, entity, or individual requesting or authorizing the deduction. Services requested which are incidental, but not necessary, to making the deduction may be performed at the public agency's discretion, with any additional cost to be paid by the requester.~~

(e) ~~Prior to making a deduction for an employee organization or a bona fide association, determine that the organization or association has been recognized or registered by the appropriate authority.~~

(f) ~~Decline to make deductions for any individual, organization, or entity if the public agency determines that it is not administratively feasible or practical to make the deduction.~~

(g) ~~Make, cancel, or change a deduction not later than the month subsequent to the month in which the request is received. All deductions, cancellations, or changes shall be effective when made by the public agency.~~

SEC. 8. Section 71638 of the Government Code is amended to read:

71638. A trial court employee shall have the right to ~~authorize~~ authorize, and the trial court employer shall honor, a dues deduction from his or her salary or wages ~~in the same manner provided to public agency employees pursuant to as provided in~~ Section 1152, 1153, 1157.1, 1157.2, 1157.3, 1157.4, 1157.5, or 1157.7.

SEC. 9. Section 71824 of the Government Code is amended to read:

71824. A court interpreter may ~~authorize~~ authorize, and the trial court employer shall honor, a dues deduction from his or her salary or wages ~~in the same manner provided to public agency employees pursuant to as provided in~~ Section 1152, 1153, 1157.1, 1157.2, 1157.3, 1157.4, 1157.5, or 1157.7.

SEC. 10. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

Amendment 3

On page 2, strike out lines 1 to 16, inclusive

AMENDMENTS TO ASSEMBLY BILL NO. 1939

Amendment 1

In the title, in line 1, strike out "relating to abuse." and insert:

to amend Section 13957 of the Government Code, relating to crime victims, and making an appropriation therefor.

Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 13957 of the Government Code is amended to read:

13957. (a) The board may grant for pecuniary loss, when the board determines it will best aid the person seeking compensation, as follows:

(1) Subject to the limitations set forth in Section 13957.2, reimburse the amount of medical or medical-related expenses incurred by the victim for services that were provided by a licensed medical provider, including, but not limited to, eyeglasses, hearing aids, dentures, or any prosthetic device taken, lost, or destroyed during the commission of the crime, or the use of which became necessary as a direct result of the crime.

(2) Subject to the limitations set forth in Section 13957.2, reimburse the amount of outpatient psychiatric, psychological, or other mental health counseling-related expenses incurred by the victim or derivative victim, including peer counseling services provided by a rape crisis center as defined by Section 13837 of the Penal Code, and including family psychiatric, psychological, or mental health counseling for the successful treatment of the victim provided to family members of the victim in the presence of the victim, whether or not the family member relationship existed at the time of the crime, that became necessary as a direct result of the crime, subject to the following conditions:

(A) The following persons may be reimbursed for the expense of their outpatient mental health counseling in an amount not to exceed ten thousand dollars (\$10,000):

(i) A victim.

(ii) A derivative victim who is the surviving parent, grandparent, sibling, child, grandchild, spouse, fiancé, or fiancée of a victim of a crime that directly resulted in the death of the victim.

(iii) A derivative victim, as described in paragraphs (1) to (4), inclusive, of subdivision (c) of Section 13955, who is the primary caretaker of a minor victim whose claim is not denied or reduced pursuant to Section 13956 in a total amount not to exceed ten thousand dollars (\$10,000) for not more than two derivative victims.

(B) The following persons may be reimbursed for the expense of their outpatient mental health counseling in an amount not to exceed five thousand dollars (\$5,000):

(i) A derivative victim not eligible for reimbursement pursuant to subparagraph (A), provided that mental health counseling of a derivative victim described in paragraph (5) of subdivision (c) of Section 13955, shall be reimbursed only if that counseling is necessary for the treatment of the victim.



(ii) A minor who suffers emotional injury as a direct result of witnessing a violent crime and who is not eligible for reimbursement of the costs of outpatient mental health counseling under any other provision of this chapter. To be eligible for reimbursement under this clause, the minor must have been in close proximity to the victim when he or she witnessed the crime.

(C) The board may reimburse a victim or derivative victim for outpatient mental health counseling in excess of that authorized by subparagraph (A) or (B) or for inpatient psychiatric, psychological, or other mental health counseling if the claim is based on dire or exceptional circumstances that require more extensive treatment, as approved by the board.

(D) Expenses for psychiatric, psychological, or other mental health counseling-related services may be reimbursed only if the services were provided by either of the following individuals:

(i) A person who would have been authorized to provide those services pursuant to former Article 1 (commencing with Section 13959) as it read on January 1, 2002.

(ii) A person who is licensed in California to provide those services, or who is properly supervised by a person who is licensed in California to provide those services, subject to the board's approval and subject to the limitations and restrictions the board may impose.

(3) Subject to the limitations set forth in Section 13957.5, authorize compensation equal to the loss of income or loss of support, or both, that a victim or derivative victim incurs as a direct result of the victim's or derivative victim's injury or the victim's death. If the victim or derivative victim requests that the board give priority to reimbursement of loss of income or support, the board may not pay medical expenses, or mental health counseling expenses, except upon the request of the victim or derivative victim or after determining that payment of these expenses will not decrease the funds available for payment of loss of income or support.

(4) Authorize a cash payment to or on behalf of the victim for job retraining or similar employment-oriented services.

(5) Reimburse the expense of installing or increasing residential security, not to exceed one thousand dollars (\$1,000). Installing or increasing residential security may include, but need not be limited to, both of the following:

(A) Home security device or system.

(B) Replacing or increasing the number of locks.

(6) Reimburse the expense of renovating or retrofitting a victim's residence, or the expense of modifying or purchasing a vehicle, to make the residence or the vehicle accessible or operational by a victim upon verification that the expense is medically necessary for a victim who is permanently disabled as a direct result of the crime, whether the disability is partial or total.

(7) (A) Authorize a cash payment or reimbursement not to exceed two thousand dollars (\$2,000) to a victim for expenses incurred in relocating, if the expenses are determined by law enforcement to be necessary for the personal safety of the victim or by a mental health treatment provider to be necessary for the emotional well-being of the victim. For purposes of this paragraph, "expenses incurred in relocating" may include the costs of temporary housing for pets of the victim upon immediate relocation.

(B) The cash payment or reimbursement made under this paragraph shall only be awarded to one claimant per crime giving rise to the relocation. The board may

authorize more than one relocation per crime if necessary for the personal safety or emotional well-being of the claimant. However, the total cash payment or reimbursement for all relocations due to the same crime shall not exceed two thousand dollars (\$2,000). For purposes of this paragraph a claimant is the crime victim, or, if the victim is deceased, a person who resided with the deceased at the time of the crime.

(C) The board may, under compelling circumstances, award a second cash payment or reimbursement to a victim for another crime if both of the following conditions are met:

(i) The crime occurs more than three years from the date of the crime giving rise to the initial relocation cash payment or reimbursement.

(ii) The crime does not involve the same offender.

(D) When a relocation payment or reimbursement is provided to a victim of sexual assault or domestic violence and the identity of the offender is known to the victim, the victim shall agree not to inform the offender of the location of the victim's new residence and not to allow the offender on the premises at any time, or shall agree to seek a restraining order against the offender. A victim may be required to repay the relocation payment or reimbursement to the board if he or she violates the terms set forth in this paragraph.

(E) Notwithstanding subparagraphs (A) and (B), the board may increase the cash payment or reimbursement for expenses incurred in relocating to an amount greater than two thousand dollars (\$2,000), if the board finds this amount is appropriate due to the unusual, dire, or exceptional circumstances of a particular claim.

(F) If a security deposit is required for relocation, the board shall be named as the recipient and receive the funds upon expiration of the victim's rental agreement.

(8) When a victim dies as a result of a crime, the board may reimburse any individual who voluntarily, and without anticipation of personal gain, pays or assumes the obligation to pay any of the following expenses:

(A) The medical expenses incurred as a direct result of the crime in an amount not to exceed the rates or limitations established by the board.

(B) The funeral and burial expenses incurred as a direct result of the crime, not to exceed seven thousand five hundred dollars (\$7,500). The board shall not create or comply with a regulation or policy that mandates a lower maximum potential amount of an award pursuant to this subparagraph for less than seven thousand five hundred dollars (\$7,500).

(9) When the crime occurs in a residence or inside a vehicle, the board may reimburse any individual who voluntarily, and without anticipation of personal gain, pays or assumes the obligation to pay the reasonable costs to clean the scene of the crime in an amount not to exceed one thousand dollars (\$1,000). Services reimbursed pursuant to this subdivision shall be performed by persons registered with the State Department of Public Health as trauma scene waste practitioners in accordance with Chapter 9.5 (commencing with Section 118321) of Part 14 of Division 104 of the Health and Safety Code.

(10) When the crime is a violation of Section 600.2 or 600.5 of the Penal Code, the board may reimburse the expense of veterinary services, replacement costs, or other reasonable expenses, as ordered by the court pursuant to Section 600.2 or 600.5 of the Penal Code, in an amount not to exceed ten thousand dollars (\$10,000).

34532

03/08/18 08:39 AM
RN 18 09098 PAGE 4
Substantive

(11) An award of compensation pursuant to paragraph (5) of subdivision (f) of Section 13955 shall be limited to compensation to provide mental health counseling and shall not limit the eligibility of a victim for an award that he or she may be otherwise entitled to receive under this part. A derivative victim shall not be eligible for compensation under this provision.

(b) The total award to or on behalf of each victim or derivative victim may not exceed thirty-five thousand dollars (\$35,000), except that this award may be increased to an amount not exceeding seventy thousand dollars (\$70,000) if federal funds for that increase are available.

Amendment 3
On page 2, strike out lines 1 to 9, inclusive

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 1946

Amendment 1

In the title, strike out lines 1 and 2 and insert:

An act to amend Section 368 of the Penal Code, relating to elder and dependent adult abuse.

Amendment 2

On page 1, before line 1, insert:

SECTION 1. Section 368 of the Penal Code is amended to read:

368. (a) The Legislature finds and declares that crimes against elders and dependent adults are deserving of special consideration and protection, not unlike the special protections provided for minor children, because elders and dependent adults may be confused, on various medications, mentally or physically impaired, or incompetent, and therefore less able to protect themselves, to understand or report criminal conduct, or to testify in court proceedings on their own behalf.

(b) (1) Any person who knows or reasonably should know that a person is an elder or dependent adult and who, under circumstances or conditions likely to produce great bodily harm or death, willfully causes or permits any elder or dependent adult to suffer, or inflicts thereon unjustifiable physical pain or mental suffering, or having the care or custody of any elder or dependent adult, willfully causes or permits the person or health of the elder or dependent adult to be injured, or willfully causes or permits the elder or dependent adult to be placed in a situation in which his or her person or health is endangered, is punishable by imprisonment in a county jail not exceeding one year, or by a fine not to exceed six thousand dollars (\$6,000), or by both that fine and imprisonment, or by imprisonment in the state prison for two, three, or four years.

(2) If, in the commission of an offense described in paragraph (1), the victim suffers great bodily injury, as defined in Section 12022.7, the defendant shall receive an additional term in the state prison as follows:

(A) Three years if the victim is under 70 years of age.

(B) Five years if the victim is 70 years of age or older.

(3) If, in the commission of an offense described in paragraph (1), the defendant proximately causes the death of the victim, the defendant shall receive an additional term in the state prison as follows:

(A) Five years if the victim is under 70 years of age.

(B) Seven years if the victim is 70 years of age or older.

(c) (1) Any person who knows or reasonably should know that a person is an elder or dependent adult and who, under circumstances or conditions other than those likely to produce great bodily harm or death, willfully causes or permits any elder or dependent adult to suffer, or inflicts thereon unjustifiable physical pain or mental suffering, or having the care or custody of any elder or dependent adult, willfully causes or permits the person or health of the elder or dependent adult to be injured or willfully causes or permits the elder or dependent adult to be placed in a situation in which his



or her person or health may be endangered, is guilty of a misdemeanor. A second or subsequent violation of this subdivision is punishable by a fine not to exceed two thousand dollars (\$2,000), or by imprisonment in a county jail not to exceed one year, or by both that fine and imprisonment.

(2) Any person who violates paragraph (1) against a resident of an unlicensed residential care facility for the elderly, as defined in Section 1569.44 of the Health and Safety Code, or against an adult resident of an unlicensed community care facility, as defined in Section 1503.5 of the Health and Safety Code, while owning, managing, or helping to operate that facility is guilty of a felony and shall be punished pursuant to subdivision (h) of Section 1170.

(d) Any person who is not a caretaker who violates any provision of law proscribing theft, embezzlement, forgery, or fraud, or who violates Section 530.5 proscribing identity theft, with respect to the property or personal identifying information of an elder or a dependent adult, and who knows or reasonably should know that the victim is an elder or a dependent adult, is punishable as follows:

(1) By a fine not exceeding two thousand five hundred dollars (\$2,500), or by imprisonment in a county jail not exceeding one year, or by both that fine and imprisonment, or by a fine not exceeding ten thousand dollars (\$10,000), or by imprisonment pursuant to subdivision (h) of Section 1170 for two, three, or four years, or by both that fine and imprisonment, when the moneys, labor, goods, services, or real or personal property taken or obtained is of a value exceeding nine hundred fifty dollars (\$950).

(2) By a fine not exceeding one thousand dollars (\$1,000), by imprisonment in a county jail not exceeding one year, or by both that fine and imprisonment, when the moneys, labor, goods, services, or real or personal property taken or obtained is of a value not exceeding nine hundred fifty dollars (\$950).

(e) Any caretaker of an elder or a dependent adult, or anyone who has a business relationship with an elder or dependent adult, who violates any provision of law proscribing theft, embezzlement, forgery, or fraud, or who violates Section 530.5 proscribing identity theft, with respect to the property or personal identifying information of that elder or dependent adult, is punishable as follows:

(1) (A) By a fine not exceeding two thousand five hundred dollars (\$2,500), or by imprisonment in a county jail not exceeding one year, or by both that fine and imprisonment, or by a fine not exceeding ten thousand dollars (\$10,000), or by imprisonment pursuant to subdivision (h) of Section 1170 for two, three, or four years, or by both that fine and imprisonment, when the moneys, labor, goods, services, or real or personal property taken or obtained is of a value exceeding nine hundred fifty dollars (\$950).

(B) If, in the commission of an offense punishable pursuant to subparagraph (A), the elder or dependent adult is transported from one residential location to another residential location in furtherance of the offense, the offense is punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by imprisonment in a county jail not exceeding one year, or by both that fine and imprisonment, or by imprisonment in the state prison for two, three, or four years.

(2) By a fine not exceeding one thousand dollars (\$1,000), by imprisonment in a county jail not exceeding one year, or by both that fine and imprisonment, when the

moneys, labor, goods, services, or real or personal property taken or obtained is of a value not exceeding nine hundred fifty dollars (\$950).

(f) Any person who commits the false imprisonment of an elder or a dependent adult by the use of violence, menace, fraud, or deceit is punishable by imprisonment pursuant to subdivision (h) of Section 1170 for two, three, or four years.

(g) As used in this section, "elder" means any person who is 65 years of age or older.

(h) As used in this section, "dependent adult" means any person who is between ~~the ages of 18 and 64, to 64 years of age, inclusive,~~ who has physical or mental limitations which restrict his or her ability to carry out normal activities or to protect his or her rights, including, but not limited to, persons who have physical or developmental disabilities or whose physical or mental abilities have diminished because of age. "Dependent adult" includes any person between the ages of 18 and to 64 years of age, inclusive, who is admitted as an inpatient to a 24-hour health facility, as defined in Sections 1250, 1250.2, and 1250.3 of the Health and Safety Code, or who resides in a community care facility as defined by subdivision (a) of Section 1502 of the Health and Safety Code or in an unlicensed community care facility, as defined in Section 1503.5 of the Health and Safety Code.

(i) As used in this section, "caretaker" means any person who has the care, custody, or control of, or who stands in a position of trust with, an elder or a dependent adult.

(j) Nothing in this section shall preclude prosecution under both this section and Section 187 or 12022.7 or any other provision of law. However, a person shall not receive an additional term of imprisonment under both paragraphs (2) and (3) of subdivision (b) for any single offense, nor shall a person receive an additional term of imprisonment under both Section 12022.7 and paragraph (2) or (3) of subdivision (b) for any single offense.

(k) In any case in which a person is convicted of violating these provisions, the court may require him or her to receive appropriate counseling as a condition of probation. Any defendant ordered to be placed in a counseling program shall be responsible for paying the expense of his or her participation in the counseling program as determined by the court. The court shall take into consideration the ability of the defendant to pay, and no defendant shall be denied probation because of his or her inability to pay.

(l) Upon conviction for a violation of subdivision (b), (c), (d), (e), or (f), the sentencing court shall also consider issuing an order restraining the defendant from any contact with the victim, which may be valid for up to 10 years, as determined by the court. It is the intent of the Legislature that the length of any restraining order be based upon the seriousness of the facts before the court, the probability of future violations, and the safety of the victim and his or her immediate family. This protective order may be issued by the court whether the defendant is sentenced to state prison or county jail, or if imposition of sentence is suspended and the defendant is placed on probation.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime

22175

03/05/18 10:16 AM
RN 18 08960 PAGE 4
Substantive

or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Amendment 3

On page 1, strike out lines 1 to 6, inclusive, and strike out pages 2 to 5, inclusive

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 1965

Amendment 1

In the title, in line 1, strike out "19855" and insert:

19867

Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 19867 of the Business and Professions Code is amended to read:

19867. (a) An application for a license or a determination of suitability shall be accompanied by the deposit of a sum of money that, in the judgment of the chief, will be adequate to pay the anticipated costs and charges incurred in the investigation and processing of the application. The chief shall adopt a schedule of costs and charges of investigation for use as guidelines in fixing the amount of any required deposit under this section. The schedule shall distinguish between initial and renewal licenses with respect to costs and charges.

(b) During an investigation, the chief may require an applicant to deposit any additional sums as are required by the department to pay final costs and charges of the investigation.

(c) Any money received from an applicant in excess of the costs and charges incurred in the investigation or the processing of the application shall be refunded pursuant to regulations adopted by the department. At the conclusion of the investigation, the chief shall provide the applicant a written, itemized accounting of the costs and charges thereby incurred.

(d) The department and the commission shall establish an enhanced fee schedule for applicants who wish to have their applications processed and background investigations conducted in an expedited manner. The payment of those enhanced fees shall entitle the applicants to have their applications processed in a shorter period of time than normally would be the case. The amount of the fee shall be set to reflect the reasonable costs to the department and the commission of providing the expedited review.

Amendment 3

On page 2, strike out lines 1 to 10, inclusive



AMENDMENTS TO ASSEMBLY BILL NO. 1969

Amendment 1

In the title, in line 1, after "act" insert:

to amend Section 99268.2 of the Public Utilities Code,

Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 99268.2 of the Public Utilities Code is amended to read:

99268.2. (a) In the case of an operator required to be in compliance with Section 99268 under Section 99268.1, the operator may be allocated additional funds that could not be allocated to it because of those requirements, if it maintains, for the fiscal year, a ratio of fare revenues to operating cost, as defined by subdivision (a) of Section 99247, at least equal to one-fifth if serving an urbanized area or one-tenth if serving a nonurbanized ~~area~~ area, except as described in subdivision (b).

(b) (1) An operator that fails to maintain the ratio described in subdivision (a) may request an exemption from the California Transportation Commission, and shall be granted a temporary exemption while the California Transportation Commission determines whether to grant the request. An operator operating pursuant to either exemption may be allocated the additional funds described in subdivision (a).

(2) The California Transportation Commission may grant the operator's exemption request and, upon granting the request, may instead require the operator to maintain a lower ratio, which shall be determined by the commission.

(3) In determining whether to grant the operator's exemption request, the California Transportation Commission shall consider all of the following:

(A) The population served by the operator, including the population's affluence and dependence on public transit.

(B) The geographic area served by the operator.

(C) The availability of local funds to meet the ratio.

(D) The price of the operator's fares in comparison to similar operators.

Amendment 3

On page 2, strike out lines 1 to 3, inclusive



AMENDMENTS TO ASSEMBLY BILL NO. 1990

Amendment 1

In the title, in line 1, strike out "4417" and insert:

4681.1

Amendment 2

On page 2, before line 1, insert:

SECTION 1. Section 4681.1 of the Welfare and Institutions Code is amended to read:

4681.1. (a) The department shall adopt regulations that specify rates for community care facilities serving persons with developmental disabilities. The implementation of the regulations shall be contingent upon an appropriation in the annual Budget Act for this purpose. These rates shall be calculated on the basis of a cost model designed by the department that ensures that aggregate facility payments support the provision of services to each person in accordance with his or her individual program plan and applicable program requirements. The cost model shall reflect cost elements that shall include, but are not limited to, all of the following:

(1) "Basic living needs" include utilities, furnishings, food, supplies, incidental transportation, housekeeping, personal care items, and other items necessary to ensure a quality environment for persons with developmental disabilities. The amount identified for the basic living needs element of the rate shall be calculated as the average projected cost of these items in an economically and efficiently operated community care facility.

(2) "Direct care" includes salaries, wages, benefits, and other expenses necessary to supervise or support the person's functioning in the areas of self-care and daily living skills, physical coordination mobility, and behavioral self-control, choice making, and integration. The amount identified for direct care shall be calculated as the average projected cost of providing the level of service required to meet each person's functional needs in an economically and efficiently operated community care facility. The direct care portion of the rate shall reflect specific service levels defined by the department on the basis of relative resident need and the individual program plan.

(3) "Special services" include specialized training, treatment, supervision, or other services that a person's individual program plan requires to be provided by the residential facility in addition to the direct care provided under paragraph (2). The amount identified for special services shall be calculated for each individual based on the additional services specified in the person's individual program plan and the prevailing rates paid for similar services in the area. The special services portion of the rate shall reflect a negotiated agreement between the facility and the regional center in accordance with Section 4648.

(4) "Indirect costs" include managerial personnel, facility operation, maintenance and repair, other nondirect care, employee benefits, contracts, training, travel, licenses, taxes, interest, insurance, depreciation, and general administrative expenses. The amount



identified for indirect costs shall be calculated as the average projected cost for these expenses in an economically and efficiently operated community care facility.

(5) "Property costs" include mortgages, leases, rent, taxes, capital or leasehold improvements, depreciation, and other expenses related to the physical structure. The amount identified for property costs shall be based on the fair rental value of a model facility that is adequately designed, constructed, and maintained to meet the needs of persons with developmental disabilities. The amount identified for property costs shall be calculated as the average projected fair rental value of an economically and efficiently operated community care facility.

(b) The cost model shall take into account factors that include, but are not limited to, all of the following:

(1) Facility size, as defined by the department on the basis of the number of facility beds licensed by the State Department of Social Services and vendorized by the regional center.

(2) Specific geographic areas, as defined by the department on the basis of cost of living and other pertinent economic indicators.

(3) Common levels of direct care, as defined by the department on the basis of services specific to an identifiable group of persons as determined through the individual program plan.

(4) Positive outcomes, as defined by the department on the basis of increased integration, independence, and productivity at the aggregate facility and individual consumer level.

(5) Owner-operated and staff-operated reimbursement, which shall not differ for facilities that are required to comply with the same program requirements.

(c) The rates established for individual community care facilities serving persons with developmental disabilities shall reflect all of the model cost elements and rate development factors described in this section. The cost model design shall include a process for updating the cost model elements that address variables, including, but not limited to, all of the following:

(1) Economic trends in California.

(2) New state or federal program requirements.

(3) Changes in the state or federal minimum wage.

(4) Increases in fees, taxes, or other business costs.

(5) Increases in federal supplemental security income/state supplementary program for the aged, blind, and disabled payments.

(d) Rates established for persons with developmental disabilities who are also dually diagnosed with a mental health disorder may be fixed at a higher rate. The department shall work with the State Department of Health Care Services to establish criteria upon which higher rates may be fixed pursuant to this subdivision. The higher rate for persons with developmental disabilities who are also dually diagnosed with a mental health disorder may be paid when requested by the director of the regional center and approved by the Director of Developmental Services.

(e) By January 1, 2001, the department shall prepare proposed regulations to implement the changes outlined in this section. The department may use a private firm to assist in the development of these changes and shall confer with consumers, providers, and other interested parties concerning the proposed regulations. By May 15, 2001, and each year thereafter, the department shall provide the Legislature with annual

54777

03/08/18 12:26 PM

RN 18 08719 PAGE 3

Substantive

community care facility rates, including any draft amendments to the regulations as required. By July 1, 2001, and each year thereafter, contingent upon an appropriation in the annual Budget Act for this purpose, the department shall adopt emergency regulations that establish the annual rates for community care facilities serving persons with developmental disabilities for each fiscal year.

(f) ~~During the first year of operation under the revised rate model, individual~~
Individual facilities shall be held harmless for any reduction in aggregate facility payments caused solely by the change in reimbursement methodology.

Amendment 3

On page 2, strike out lines 1 to 25, inclusive

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 2024

Amendment 1

In the title, in line 1, strike out "amend Section 4152.5 of" and insert:
add Article 8.7 (commencing with Section 5180) to Chapter 1 of Division 3 of

Amendment 2

On page 1, before line 1, insert:

SECTION 1. Article 8.7 (commencing with Section 5180) is added to Chapter 1 of Division 3 of the Vehicle Code, to read:

Article 8.7. Farm License Plates

5180. At the request of an applicant and upon payment of appropriate fees, the department shall issue a farm license plate for a vehicle that is designed to transport property on a highway if the applicant states that the vehicle or vehicle when used in combination with another vehicle will meet the following conditions:

(a) When used in commerce, the vehicle is operated by the owner or operator of a farm or ranch, or an employee or family member of an owner or operator of a farm or ranch.

(b) When used in commerce, the vehicle is used to transport agricultural commodities, livestock, machinery, or supplies to or from a farm or ranch.

(c) The vehicle is not used in for-hire motor carrier operations. Notwithstanding Section 34601, the operation of a vehicle that meets the requirements of subdivision (a) or (b) by a tenant pursuant to a crop share farm lease agreement to transport the landlord's portion of the crops is not a for-hire motor carrier operation.

5181. (a) The design of the farm license plates shall clearly make visible the word "FARM."

(b) The department shall issue farm license plates for vehicles that meet the requirements of Section 5180 with suitable distinguishing marks for vehicles that have a gross weight vehicle rating of less than 26,001 pounds, and for vehicles that will operate in combination with another vehicle and that have a combined gross vehicle rating of less than 26,001 pounds.

(c) The department shall issue farm license plates for vehicles that meet the requirements of Section 5180 with suitable distinguishing marks for vehicles that have a gross weight vehicle rating of 26,001 pounds or more, and for vehicles that will operate in combination with another vehicle and that have a combined gross vehicle rating of 26,001 pounds or more.

5182. In addition to the regular fees for an original or renewal registration, the following additional fees for issuance, renewal, retention, or transfer of the farm plates shall apply:

(a) Fifty dollars (\$50) for the original issuance of a farm license plate.

(b) Fifty dollars (\$50) for the transfer of a farm license plate.



37257

03/12/18 03:03 PM
RN 18 08838 PAGE 2
Substantive

(c) Fifty dollars (\$50) for the replacement of a farm license plate.

Amendment 3

On page 1, strike out lines 1 to 5, inclusive, and strike out page 2

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 2025

Amendment 1

In the title, in line 1, after the first "to" insert:

add Chapter 9.3 (commencing with Section 9610) to Division 8.5 of the Welfare and Institutions Code,

Amendment 2

In the title, in line 1, strike out "elderly." and insert:

elderly, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds.

Amendment 3

On page 1, before line 1, insert:

SECTION 1. Chapter 9.3 (commencing with Section 9610) is added to Division 8.5 of the Welfare and Institutions Code, to read:

CHAPTER 9.3. ELDERS LIVING WITH DIGNITY, EMPATHY, RESPECT, AND SUPPORT
(ELDERS) BOND ACT OF 2020

Article 1. General Provisions

9610. This chapter shall be known, and may be cited, as the Elders Living with Dignity, Empathy, Respect, and Support (ELDERS) Bond Act of 2020.

9611. The Legislature finds and declares all of the following:

(a) California supports the dignity and independence of seniors and persons with disabilities and their choice to live in the most integrated setting appropriate, in their own home or community-based setting, and to be free from unnecessary institutionalization.

(b) In 2016, the Legislative Analyst's Office reported that seniors represented 13 percent of California's population, but by 2060 seniors are projected to represent 24 percent, or one in four, of California's population.

(c) Over this period, the senior population is projected to increase more than twofold, from 5.2 million to 12.2 million, while the population under 65 years of age is projected to grow only 17 percent, from 33.7 million to 39.5 million.

(d) The largest growth of seniors during this period is projected to occur among the population of 85 years of age or older. That number is expected to increase over threefold, from about 700,000 in 2015 to over 2.5 million in 2060. Age is a factor in



rates of disability, with persons 85 years of age or older experiencing higher rates of disability than persons 65 to 84 years of age, inclusive.

(e) By 2030, California's senior population is projected to shift from being majority white to majority nonwhite. Rates of disability vary by race and this projected shift in demographics is likely to have an impact on the number of seniors with disabilities in California.

(f) More than six million adults in California provided informal care for a family member or a friend in 2009. The ratio of working-age Californians to seniors is projected to decrease roughly 50 percent from 2015 to 2060, impacting both formal and informal caregiving availability.

(g) Evidence indicates that informal caregivers face significant negative physical and emotional health outcomes and economic burdens.

(h) In contrast to the explosive growth of seniors and persons with disabilities, over the past decade, long-term services and supports (LTSS) programs and services have been eliminated, closed, or eroded, leaving a majority of California counties without community-based options.

(i) Today, California confronts a crisis of inadequate program capacity and insufficient or deteriorating infrastructure, requiring urgent action to meet the current demand and the projected growth in the population seeking alternatives to institutional care.

(j) It is in California's interest to invest in a public-private partnership to promote the startup or expansion of person-centered, community-based day programs that serve the needs of a broad range of persons from low to upper-middle incomes, inclusive.

(k) Such investment supports a consumer choice to receive services in his or her own neighborhood, improves quality of life and independence, blends public and personal funds, improves access to affordable care, and avoids significantly higher taxpayer costs associated with nursing home placement.

9612. As used in this chapter:

(a) "Acquisition" means obtaining ownership of a property or an existing facility in fee simple or by lease for 10 years or more for use as an eligible facility.

(b) "Authority" means the California Health Facilities Financing Authority described in Part 7.2 (commencing with Section 15430) of Division 3 of Title 2 of the Government Code.

(c) "Bond" means a state general obligation bond issued pursuant to this chapter adopting the provisions of the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code).

(d) "Committee" means the Elders Living with Dignity, Empathy, Respect, and Support (ELDERS) Finance Committee established in Section 9616.

(e) "Construction" means building a new facility, including the costs of land acquisition and architectural, local, and state permitting or licensing fees, and engineering fees.

(f) "Eligible facility" means a licensed nonprofit facility, as described in paragraph (2) of subdivision (a) of Section 1502 of, or Chapter 3.3 (commencing with Section 1570) of Division 2 of, the Health and Safety Code, or Chapter 8.75 (commencing with Section 14591) of Part 3 of Division 9 of this code, that is developed to provide specialized day services for adults with complex chronic medical, cognitive,

or behavioral health conditions, including, but not limited to, Alzheimer's disease or related dementia.

(g) "Equipment" means tangible personal property having a useful life of more than two years.

(h) "Fund" means the Elders Living with Dignity, Empathy, Respect, and Support (ELDERS) Bond Act Fund.

(i) "Nonprofit" means a public agency or a nonprofit corporation qualified to do business in California and qualified under Section 501(c)(3) of the Internal Revenue Code.

(j) "Program" means the program established pursuant to Article 4 (commencing with Section 9627).

(k) "Renovation" means the improvement of existing physical structures or facilities that are necessary for cost-effective use as an eligible facility, including restoration, repair, expansion of physical space, code compliance, and all related physical improvements.

(l) "Startup costs" means a one-time capital outlay to fund programs in a newly constructed eligible facility, a one-time capital outlay to fund program expansion in an existing eligible facility, or initial service delivery costs, including personnel costs for a period of up to two years.

(m) "Disadvantaged community" means a community with a median household income less than 80 percent of the statewide average.

(n) "Unserved geographic area" means a community that has either no licensed adult day health care facility or licensed adult day program within one hour driving time, on average, from the proposed facility.

(o) "Program expansion" means redesign of existing space to increase capacity and efficiency, or addition of a new program within an existing facility to be able to serve more individuals.

Article 2. ELDERS Bond Act Fund

9613. There is in the State Treasury the Elders Living with Dignity, Empathy, Respect, and Serenity (ELDERS) Bond Act Fund, which is comprised of moneys collected pursuant to the issuance and sale of bonds pursuant to this chapter. The fund is hereby appropriated to the Controller, without regard to fiscal years, for allocation, upon the request of the Treasurer, for the purposes specified in this chapter.

Article 3. Fiscal Provisions

9614. (a) Bonds in the total amount of two hundred millions dollars (\$200,000,000), or so much thereof as is necessary, not including the amount of any refunding bonds issued in accordance with Section 9624, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this chapter and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both principal of, and interest on, the bonds as the principal and interest become due and payable.

(b) The Treasurer shall issue and sell the bonds authorized in subdivision (a) in the amount determined by the authority to be necessary or desirable pursuant to Section 9617. The bonds shall be issued and sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 9617.

9615. (a) The bonds authorized by this chapter shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), except subdivisions (a) and (b) of Section 16727 of the Government Code, as amended from time to time, and all of the provisions of that law apply to the bonds and to this chapter and are hereby incorporated in this chapter as though set forth in full in this chapter.

(b) For purposes of this chapter, the references to "committee" in the State General Obligation Bond Law shall mean the Elders Living with Dignity, Empathy, Respect, and Support (ELDERS) Finance Committee created in Section 9616, and the references to "board" in the State General Obligation Bond Law shall mean the authority.

9616. (a) Solely for the purpose of authorizing the issuance and sale pursuant to the State General Obligation Bond Law of the bonds authorized by this chapter, the Elders Living with Dignity, Empathy, Respect, and Support (ELDERS) Finance Committee is hereby created.

(b) The committee consists of the Controller, the Treasurer, the Director of Finance, and a representative of the California Health and Human Services Agency who is appointed by the Secretary of Health and Human Services. Notwithstanding any other law, any member may designate a representative to act as that member in his or her place for all purposes, as though the member were personally present.

(c) The representative of the California Health and Human Services Agency shall serve as chairperson of the committee. A majority of the committee may act for the committee.

9617. The committee shall determine, by resolution, whether or not it is necessary or desirable to issue and sell bonds authorized pursuant to this chapter in order to carry out the actions specified in this chapter and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.

9618. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.

9619. Notwithstanding Section 13340 of the Government Code, there is hereby continuously appropriated from the General Fund in the State Treasury, for the purposes of this chapter and without regard to fiscal years, an amount that equals the total of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this chapter, as the principal and interest become due and payable.

(b) The sum necessary to carry out Section 9621.

9620. The authority may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for the purpose of carrying out this chapter less any amount withdrawn pursuant to Section 9621. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this chapter, excluding any refunding bonds authorized pursuant to Section 9624, less any amount loaned pursuant to this section and not yet repaid and any amount withdrawn from the General Fund pursuant to Section 9621 and not yet returned to the General Fund. The committee shall execute any documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated by the committee in accordance with this chapter.

9621. For the purposes of carrying out this chapter, the Director of Finance may authorize the withdrawal from the General Fund of an amount not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this chapter, excluding any refunding bonds authorized pursuant to Section 9624, less any amount loaned pursuant to Section 9620 and not yet repaid, and any amount withdrawn from the General Fund pursuant to this section and not yet returned to the General Fund. Any amounts withdrawn shall be deposited in the fund. Any moneys made available under this section shall be returned to the General Fund from proceeds received from the sale of bonds for the purpose of carrying out this chapter.

9622. All moneys deposited in the fund that are derived from premium and accrued interest on bonds sold pursuant to this chapter shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond interest, except those amounts derived from premium may be reserved and used to pay the cost of bond issuance prior to any transfer to the General Fund.

9623. Pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), the cost of bond issuance shall be paid out of the bond proceeds, including premium, if any. To the extent the cost of bond issuance is not paid from premiums received from the sale of bonds, these costs shall be shared proportionally by each program funded through this chapter by the applicable bond sale.

9624. The bonds issued and sold pursuant to this chapter may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds described in this chapter includes the approval of the issuance of any bonds issued to refund any bonds originally issued under this chapter or any previously issued refunding bonds.

9625. Notwithstanding any other provision of this chapter, or of the State General Obligation Bond Law, if the Treasurer sells bonds pursuant to this chapter that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions or is otherwise entitled to any federal tax advantage, the Treasurer may maintain separate accounts for the bond proceeds invested and for the investment earnings on those

proceeds. The Treasurer may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds required or desirable under federal law to maintain the tax exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

9626. The proceeds from the sale of bonds authorized by this chapter are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

Article 4. Elders Living with Dignity, Empathy, Respect, and Serenity (ELDERS) Award Program

9627. (a) The authority shall make awards from funds derived from this bond act to public agencies or nonprofit organizations for the acquisition, renovation, construction, start-up costs, program expansion of eligible facilities, or purchase of equipment for eligible facilities designed to serve adults with chronic medical, cognitive, or behavioral health conditions, including, but not limited to, Alzheimer's disease or related dementia.

(b) An amount equal to up to 10 percent of the bonds issued pursuant to this chapter may be used to pay the administrative costs of the program.

9628. Eligible applicants for funding under this chapter include local government entities or other nonprofit private agencies or organizations. Priority shall be given to qualified applicants in disadvantaged communities or unserved geographic areas.

9629. (a) A recipient of a contract for the acquisition or construction of a facility to be used for the purpose described in this chapter shall ensure to the authority that the facility will be used for that purpose for at least 20 years from the date of acquisition.

(b) A recipient of a contract for the renovation or expansion of an existing facility to be used as an eligible facility shall ensure to the authority that the facility will be used for that purpose for the following periods:

(1) Not less than three years from the date the contract terminates, if the amount of the award does not exceed five hundred thousand dollars (\$500,000).

(2) If the award exceeds five hundred thousand dollars (\$500,000), the fixed period of time shall increase one year for each additional five hundred thousand dollars (\$500,000) or part thereof, to a maximum of 15 years.

(c) A recipient of a contract for the construction of a facility to be used for the purpose described in this chapter shall ensure to the authority that the facility will be used for that purpose for at least 20 years after completion of construction.

(d) Construction and renovation projects paid for in whole or in part with funds from bonds issued under this chapter are public works for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

9630. (a) The state shall be entitled to recapture a portion of state funds from the owner of a facility, if within 10 years after acquisition or 20 years after completion of construction, either of the following occurs:

(1) The owner of the facility ceases to be a public or private nonprofit agency or organization.

(2) The facility is no longer used for activities specified for eligible facilities.

(b) The amount to be recovered shall be that proportion of the current value of the facility equal to the proportion of state funds contributed to the original cost. The current value of the facility shall be determined by an agreement between the owner of the facility and the state, or by an action in the court in the jurisdiction in which the facility is located.

9631. The authority shall seek the advice of stakeholders on the request for proposal and the criteria for reviewing and evaluating the responses.

9632. The authority shall adopt policies and guidelines to carry out the purposes of this chapter, and the adoption thereof shall be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 2. Section 1 of this act shall take effect upon the adoption by the voters of the Elders Living with Dignity, Empathy, Respect, and Support (ELDERS) Bond Act of 2020, as set forth in that section.

Amendment 4

On page 1, strike out lines 1 to 4, inclusive

AMENDMENTS TO ASSEMBLY BILL NO. 2028

Amendment 1

In the title, in line 1, strike out "amend Section 243.9 of" and insert:
add Sections 6135, 6135.5, and 6135.7 to

Amendment 2

In the title, in line 1, strike out "battery." and insert:
prisons.

Amendment 3

On page 1, before line 1, insert:

SECTION 1. The Legislature finds and declares all of the following:

(a) The security of our state prisons is vital for the safety of staff, inmates, and the community at large.

(b) Investment in security measures at our state prisons, particularly those facilities that are 50 years or older, reduces the risk of prisoner breaches and escapes, thereby reducing the risk of crime in surrounding communities.

(c) Adequate oversight, regular inspections, and timely repairs of our state prisons promote public trust in California's correctional system.

SEC. 2. Section 6135 is added to the Penal Code, to read:

6135. (a) The Inspector General shall adopt minimum standards for the security of state prisons that have been operational since 1968 or earlier.

(b) The Inspector General shall adopt procedures for the inspection of state prisons for compliance with the security standards adopted pursuant to subdivision (a).

(c) The Inspector General shall annually conduct inspections at the following state prisons:

- (1) California Correctional Center.
- (2) California Correctional Institution.
- (3) California Institution for Men.
- (4) California Institution for Women.
- (5) California Medical Facility.
- (6) California Men's Colony.
- (7) California Rehabilitation Center.
- (8) Correctional Training Facility.
- (9) Deuel Vocational Institution.
- (10) Folsom State Prison.
- (11) San Quentin State Prison.
- (12) Sierra Conservation Center.

(d) The inspection required by subdivision (c) shall include a physical examination of the facility. The inspection may also include, but is not limited to,



interviews with staff, audits of records, policies, and procedures, and observation of facility operations.

SEC. 3. Section 6135.5 is added to the Penal Code, to read:

6135.5. (a) Notwithstanding Section 10231.5 of the Government Code, by March 1, 2020, and annually thereafter, the Inspector General shall prepare and submit a report to the Legislature detailing the findings of the inspections conducted pursuant to Section 6135 during the previous calendar year. The report shall include any security deficiencies identified at each facility and recommendations for remediation of those deficiencies.

(b) The report shall be submitted in compliance with Section 9795 of the Government Code.

(c) A copy of the report shall also be submitted to the Secretary of the Department of Corrections and Rehabilitation.

SEC. 4. Section 6135.7 is added to the Penal Code, to read:

6135.7. (a) The Department of Corrections and Rehabilitation shall immediately resolve, or develop a plan of corrective action to address, deficiencies identified by the report of the Inspector General received pursuant to Section 6135.5.

(b) On or before September 1, 2020, and annually thereafter, the department shall prepare and submit a report to the Legislature detailing the corrective actions taken or planned to remediate security deficiencies identified in the report of the Inspector General received during that year, including an estimate of the time required to implement those remedial measures and updates on any remediation plans submitted in previous years.

(c) The report shall be submitted in compliance with Section 9795 of the Government Code.

(d) A copy of the report shall also be submitted to the Inspector General.

Amendment 4

On page 1, strike out lines 1 to 9, inclusive, and strike out page 2

AMENDMENTS TO ASSEMBLY BILL NO. 2035

Amendment 1

In the title, in line 1, strike out "Section 62250 of" and insert:

Sections 62250, 62251, 62252, 62253, 62254, and 62255 of, and to add Section 62261.1 to,

Amendment 2

On page 1, in line 6, strike out "50052.5" and insert:

50093

Amendment 3

On page 1, in line 7, strike out "Code, or affordable rent, as defined in Section 50053", on page 2, strike out lines 1 and 2 and insert:

Code.

Amendment 4

On page 2, between lines 4 and 5, insert:

(c) "Authorizing resolution" means a resolution adopted pursuant to subdivision (a) of Section 62251 creating an authority.

Amendment 5

On page 2, in line 5, strike out "(c)" and insert:

(d)

Amendment 6

On page 2, in line 8, strike out "(d)" and insert:

(e)

Amendment 7

On page 2, between lines 11 and 12, insert:

(f) "Property tax increment" means that portion of the ad valorem taxes, as defined under subdivision (a) of Section 1 of Article XIII A of the California



Constitution, levied each year in excess of the amount levied by or for a taxing agency upon the total sum of the assessed value of the taxable property in the boundaries of an authority as defined in the resolution first establishing the authority, as shown upon the assessment roll used in connection with the taxation of that property by the taxing agency as of the last equalized roll prior to either the effective date of the authorizing resolution or, if specified in the authorizing resolution, another fiscal year no more than five years prior to the effective date of the authorizing resolution. Property tax increment shall not include taxable properties located within the boundaries of a former redevelopment agency dissolved pursuant to Section 34172 of the Health and Safety Code unless and until all obligations of the former redevelopment agency have been retired and the successor agency to the former redevelopment agency has fully dissolved. Following dissolution, for purposes of calculating property tax increment for those taxable properties located within the boundaries of a former redevelopment agency, the fiscal year following final dissolution shall serve as the last equalized roll.

Amendment 8

On page 2, in line 12, strike out "(e)" and insert:

(g)

Amendment 9

On page 2, below line 21, insert:

SEC. 2. Section 62251 of the Government Code is amended to read:

62251. (a) A city, county, or city and county may adopt a resolution creating an affordable housing authority that shall be limited to providing low- and moderate-income housing and affordable workforce housing pursuant to this division. An authority created pursuant to this division is a public body, corporate and politic. ~~The An~~ authority shall be deemed to be ~~the an~~ "agency" described in subdivision (b) of Section 16 of Article XVI of the California Constitution only for purposes of receiving property tax increment revenues.

(b) (1) A school entity, as defined in subdivision (f) of Section 95 of the Revenue and Taxation Code, may not participate in an authority created pursuant to this section.

(2) A successor agency, as defined in subdivision (j) of Section 34171 of the Health and Safety Code, may not participate in an authority created pursuant to this part, and an entity created pursuant to this part shall not receive any portion of the property tax revenues or other moneys distributed pursuant to Section 34188 of the Health and Safety Code.

(3) An authority formed by a city or county that created a redevelopment agency that was dissolved pursuant to Part 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code shall not become effective until the successor agency or designated local authority for the former redevelopment agency has adopted findings of fact stating all of the following:

(A) The agency has received a finding of completion from the Department of Finance pursuant to Section 34179.7 of the Health and Safety Code.

(B) Former redevelopment agency assets that are the subject of litigation against the state, where the city or county or its successor agency or designated local authority are a named plaintiff, have not been or will not be used to benefit any efforts of an authority formed under this part unless the litigation has been resolved by entry of a final judgment by any court of competent jurisdiction and any appeals have been exhausted.

(C) The agency has complied with all orders of the Controller pursuant to Section 34167.5 of the Health and Safety Code.

(c) The governing board of an authority created pursuant to this division shall be an odd number of members with at least five or seven members in total, as follows:

(1) (A) At least three members of the city council or the board of supervisors appointed by the city council or the board of supervisors.

(B) In the case of an authority created by a city and county authority jointly, at least three members of the city council and three members of the board of supervisors.

(C) In the case of an authority created by a city and county, the mayor shall appoint the same number of members as are appointed by the legislative body of the city and county. Appointments made pursuant to this subparagraph shall not be subject to review by the legislative body of the city and county.

(2) At least one member of the public who lives or works within the boundaries of the city or county that created the authority.

(d) The boundaries of an authority created pursuant to this division may be identical to the boundaries of the city or county that created the authority.

SEC. 3. Section 62252 of the Government Code is amended to read:

62252. (a) An authority created pursuant to this division shall, by resolution, create a Low and Moderate Income Housing Fund and adopt an affordable housing investment plan that may include either or both of the following:

(1) A provision for the receipt of property tax increment ~~funds~~ generated within the area.

(2) A provision for the receipt of any tax revenues allocated to the authority pursuant to subdivision (b) of Section 62253.

(b) The plan shall include each of the following elements:

(1) A statement of the principal goals and objectives of the plan.

(2) An affordable housing program that describes how the authority will fulfill its objective and if duties and activities will be assigned to a city or county housing department or public housing authority.

(3) The estimated amount that will be deposited in the Low and Moderate Income Housing Fund during each of the next five years.

(4) Estimates of the number of new, rehabilitated, or price restricted residential units to be assisted during each of the five years and estimates of the expenditures of moneys from the Low and Moderate Income Housing Fund during each of the five years.

(5) A description of how the program will implement the requirements for expenditures of funds in the Low and Moderate Income Housing Fund over a 10-year period at various income levels.

(6) Estimates of the number of units, if any, to be developed by the authority for very low, low-, and moderate-income households during the next five years.

(7) A fiscal analysis setting forth the projected receipt of revenue and projected expenses over a five-year planning horizon, including the potential issuance of bonds backed by property tax increment revenues pursuant to subdivision (a) of Section 62253 during the term of the plan. ~~Bonds shall be issued in conformity with Article 4.5 (commencing with Section 53506) and Article 5 (commencing with Section 53510) of Chapter 3 of Part 1 of Division 2 of Title 5.~~

(8) Time limits as follows:

(A) Forty-five years for the establishing of loans, advances, and indebtedness.

(B) Forty-five years for repayment of all of the authority's debts and obligations, and fulfilling all of the authority's housing obligations. The plan shall specify that an authority shall dissolve as a legal entity in no more than 45 years, and that no further taxes shall be allocated to the authority thereafter. Nothing in this subparagraph shall be interpreted to prohibit an authority from refinancing outstanding debt solely to reduce interest costs.

(9) A feasible method or plan for relocation of families and persons to be temporarily or permanently displaced from housing facilities in the plan area. The method or plan shall be consistent with the requirements of Section 62256.

(c) The authority shall hold a public hearing before adopting an affordable housing investment plan. The authority shall provide notice of that hearing in accordance with Section 6062. The authority shall consider any comments made on the plan at that hearing before adopting the plan.

SEC. 4. Section 62253 of the Government Code is amended to read:

62253. (a) (1) At any time before or after adoption of the plan, any city, county, or special district, other than a school entity as defined in subdivision (n) of Section 95 of the Revenue and Taxation Code or a successor agency as defined in subdivision (j) of Section 34171, that receives ad valorem property taxes from property located within an area may adopt a resolution directing the county auditor-controller to allocate its share of property tax increment funds within the area covered by the plan to the authority. The resolution adopted pursuant to this subdivision may direct the county auditor-controller to allocate less than the full amount of the property tax increment, and to establish a maximum amount of time in years that the allocation takes place. A resolution adopted pursuant to this section for an affordable housing authority may be repealed and be of no further effect by giving the county auditor-controller 90 days' notice; provided, however, that the county auditor-controller shall continue to allocate to the authority the taxing entity's share of ad valorem property taxes that have been pledged to the repayment of debt issued by the authority until the debt has been fully repaid. These amounts shall be allocated to the authority and when collected, shall be held in a separate fund by the authority. Before adopting a resolution pursuant to this subdivision, a city, county, or special district shall approve a memorandum of understanding with the authority governing the authority's use of property tax increment funds for administrative and overhead expenses.

(2) The provision for the receipt of property tax increment shall become effective in the property tax year that begins after the December 1 immediately following the adoption of a resolution pursuant paragraph (1). A resolution adopted pursuant to paragraph (1) shall be provided to the county auditor-controller no later than the December 1 immediately following its adoption.

(3) A resolution adopted pursuant to this subdivision may be repealed and be of no further effect beginning in the fiscal year following the adoption of any repeal, by giving the county auditor-controller at least 90 days' notice prior to the end of the current fiscal year, provided, however, that the county auditor-controller shall continue to allocate the taxing entity's share of ad valorem property taxes that have been pledged to the repayment of debt issued by the authority to the authority until that debt has been fully repaid, including by means of a refinancing or refunding, unless otherwise agreed upon by the authority and the taxing entity. For purposes of determining the annual amount of a taxing entity's share of ad valorem property taxes that shall continue to be allocated to an authority following a repeal, the annual amount allocated for all years until the debt has been fully repaid shall be the maximum amount required to service the debt for any single annual period as provided in the authority's debt service schedule.

(4) When the loans, advances, and indebtedness of an authority, if any, and interest thereon, have been paid, or the maximum amount of time in years has passed in accordance with a resolution adopted pursuant to this subdivision, all funds thereafter received from taxes upon the taxable property in the authority's boundaries shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

(5) All of the taxes levied and collected upon the taxable property in the boundaries of the authority shall be paid into the funds of the respective taxing agencies as though the authority had not been created unless the total assessed valuation of the taxable property in the boundaries of an authority exceeds the total assessed value of the taxable property in the boundaries as shown by the last equalized assessment roll.

(b) (1) At any time before or after the adoption of the plan, a city, county, or special district, other than a school entity as defined in subdivision (n) of Section 95 of the Revenue and Taxation Code or a successor agency as defined in subdivision (j) of Section 34171, may adopt a resolution to allocate tax revenues of that entity to the authority, including revenues derived from local sales and use taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code) or transactions and use taxes imposed pursuant to the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251) of the Revenue and Taxation Code), provided that both of the following apply:

(+)

(A) The use of those revenues by the authority for purposes of this division is consistent with the purposes for which that tax was imposed.

(2)

(B) The boundaries of the authority are coterminous with the city or county that established the authority.

(2) A resolution adopted pursuant to this subdivision may be repealed and be of no further effect, provided, however, that the tax revenues allocated to the authority that have been pledged to the repayment of debt issued by the authority shall continue to be so allocated until that debt has been fully repaid, including by means of a refinancing or refunding, unless otherwise agreed upon by the authority and the taxing entity.

(c) A minimum of 95 percent of the allocated property tax increment revenues pursuant to subdivision (a), and allocated tax revenues pursuant to subdivision (b), shall be used to increase, improve, and preserve the community's supply of housing for low, very low, and moderate-income households. Not more than 5 percent of allocated revenues may be used for administration.

(d) Housing funds expended by an authority shall be spent in proportion to the share of the regional housing need allocated to the city, county, or city and county for each income category pursuant to Section 65584 for low, very low, and moderate-income housing.

(e) Prior to distributing property tax increment to the authority, the county auditor-controller shall deduct any costs incurred by the county in administering the provisions of this division.

(f) This section shall not be construed to do any of the following:

(1) Reduce any allocations of excess, additional, or remaining funds that would otherwise have been allocated to county superintendents of schools, cities, counties, and cities and counties pursuant to clause (i) of subparagraph (B) of paragraph (4) of subdivision (d) of Section 97.2, clause (i) of subparagraph (B) of paragraph (4) of subdivision (d) of Sections 97.3, or Article 4 (commencing with Section 98) of Chapter 6 of Part 0.5 of Division 1, of the Revenue and Taxation Code had this section not been enacted.

(2) Alter in any way the manner in which ad valorem property tax revenue is allocated among taxing entities in a county that have not passed a resolution pursuant to subdivision (a).

(3) Alter in any way the manner in which ad valorem property tax revenue growth from fiscal year to fiscal year is otherwise determined or allocated in a county.

(4) Alter in any way the ad valorem property tax revenue allocations required under Article 4 (commencing with Section 98) of Chapter 6 of Part 0.5 of Division 1 of the Revenue and Taxation Code.

(5) Alter in any way the calculations performed pursuant to Section 95.3 of the Revenue and Taxation Code.

(6) Alter in any way the manner in which ad valorem property tax revenue is allocated pursuant to Section 75.70 of the Revenue and Taxation Code.

(7) Alter in any way the manner in which calculations are performed pursuant to Section 97.70 of the Revenue and Taxation Code.

SEC. 5. Section 62254 of the Government Code is amended to read:

62254. An authority may do ~~all~~ any of the following:

(a) Provide for low- and moderate-income housing and affordable workforce housing in accordance with this division.

(b) Remedy or remove a release of hazardous substances pursuant to the Polanco Redevelopment Act (Article 12.5 (commencing with Section 33459) of Chapter 4 of Part 1 of Division 24 of the Health and Safety Code) or Chapter 6.10 (commencing with Section 25403) of Division 20 of the Health and Safety Code.

(c) Provide for seismic retrofits of existing buildings in accordance with all applicable laws and regulations.

(d) Acquire and transfer real property in accordance with Section 62260. The authority shall retain controls and establish restrictions or covenants running with the land sold or leased for private use for the periods of time and under the conditions as

provided in the plan. The establishment of these controls is a public purpose under this division.

(e) Issue bonds in conformity with Article 4.5 (commencing with Section 53506) and Article 5 (commencing with Section 53510) of Chapter 3 of Part 1 of Division 2 of Title ~~5, 5, or Article 5 (commencing with Section 34350) of Chapter 1 of Part 2 of Division 24 of the Health and Safety Code, provided that if any provision thereof conflicts with this division, this division shall control.~~

(f) (1) Borrow money, receive grants, or accept financial or other assistance or investment from the state or the federal government or any other public agency or private lending institution for any project within its area of operation, and comply with any conditions of a loan or grant. An authority may qualify for funding as a disadvantaged community pursuant to Section 79505.5 of the Water Code or as defined by Section 56033.5. An authority may also enter into an agreement with a qualified community development entity, as defined by Section 45D(c) of the Internal Revenue Code, to coordinate investments of funds derived from the New Markets Tax Credit with those of the authority in instances where coordination offers opportunities for greater efficiency of investments to improve conditions described in subdivisions (c) and (d) within the territorial jurisdiction of the authority.

(2) Receive funds allocated to it pursuant to a resolution adopted by a city, county, or special district to transfer these funds from a source described in subdivision (d), (e), or (f) of Section 53398.75, subject to any requirements upon, or imposed by, the city, county, or special district as to the use of these funds.

(g) Adopt an affordable housing plan pursuant to Section 62252.

(h) Make loans or grants for owners or tenants to improve, rehabilitate, or retrofit buildings or structures within the plan area.

(i) Construct foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights sites for buildings to be used for purposes of providing affordable housing pursuant to this division.

SEC. 6. Section 62255 of the Government Code is amended to read:

62255. ~~Every five years, beginning~~ Commencing in the calendar year in which the authority has allocated a cumulative total of more than one million dollars (\$1,000,000) in property tax increment revenues pursuant to subdivision (a) of Section 62253 or other revenues pursuant to subdivision (b) of Section 62253, including any proceeds of a debt issuance, and each year thereafter, the authority shall contract for an independent audit conducted in accordance with generally accepted governmental auditing standards.

SEC. 7. Section 62261.1 is added to the Government Code, to read:

62261.1. Any action or proceeding to attack, review, set aside, void, or annul the creation of an authority, the adoption of an affordable housing plan pursuant to Section 62252, the allocation of tax revenues to an authority pursuant to Section 62253, or the issuance of bonds by an authority shall be commenced within 30 days after the enactment of the resolution authorizing the action. Consistent with the time limitations of this section, an action or proceeding with respect to an allocation of tax revenues to, or the issuance of bonds by, an authority shall be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil procedure. An authority that receives an allocation of tax revenues pursuant to 62253 or that issues bonds, warrants, contracts, obligations, or other evidences of indebtedness may bring

29093

03/10/18 11:51 AM
RN 18 08424 PAGE 8
Substantive

an action in the superior court of the county in which the authority is located to determine the validity of the bonds, warrants, contracts, obligations, or evidences of indebtedness pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 2050

Amendment 1

On page 3, in line 35, strike out "78010." and insert:

78005.

Amendment 2

On page 3, in line 37, strike out "78011." and insert:

78006.

Amendment 3

On page 3, in line 39, strike out "78012." and insert:

78007.

Amendment 4

On page 4, in line 1, strike out "78013." and insert:

78008.

Amendment 5

On page 4, between lines 1 and 2, insert:

78009. "Board of supervisors" means the board of supervisors of the principal county.

Amendment 6

On page 4, in line 2, strike out "78014." and insert:

78010.

Amendment 7

On page 4, between lines 2 and 3, insert:

78011. "County clerk" means the county clerk of the principal county.



Amendment 8

On page 4, in line 3, strike out "78015." and insert:

78012.

Amendment 9

On page 4, in line 6, strike out "78016." and insert:

78013.

Amendment 10

On page 4, in line 8, strike out "78017." and insert:

78014.

Amendment 11

On page 4, between lines 9 and 10, insert:

78015. "Private corporation" means any private corporation organized under the laws of the United States or of this or any other state.

78016. "Public agency" means the United States or any department or agency thereof, the state or any department or agency thereof, and a county, city, public corporation, or public district of the state.

78017. "Public water system" has the same meaning as defined in Section 116275 of the Health and Safety Code.

Amendment 12

On page 4, between lines 14 and 15, insert:

78021. "Water" includes potable water and nonpotable water.

Amendment 13

On page 4, strike out lines 16 to 38, inclusive, and insert:

PART 4. FORMATION

CHAPTER 1. IN GENERAL

78025. The area proposed to be served by a proposed authority may consist of the service areas of one or more public agencies, private water companies, or mutual water companies that need not be contiguous. The area proposed to be served by a proposed authority may also include one or more parcels that need not be contiguous, either with each other or with the service areas of the public agencies, private water companies, or mutual water companies that will be served through the proposed authority.

CHAPTER 2. FORMATION PROCEEDINGS

78030. No later than March 1, 2019, the state board shall provide written notice to cure to all public agencies, private water companies, or mutual water companies that meet both of the following criteria:

(a) Operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people.

(b) Are not in compliance with applicable drinking water standards as of December 31, 2018.

78031. An entity receiving a notice pursuant to Section 78030 shall respond to the state board within 60 days of receiving the notice as to whether the violations of drinking water standards are remedied and the basis for that conclusion.

78032. (a) (1) If an entity receiving a notice pursuant to Section 78030 reports pursuant to Section 78031 that a violation of drinking water standards is continuing, the entity shall have 180 days to prepare and submit a plan to the state board to permanently remedy a violation of drinking water standards within a reasonable time that is not later than January 1, 2024.

(2) The state board shall review a plan submitted pursuant to paragraph (1) and, within 60 days of receipt, shall accept, accept with reasonable conditions, or reject the plan.

(3) The state board shall not accept the plan with reasonable conditions or reject the plan without meeting with the entity at least 15 days before the acceptance with reasonable conditions or rejection of the plan. The state board may extend the 60-day period described in paragraph (2) by no more than 180 days in order to allow for full consultation and collaboration between the state board and the entity, with the goal of that full consultation and collaboration being a mutually agreeable plan to remedy the violations of drinking water standards in a timely manner. The state board shall not unreasonably withhold or delay approval of a plan or impose unreasonable conditions on a plan.

(b) If an entity receiving a notice pursuant to Section 78030 has begun a remediation plan under the authority of the state board, a California regional water quality control board, or a local agency formation commission, the state board shall deem the remediation plan acceptable without additional conditions.

(c) (1) If the state board accepts the plan or accepts the plan with conditions, the entity shall provide quarterly reports to the state board on progress towards a permanent remedy for the violations of drinking water standards and the state board shall hold an annual public hearing to consider whether progress is satisfactory.

(2) If the state board rejects the plan, the state board shall cause the formation of an authority by the applicable local agency formation commission, in accordance with Section 78034, to serve the customers of the public water system that submitted the plan the state board rejects, if the state board makes all of the following findings:

(A) The continued operation of the public water systems is a threat to public health and safety.

(B) Public assistance, in the form of financial, managerial, or technical resources, is required to remedy the public health violations.

(C) There is no alternative that would protect the public drinking water supplies of the public water system other than for there to be the formation of an authority to serve the customers of the public water system.

78033. (a) No later than April 1, 2019, the state board shall provide written notice to each county, city, or water district located within a county where an entity receiving a notice under Section 78030 is located stating that the state board may consider the formation of an authority within that county and inviting other public water suppliers to consider consolidating with the authority that may be formed. An agency wishing to consolidate into a proposed authority shall provide a written statement opting into an authority on or before July 1, 2019. After July 1, 2019, an agency wishing to join an authority may do so by means of a petition to the local agency formation commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code).

(b) In determining which public agencies are to be included within an authority, a local agency formation commission shall include all public agencies timely indicating that they wish to be included in the authority pursuant to subdivision (a). The local agency formation commission shall also include all county service areas, county waterworks districts, or other dependent special districts providing water service located within the county that provide water service only in the proposed area of the authority, provided that the local agency formation commission provides at least 60 days' written notice to the board of supervisors of the proposed inclusion of a county service area, county waterworks district, or other dependent special district in the new authority. A local agency formation commission shall not include any dependent special district in the authority if the board of supervisors, within the 60-day period, objects in writing to the inclusion of the special district. An authority may include areas that are not contiguous.

78034. (a) No later than 30 days after the rejection of a plan pursuant to Section 78032, the state board shall notify a local agency formation commission of a county where the public water system that submitted the plan is located, and, if appropriate given the governance of the public water system, the Public Utilities Commission or

the Department of Business Oversight, that it has determined that the public water system shall be consolidated into an authority.

(b) No later than 60 days after the rejection of a proposed plan, the state board shall do both of the following:

(1) Notify an entity identified in subdivision (a) of the public water systems that will be consolidated into an authority.

(2) Appoint an independent administrator pursuant to Section 78035 for each proposed authority who shall be responsible for the preparation of a plan for service and interim administration and management of the authority.

(c) No later than 180 days after the administrator submits an application for formation and proposed plan for service pursuant to Section 78038, the applicable local agency formation commission shall initiate proceedings to form an authority to provide safe drinking water to the public water systems' customers. A local agency formation commission shall not form an authority unless the authority consists of at least five public water systems that may include public water systems from county service areas or other dependent special districts, other public water systems that have been meeting drinking water standards, and public water systems identified by the state board that chronically serve contaminated water in the county in which the proposed authority will be formed.

78035. (a) No later than 60 days after the state board issues a notice pursuant to paragraph (1) of subdivision (b) of Section 78034, the administrator, after consultation with the executive officer of the local agency formation commission, shall submit to the state board a conceptual formation plan that includes all of the following:

(1) The public water system service areas to be served by the authority.

(2) The population to be served by the authority.

(3) The available infrastructure to be used by the authority and any known deficiencies.

(4) The recorded violations of drinking water standards and the nature of the threat to public health and safety.

(5) Financial and operational provisions to be addressed in the plan for service pursuant to Section 78038.

(b) The state board shall provide comments on the conceptual formation plan to the administrator and applicable local agency formation commission within 60 days of its receipt.

(c) The state board or an authority may determine the legality of the existence of the authority or validate the financial provisions of an interim plan in an action brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

78036. (a) In appointing an administrator, the state board shall consult with the executive officers of a local agency formation commission for a county in which the authority will be formed to ensure that there are sufficient water purveyors in a proposed authority to provide economies of scale in the operation of the proposed authority and to ensure that the proposed authority will be responsive to local ratepayers' concerns. A single administrator may provide services to several authorities if, in the judgment of the state water board, the services can be provided in a manner that achieves the purposes of this division.

(b) An administrator, who may be an employee of a consulting firm, shall provide or contract for administrative and managerial service to establish the authority, retain staff and consultants, and commence the remediation of the violations of drinking water standards.

(c) The state board shall bear the cost of the administrator and be responsible for all compensation of and reasonable expenses incurred by the administrator for the duration of the period that the administrator serves the authority.

(d) The state board may establish minimum qualifications and a selection process for potential administrators, but all administrators shall have both of the following minimum qualifications and shall not be permanent employees of the state board:

(1) A bachelor's degree in engineering or finance, or an advanced degree in business, law, public administration, or public policy.

(2) At least 10 years of increasingly responsible experience in the management of a public water system.

(e) An administrator shall serve at the pleasure of the state board until whichever of the following dates occurs earlier:

(1) The local agency formation commission issues a notice of completion of the plan for service pursuant to Section 78038.

(2) Three years from the date that the local agency formation commission forms an authority.

(3) No sooner than 30 days after the appointment of a general manager by the board of the authority, at which date the services of the administrator shall be terminated.

78037. (a) (1) No later than 240 days after the state board issues a notice pursuant to paragraph (1) of subdivision (b) of Section 78034, the Public Utilities Commission shall order the dissolution of the public water system and the transfer of all assets of the water corporation subject to this paragraph to the authority formed by the local agency formation commission.

(2) No later than 240 days after the state board issues a notice pursuant to paragraph (1) of subdivision (b) of Section 78034, the Department of Business Oversight shall order the dissolution of the public water system and the transfer of all assets of the mutual water company subject to this paragraph to the authority formed by the local agency formation commission.

(b) An owner or shareholder of a water corporation or a mutual water company consolidated into an authority pursuant to subdivision (a) shall be compensated as follows:

(1) Within 180 days of the dissolution, the Department of Business Oversight shall cause to be prepared a distressed business valuation to determine the net fair market value of the corporation or company, calculated as follows:

(A) The assets of the water corporation or mutual water company shall be calculated by estimating the net book value of all assets, including, but not limited to, cash and investments, receivables, prepaid expenses, water in storage, real property, water rights, structures and improvements, equipment, general facilities, and other assets.

(B) The liabilities of the water corporation or mutual water company shall be calculated by estimating the financial liabilities, including, but not limited to, accounts payable, unfunded pension or other benefit liabilities, notes payable, bonds payable, as well as outstanding fines, fees, or other assessments for drinking water or other

public health violations, estimated costs for outstanding litigation and other anticipated liabilities, and the estimated costs to bring all structures and works into good repair and in compliance with contemporary water infrastructure and drinking water standards.

(2) Upon issuance by the Department of Business Oversight of the distressed business valuation determining the net fair market value, the authority may seek an order for immediate possession of all of the assets and liabilities of the corporation or company using the procedures set forth in Article 3 (commencing with Section 1255.410) of Chapter 6 of Title 7 of Part 3 of the Code of Civil Procedure. A court shall grant immediate possession if the court determines that the procedures in this section have been followed. Judicial review of the determinations by the Department of Business Oversight shall be based on substantial evidence in the record before the Department of Business Oversight.

(3) If an owner or shareholder disputes the distressed business valuation of the Department of Business Oversight, the owner or shareholder may file an action pursuant to Section 1094.5 of the Code of Civil Procedure seeking a writ of mandate overturning the valuation. An action pursuant to this paragraph shall have preference in the civil calendar.

(4) Payment of the net fair market value of the water corporation or mutual water company, with interest accruing from the date of dissolution, shall be paid by the authority within three years of the authority's formation from the proceeds of bond sales or other available funds derived from rates, fees, charges, taxes, or other revenue sources.

(5) The authority shall assume all obligations and liabilities of the public water system. After paying the net fair market value to the owners or shareholders of a water corporation or mutual water company, the authority may receive financing from the state to pay all liabilities. The authority shall issue bonds to repay the state with interest for those liabilities pursuant to Part 8 (commencing with Section 78100).

78038. (a) Within 180 days after the state board issues a notice pursuant to paragraph (1) of subdivision (b) of Section 78034, the administrator shall submit an application for formation and proposed plan for service to the local agency formation commission for review and potential approval pursuant to Chapter 6 (commencing with Section 56880) of Part 3 of Division 3 of Title 5 of the Government Code.

(b) A proposed plan for service shall include all of the following information:

(1) Any information required by the local agency formation commission or its executive officer.

(2) An enumeration and description of the services to be provided by the authority.

(3) An indication of when the services to be provided by the authority can feasibly be provided to the affected territory.

(4) An indication of any improvement or upgrading of structures or water facilities, or other conditions the authority would impose or require within the affected territory in order to provide safe and clean drinking water.

(5) Information with respect to how the services to be provided by the authority will be financed, in accordance with Articles XIII, XIII A, XIII C, and XIII D and any other applicable provisions of the California Constitution, that shall include all of the following:

(A) A discussion of the economies of scale that accrue when several small organizations are consolidated into a single authority.

(B) The operation and maintenance needs of the authority.

(C) Financial plans for the financing of capital improvements, operation and maintenance of facilities, and operation of the authority.

(c) The local agency formation commission shall hold a public hearing on the proposed plan for service no later than 180 days after the date upon which the administrator submits the proposed plan to the local agency formation commission. At the hearing, the local agency formation commission shall approve the plan and the formation of the authority, approve the plan and the formation of the authority with conditions, or disapprove the plan and request resubmittal by the administrator.

(d) If the local agency formation commission disapproves the plan, the commission shall, within 30 days of the hearing, provide the administrator with written comments identifying the changes that the administrator must make in order to submit an acceptable plan. If the administrator concurs with those changes, the administrator may provide a written statement of concurrence to the commission and the commission shall deem approved the local agency formation's proposed changes upon receipt of the written statement of concurrence. If the administrator disagrees with those changes, the administrator shall provide a revised plan for service to the local agency formation commission no later than 90 days after the date on which the local agency formation commission provides the administrator with comments disapproving the plan. The local agency formation commission shall hold a hearing no later than 90 days after the date the administrator provides a revised plan for service to the commission, during which it may take the actions identified in subdivision (c).

(e) (1) If the local agency formation commission approves the plan and the formation of the authority, the authority shall take the appropriate actions to comply with the plan, subject to Articles XIII, XIII A, XIII C, and XIII D and any other applicable provision of the California Constitution.

(2) If the local agency formation commission approves the plan and the formation of the authority with conditions, the authority shall take the appropriate actions to comply with the conditions within 180 days of the plan's conditional approval in accordance with Articles XIII, XIII A, XIII C, and XIII D and any other applicable provisions of the California Constitution.

(3) An authority subject to paragraph (1) or (2) shall file a statement, under penalty of perjury, with the executive officer of the local agency formation commission certifying compliance with the plan. An authority shall take the appropriate actions to comply with Articles XIII, XIII A, XIII C, and XIII D and any other applicable provisions of the California Constitution and shall file a statement, under penalty of perjury, with the executive officer of the local agency formation commission certifying the compliance. Within 30 days of filing a certificate, the executive officer of the local agency formation commission shall issue a notice of completion to the authority and send a copy of that notice to the state board.

78039. Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to either of the following:

(a) The formation of an authority pursuant to this chapter.

(b) The dissolution of a public water system pursuant to this chapter.

78040. (a) Annually on the date of an authority's formation by the local agency formation commission, an authority shall file a report with the local agency formation commission as follows:

(1) The report shall contain all of the following:

(A) A description of operations over the past year.

(B) Details of any violations of drinking water standards and the actions taken to remediate a violation.

(C) A description of the authority's compliance with any conditions imposed by the local agency formation commission on either the original formation or the plan for service adopted pursuant to Section 78038.

(2) The administrator or, after the discharge of the administrator, the general manager of the authority shall submit the report.

(3) A certificate stating that the report consists of a true, full, and complete description of the activities of the authority during the past year shall accompany the report.

(b) A local agency formation commission shall hold a public hearing within 90 days of receipt of a report pursuant to subdivision (a) to review the authority's performance during the previous year. If a report states that an authority has failed to comply with any conditions imposed by the commission on either the original formation or the plan for service adopted pursuant to Section 78038, the commission may order the authority to remedy the violations within a reasonable period of time. If an authority fails to timely comply with a remedial order by a local agency formation commission, the commission may impose a civil penalty on the authority in an amount not to exceed five hundred dollars (\$500) per day for each violation and not to exceed ten thousand dollars (\$10,000) per year for each particular violation.

78041. (a) No later than January 1, 2022, the Treasurer, in consultation with the state board, the Association of California Water Agencies, the California Association of Local Agency Formation Commissions, the California Municipal Utilities Association, and the California State Association of Counties, shall contract with an independent consultant to review the start-up operations of the authorities and the management of the authorities by the administrators. The consultant shall prepare a report for the Legislature regarding fiscal and operational health of the authorities that includes recommendations regarding the need for supplemental state funding, if any, and the potential sources of that funding.

(b) (1) A report to be submitted pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.

(2) Pursuant to Section 10231.5 of the Government Code, the requirement for submitting a report imposed under subdivision (a) is inoperative on January 1, 2026.

PART 5. INTERNAL ORGANIZATION

CHAPTER 1. DIRECTORS

78045. (a) The initial board of an authority shall consist of an odd number of directors composed as follows:

(1) One representative from each entity consolidated into the authority appointed by the entity before its dissolution.

(2) One representative from the board of supervisors.

(3) Additional directors, as needed, appointed by the board of supervisors to comprise at least a five-member board of directors.

(b) The public water system representatives in consultation with the administrator shall determine the final number of the initial board if it will consist of more than five members because of the number of former public water systems included in the authority. If the number of directors cannot be agreed upon by the representatives of the public water systems that will become part of the authority in a timely manner, the local agency formation commission shall determine the number of directors that will compose the initial board.

(c) If the initial board consists of five members, the directors shall classify themselves by lot so that two of them shall hold office until the qualification of their successors after the first general district election and three of them shall hold office until the election and qualification of their successors and the second general district election. If the initial board of directors consists of more than five members, the local agency formation commission shall provide for the classification of directors so as to provide that not more than a majority of the directors stand for election every two years.

(d) If the initial board consists of more than five members, as part of the order forming the authority, the local agency formation commission shall provide for a transitional plan that will bring the number of directors to five within a reasonable period of time.

78046. (a) A director shall be a resident of the area served by the authority. To the extent practicable, a director shall represent a division with equal population being served by the authority. If a director moves residence, as defined in Section 244 of the Government Code, outside of the area served by the authority, the director shall have 180 days after the move to reestablish a place of residence within the area served by the authority. If a director cannot establish a place of residence, it shall be presumed that a permanent change of residence has occurred and that a vacancy exists on the board of directors pursuant to Section 1770 of the Government Code.

(b) Each elected director shall hold office for a term of four years. A director elected to office shall take office at noon on the first Friday in December succeeding his or her election.

(c) Whenever a vacancy occurs in the office of director it shall be filled pursuant to Section 1780 of the Government Code by a qualified person.

78047. Notwithstanding Section 20201, a director shall receive compensation in an amount not to exceed two hundred fifty dollars (\$250) per day for each day's attendance at meetings of the board or for each day's service rendered as a director by request of the board, not exceeding a total of 10 days in any calendar month, together with any expenses incurred in the performance of the director's duties required or authorized by the board. For purposes of this section, the determination of whether a director's activities on any specific day are compensable shall be made pursuant to, and reimbursement for these expenses is subject to, Article 2.3 (commencing with Section 53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code.

An adjustment to the compensation for directors shall be pursuant to Chapter 2 (commencing with Section 20200) of Division 10.

CHAPTER 2. THE BOARD

78050. (a) The board is the governing body of the authority.
- (b) The board shall hold its first meeting as soon as possible after the selection of the first board of directors and not later than the sixth Monday after the date of the formation.
- (c) At its first meeting, the board shall provide for the time and place of holding its meetings and the manner in which its special meetings may be called.
- (d) At its first meeting, and its first meeting in the month of January of each odd-numbered year, the board shall elect one of its members as president. The board may, at any meeting, elect one of its members as vice president. If the president is absent or unable to act, the vice president shall exercise the powers of the president granted in this division.
- (e) A majority of the board shall constitute a quorum for the transaction of business. However, no ordinance, motion, or resolution may become effective without the affirmative vote of a majority of the members of the board.
- (f) The board shall act only by ordinance, resolution, or motion. Votes of the members of the board shall not be cast or exercised by proxy.
- (g) On all ordinances the roll shall be called and the ayes and noes shall be recorded in the journal of the proceedings of the board.
- (h) The board may adopt resolutions or motions by voice vote, but on demand of any member of the board, the roll shall be called.
- (i) The board may destroy a record pursuant to Chapter 7 (commencing with Section 60200) of Division 1 of Title 6 of the Government Code.
78051. (a) The board shall exercise and perform all powers, privileges, and duties of an authority.
- (b) Any executive, administrative, and ministerial powers may be delegated and redelegated by the board to any of the offices created by this division or by the board.
- (c) The board may fix the time and place or places at which its regular meetings will be held and shall provide for the calling and holding of special meetings.
- (d) The board may fix the location of the principal place of business of the authority and the location of all offices and departments maintained under this division.
- (e) The board may, by ordinance, prescribe a system of business administration.
- (f) The board may create any necessary offices and establish and reestablish the powers, duties, and compensation of all officers and employees.
- (g) The board may require and fix the amount of all official bonds necessary for the protection of the funds and property of the authority.
- (h) The board may, by ordinance, prescribe a system of civil service.
- (i) The board may, by ordinance, delegate and redelegate to the officers of the authority the power to employ clerical, legal, and engineering assistants and labor.
- (j) The board may prescribe a method of auditing and allowing or rejecting claims and demands.

(k) The board shall designate a depository or depositories to have the custody of the funds of the authority, all of which depositories shall give security sufficient to secure the authority against possible loss, and who shall pay the warrants drawn by the authority's treasurer for demands against the authority under any rules the directors may prescribe.

(l) An authority may issue bonds, borrow money, and incur indebtedness as authorized by law.

(m) An authority may refund bonds, loans, or indebtedness by the issuance of the same obligations following the same procedure or retire any indebtedness or lien that may exist against the authority or its property.

(n) An authority may insure its directors, officers, assistants, employees, agents, and deputies for injury, death, or disability incurred while engaged in the business of the authority and the cost of the insurance is a proper charge against the authority. The insurance is in addition to any compensation secured under the provisions of Division 4 (commencing with Section 3201) of the Labor Code and insuring to the benefit of the director, officer, deputy, assistant, employee, or agent, or his or her beneficiary or heir.

78052. Within 180 days of its initial meeting after formation, the board shall file a certificate with the Secretary of State that includes all of the following:

(a) The name of the authority.

(b) The date of formation.

(c) Any county in which the authority is located and a legal description of the boundaries of the authority, a reference to a map showing the boundaries of the authority, or a reference to a map on file with a county recorder's office showing the boundaries of the authority.

(d) An identification of all of the public agencies, water corporations, or mutual water companies that were consolidated into the authority.

CHAPTER 3. OFFICERS AND EMPLOYEES

78055. (a) At its first meeting, or as soon as practicable, the board shall appoint, by a majority vote, a secretary, treasurer, attorney, general manager, and auditor. The board, at any meeting, may appoint a deputy secretary and a deputy treasurer. The board shall define the duties of these officers and fix their compensation. Each officer shall serve at the pleasure of the board. A deputy director, deputy secretary, attorney, general manager, and auditor shall not be directors, but the secretary and treasurer may be directors.

(b) The officers appointed pursuant to subdivision (a) shall, until such time as the local agency formation commission issues a notice of completion, pursuant to Section 78038, take direction from the administrator appointed by the state board.

(c) The board may employ additional assistants, contractors, and employees as the board deems necessary to efficiently maintain and operate the authority.

(d) The board may consolidate the offices of secretary and treasurer.

78056. (a) The president and secretary, in addition to the duties imposed on them by law, shall perform any duties that may be imposed on them by the board.

(b) The treasurer, or other person as may be authorized by the board, shall draw checks or warrants to pay demands when the demands have been audited and approved in the manner prescribed by the board.

(c) Subject to the approval of the board, the general manager shall have full charge and control of the maintenance, operation, and construction of the waterworks or waterworks system of the authority, with full power and authority to employ and discharge all employees and assistants, other than those described in subdivision (a) of Section 78055, at pleasure, prescribe their duties, and fix their compensation.

(d) The general manager shall perform duties as may be imposed on him or her by the board. The general manager shall report to the board in accordance with the rules and regulations adopted by the board.

(e) The attorney shall be the legal adviser of the authority and shall perform any other duties that may be prescribed by the board.

(f) The general manager, secretary, and treasurer, and other employees or assistants of the authority designated by the board, shall give any bonds to the authority conditioned for the faithful performance of their duties that the board from time to time may provide. The premiums on the bonds shall be paid by the authority.

PART 6. ELECTIONS

78060. Elections shall be conducted pursuant to the provisions of the Uniform District Election Law (Part 4 (commencing with Section 10500) of Division 10 of the Elections Code).

PART 7. POWERS AND PURPOSES

CHAPTER 1. POWERS GENERALLY

78065. An authority may exercise the powers that are expressly granted by this division or are necessarily implied.

78066. An authority may have perpetual succession. An authority may adopt a seal and alter it at pleasure.

78067. An authority may make contracts, employ labor, and do all acts necessary for the full exercise of its powers.

78068. (a) An authority may provide by ordinance for the pensioning of officers or employees, for the terms and conditions under which the pensions shall be awarded, and for the time and extent of service of officers or employees before the pensions shall be available to them.

(b) An authority may contract with any insurance corporation, the Public Employees' Retirement System, or any other insurance carrier for the maintenance of a service covering the pension of the authority officers or employees and for their health and accident insurance coverage.

78069. An authority may disseminate information concerning the rights, properties, and activities of the authority. The power shall not be construed as an exception to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

78070. An authority may, by resolution, obtain membership in an association having for its purpose the furtherance of a subject relating to the powers and duties of the authority and for the interchange of information relating to those powers and duties. An authority may appropriate the funds necessary for these purposes.

78071. An authority may, by resolution of the board of directors spread on its minutes, change the name of the authority. Certified copies of the resolution changing the name of the authority shall be recorded in the office of the county recorder of every affected county and sent to the county clerk of every affected county and to the state board.

78072. Every person convicted of an infraction for a violation of any local ordinance or regulation adopted pursuant to this division shall be punished upon a first conviction by a fine not exceeding fifty dollars (\$50) and for a second conviction within a period of one year by a fine of not exceeding one hundred dollars (\$100) and for a third or any subsequent conviction within a period of one year by a fine of not exceeding two hundred fifty dollars (\$250).

78073. (a) In order to enforce the provisions of any ordinance of the authority, including an ordinance fixing charges for the furnishing of commodities or services, the authority may correct any violation of an ordinance of the authority. The authority may also petition the superior court for the issuance of a preliminary or permanent injunction, or both, as may be appropriate, restraining any person from the continued violation of any ordinance of the authority or for the issuance of an order stopping or disconnecting a service if the charges for that service are unpaid at the time specified in the ordinance.

(b) The authority may enter upon the private property of any person within the jurisdiction of the authority in order to investigate possible violations of an ordinance of the authority. The investigation shall be made with the consent of the owner or tenant of the property or, if consent is refused, with a warrant duly issued pursuant to the procedures set forth in Title 13 (commencing with Section 1822.50) of Part 3 of the Code of Civil Procedure, except that, notwithstanding Section 1822.52 of the Code of Civil Procedure, the warrant shall be issued only upon probable cause.

(c) The authority shall notify the county or city building inspector, county health inspector, or other affected county or city employee or office, in writing, within a reasonable time if an actual violation of an authority, city, or county ordinance is discovered during the investigation.

CHAPTER 2. WATER

78075. (a) An authority may acquire, control, distribute, store, spread, sink, treat, purify, recycle, recapture, and salvage any water, including sewage and stormwaters, for the beneficial use of the authority.

(b) An authority may undertake a water conservation program to reduce water use and may require, as a condition of new service, that reasonable water-saving devices and water reclamation devices be installed to reduce water use.

(c) An authority may sell water under its control, without preference, to cities, other public corporations, agencies, and persons, within the authority for use within the authority.

(d) An authority may fix the rates at which water shall be sold. Different rates may be established for different classes or conditions of service, but rates shall be uniform throughout the authority for like classes and conditions of service. Rates fixed by an authority shall result in revenues that will do all of the following:

- (1) Pay the operating expenses of the authority.
- (2) Provide for repairs and depreciation of works.
- (3) Provide a reasonable surplus for improvements, extensions, and enlargements.
- (4) Pay the interest on any bonded debt.
- (5) Provide a sinking or other fund for the payment of the principal of the bonded debt as it becomes due.

(e) An authority furnishing water for residential use to a tenant shall not seek to recover any charge or penalty for the furnishing of water to or for the tenant's residential use from any subsequent tenant on account of nonpayment of charges by a previous tenant. The authority may require that service to subsequent tenants be furnished on the account of the landlord or property owner.

78076. (a) Pursuant to the notice, protest, and hearing requirements imposed by Section 53753 of the Government Code, an authority, by ordinance on or before the third Monday of August in each fiscal year, may fix a water standby assessment or availability charge in the authority or in any portion of the authority to which the authority makes water available, whether the water is actually used or not.

(b) The standby assessment or availability charge shall not exceed one thousand dollars (\$1,000) per acre per year for each acre of land on which the charge is levied or one thousand dollars (\$1,000) per year for a parcel less than one acre.

(c) The ordinance fixing a standby assessment or availability charge shall be adopted by the board pursuant to the notice, protest, and hearing procedures in Section 53753 of the Government Code and only after adoption of a resolution setting forth the particular schedule or schedules of charges or assessments proposed to be established by ordinance and after a hearing on the resolution.

(d) If the procedures set forth in this section were followed, the board may, by ordinance, continue the standby assessment or availability charge pursuant to this chapter in successive years at the same rate. If new, increased, or extended assessments are proposed, the board shall comply with the notice, protest, and hearing procedures in Section 53753 of the Government Code.

(e) An ordinance fixing a standby assessment or availability charge may establish a schedule varying the charges according to land uses, water uses, and degree of water availability.

(f) On or before the third Monday in August, the board shall furnish in writing to the board of supervisors and the county auditor of each affected county a description of each parcel of land within the authority upon which a standby charge is to be levied and collected for the current fiscal year, together with the amount of standby charge fixed by the authority on each parcel of land.

(g) The board shall direct that, at the time and in the manner required by law for the levying of taxes for county purposes the board of supervisors shall levy, in addition to any other tax it levies, the standby charge in the amounts for the respective parcels fixed by the board.

(h) All county officers charged with the duty of collecting taxes shall collect authority standby charges with the regular tax payments to the county. The charges

shall be collected in the same form and manner as county taxes are collected, and shall be paid to the authority.

(i) Charges fixed by the authority shall be a lien on all the property benefited by the charges. Liens for the charges shall be of the same force and effect as other liens for taxes, and their collection may be enforced by the same means as provided for the enforcement of liens for state and county taxes.

78077. (a) An authority may restrict the use of authority water during any emergency caused by drought, or other threatened or existing water shortage, and may prohibit the wastage of authority water or the use of authority water during periods for any purpose other than household uses or other restricted uses as the authority determines to be necessary. An authority may also prohibit use of authority water during these periods for specific uses which it finds to be nonessential.

(b) An authority may prescribe and define by ordinance the restrictions, prohibitions, and exclusions referred to in subdivision (a). The ordinance is effective upon adoption; but, within 10 days after its adoption, the ordinance shall be published pursuant to Section 6061 of the Government Code in full in a newspaper of general circulation which is printed, published, and circulated in the authority. If there is no newspaper of general circulation printed, published, and circulated in the authority, the ordinance shall be posted within 10 days after its adoption in three public places within the authority.

(c) A finding by the board upon the existence, threat, or duration of an emergency or shortage, or upon the matter of necessity or of any other matter or condition referred to in subdivision (a), shall be made by resolution or ordinance. The finding is prima facie evidence of the fact or matter so found, and the fact or matter shall be presumed to continue unchanged unless and until a contrary finding is made by the board by resolution or ordinance.

(d) The finding made by the board pursuant to subdivision (c) shall be received in evidence in any civil or criminal proceeding in which it may be offered, and shall be proof and evidence of the fact or matter found until rebutted or overcome by other sufficient evidence received in the proceeding. A copy of any resolution or ordinance setting forth the finding shall, when certified by the secretary of the authority, be evidence that the finding was made by the authority as shown by the resolution or ordinance and certification.

(e) From and after the publication or posting of any ordinance pursuant to subdivision (b), and until the ordinance has been repealed or the emergency or threatened emergency has ceased, it is a misdemeanor for any person to use or apply water received from the authority contrary to or in violation of any restriction or prohibition specified in the ordinance. Upon conviction, such a person shall be punished by imprisonment in the county jail for not more than 30 days, or by fine not exceeding six hundred dollars (\$600), or by both.

CHAPTER 3. PROPERTY

78080. An authority may, within or without the authority, take real and personal property of every kind by grant, purchase, gift, device, or lease, and hold, use, enjoy, lease, or dispose of real and personal property of every kind.

78081. An authority may do all of the following:

(a) Acquire, or contract to acquire, waterworks or a waterworks system, waters, water rights, lands, rights, and privileges.

(b) Construct, maintain, and operate conduits, pipelines, reservoirs, works, machinery, and other property useful or necessary to store, convey, supply, or otherwise make use of water for a waterworks plant or system for the benefit of the authority.

(c) Complete, extend, add to, repair, or otherwise improve any waterworks or waterworks system acquired by the authority.

(d) Carry on and conduct waterworks or a waterworks system.

78082. An authority may lease from any person, or public corporation or agency, with the privilege of purchasing or otherwise, all or any part of water storage, transportation, or distribution facilities, existing waterworks, or a waterworks system.

78083. An authority may exercise the right of eminent domain to take any property necessary to supply the authority or any portion of the authority with water. The authority, in exercising the power, shall, in addition to the damage for the taking, injury, or destruction of property, also pay the cost of removal, reconstruction, or relocation of any structure, railways, mains, pipes, conduits, wires, cables, or poles of any public utility which is required to be removed to a new location.

78084. An authority may construct works along and across any stream of water, watercourse, street, avenue, highway, canal, ditch, or flume, or across any railway which the route of the works may intersect or cross. The works shall be constructed in such a manner as to afford security for life and property, and the authority shall restore the crossings and intersections to their former state as near as may be, or in a manner so as not to have impaired unnecessarily their usefulness.

CHAPTER 4. CONTRACTS

78085. Contracts mentioned in this chapter include those made with the United States under the Federal Reclamation Act of June 17, 1902, and all acts amendatory thereof or supplementary thereto, or any other act of Congress heretofore or hereafter enacted permitting cooperation.

78086. An authority may join with one or more public agencies, private corporations, or other persons for the purpose of carrying out any of the powers of the authority, and for that purpose may contract with any other public agencies, private corporations, or persons to finance acquisitions, constructions, and operations.

78087. The contracts with other public agencies, private corporations, or persons may provide for contributions to be made by each party to the contract, for the division and apportionment of the expenses of the acquisitions and operations, and for the division and apportionment of the benefits, services, and products from the contract. The contracts may also provide for an agency to effect the acquisitions and to carry on the operations, and shall provide in the powers and methods of procedure for the agency the method by which the agency may contract. The contracts may contain other and further covenants and agreements as may be necessary or convenient to accomplish the purposes of the contract.

CHAPTER 5. CONTROVERSIES

78090. An authority may sue and be sued, except as otherwise provided in this division or by law, in all actions and proceedings in all courts and tribunals of competent jurisdiction.

78091. An authority may commence, maintain, intervene in, and compromise, in the name of the authority, any action or proceeding involving or affecting the ownership or use of water or water rights within the authority, used or useful for any purpose of the authority, or a common benefit to lands within the authority or inhabitants of the authority.

78092. An action to determine the validity of any contract authorized by Chapter 4 (commencing with Section 78085) and any bonds, notes, or other evidences of indebtedness may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure.

78093. All claims for money or damages against the authority are governed by Part 3 (commencing with Section 900) and Part 4 (commencing with Section 940) of Division 3.6 of Title 1 of the Government Code except as provided therein, or by other statutes or regulations expressly applicable to the authority.

78094. To carry out the purposes of this division, an authority shall have the power to commence, maintain, intervene in, defend, and compromise, in the name of the authority, or as a class representative of the inhabitants, property owners, taxpayers, water producers, or water users within the authority, or otherwise, and to assume the costs and expenses of any and all actions and proceedings now or hereafter begun to determine or adjudicate all or substantially all of the water rights of a basin or other hydrologic unit overlain, in whole or in part, by the authority, as between owners of or claimants to such rights, to prevent any interference with water or water rights used or useful to the lands, inhabitants, owners, operators, or producers within the authority, or to prevent the diminution of the quantity or quality of the water supply of the authority or the basin, or to prevent unlawful exportation of water from the authority or basin.

78095. An authority may employ counsel to defend any action brought against it or against any of its officers, agents, or employees on account of any claimed action or inaction involving any claimed injury, taking, damage, or destruction, and the fees and expenses involved in the defense shall be a lawful charge against the authority.

78096. If any officer, agent or employee of the authority is held liable for any act or omission in his or her official capacity, except in case of actual fraud or actual malice, and any judgment is rendered, the authority shall pay the judgment without obligation for repayment by the officer, agent, or employee.

PART 8. FINANCIAL PROVISIONS

CHAPTER 1. POWERS

78100. Article 4 (commencing with Section 53500) and Article 4.5 (commencing with Section 53506) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code apply to an authority for the purpose of providing funds for the acquisition,

construction, improving, or financing of any public improvement authorized by this division. For the purposes of Article 4 (commencing with Section 53500) and Article 4.5 (commencing with Section 53506) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, "property" shall refer to both land and improvements with the effect that ad valorem taxes or assessments levied by an authority to repay a general obligation bond may be levied upon both land and improvements if approved by the electorate.

78101. Any money belonging to an authority may be deposited or invested and drawn out as provided in Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code, as that article may be amended. References in that article to "auditor" shall mean, for the purposes of an authority, the secretary of an authority.

78102. (a) An improvement district may be formed in an authority in the same manner as an improvement district is formed in an irrigation district pursuant to Part 7 (commencing with Section 23600) of Division 11. When formed, an improvement district shall be governed and have the same powers as an improvement district in an irrigation district pursuant to Part 7 (commencing with Section 23600) of Division 11.

(b) A board shall have the same rights, powers, duties, and responsibilities with respect to the formation and government of an improvement district as the board of directors of an irrigation district has with respect to an improvement district in an irrigation district pursuant to Division 11 (commencing with Section 20500).

(c) An assessment in an improvement district in an authority shall be levied, collected, and enforced at the same time and in as nearly the same manner as practicable as annual taxes for purposes of the authority in which formed, except that the assessment shall be made in the same manner as provided with respect to an improvement district in an irrigation district pursuant to Part 7 (commencing with Section 23600) of Division 11.

(d) All powers and duties of an authority may be exercised on behalf of or within any improvement district formed pursuant to this section.

(e) An authority may issue revenue bonds in accordance with the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code) on behalf of any portion of the authority created as an improvement district pursuant to this section, except that the issuance of revenue bonds by an authority shall not be subject to the election procedures of Article 3 (commencing with Section 54380) of Chapter 6 of Part 1 of Division 2 of Title 5 of the Government Code. The board shall authorize undertaking the improvement and the issuance of revenue bonds for that purpose by ordinance or resolution of the board, which shall be subject to referendum. If an authority issues revenue bonds on behalf of an improvement district, the issuance of the revenue bonds is limited to the area of the improvement district. The proceeds of any revenue bonds issued on behalf of an improvement district shall not be used to finance public improvements to provide service outside the service area of the improvement district. Only revenue derived from rates or charges for providing the service within the service area of the improvement district shall be pledged or used to pay for any revenue bonds issued on behalf of an improvement district.

(f) For the purposes of subdivision (e), "service area of the improvement district" means the territory of an improvement district as it existed at the time of revenue bond

issuance plus lands outside of the improvement district, if any, being served at the time of the bond issuance by the improvement district facilities, and additional territory, if any, annexed to the improvement district as the improvement district existed at the time of the issuance election, not exceeding, in the aggregate, 40 percent by area of the improvement district as the improvement district existed at the time of the bond issuance.

78103. The authority may exercise the powers granted pursuant to Article 4 (commencing with Section 53500) of Chapter 3 of, and Chapter 6 (commencing with Section 54300) of, Part 1 of Division 2 of Title 5 of the Government Code, and Division 10 (commencing with Section 8500) of the Streets and Highways Code.

CHAPTER 2. FINANCIAL PLAN AND IMPLEMENTATION

78110. No later than one year after the date upon which an authority is formed, the administrator shall prepare and submit a capital improvement plan to the state board. The plan shall bring the authority into full compliance with drinking water standards within three years, which time may be extended by the state board for good cause.

78111. No later than 18 months after the date upon which an authority is formed, the authority shall levy an assessment, fee, charge, or special tax, in accordance with Articles XIII, XIII A, XIII C, and XIII D of the California Constitution, and any other applicable law, to fund the ongoing operations and maintenance of the public water system.

CHAPTER 3. FISCAL PROVISIONS

78115. (a) Upon appropriation by the Legislature, the state board shall provide funding for the administrator pursuant to subdivision (c) of Section 78036, and for formation and start-up costs of the authority for up to two fiscal years after formation of the authority, as follows:

(1) The state board shall provide a local agency formation commission in each county in which one or more authorities are to be formed up to _____ dollars (\$_____) per formation of an authority for staffing and consulting resources and other reasonable expenses to implement Sections 78035, 78038, 78040, and 78041.

(2) The state board shall provide funding assistance to each authority for two consecutive fiscal years after formation based upon the plan for service approved by the local agency formation commission pursuant to Section 78038 in an amount not to exceed twenty percent of an authority's annual operating budget.

(b) Upon appropriation by the Legislature, the Department of Business Oversight shall receive up to _____ dollars (\$_____) per water corporation or mutual water company consolidated into an authority for the preparation of a distressed business valuation to determine the net fair market value of the corporation or company pursuant to Section 78037.

Amendment 14

On page 5, in line 1, strike out "5." and insert:

9.

Amendment 15

On page 5, in line 3, strike out "78035." and insert:

78120.

Amendment 16

On page 5, below line 7, insert:

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

AMENDMENTS TO ASSEMBLY BILL NO. 2056

Amendment 1

In the title, in line 1, strike out "Section 50781" and insert:

Sections 50784.5 and 50784.7

Amendment 2

In the title, in line 2, strike out "parks." and insert:

parks, and making an appropriation therefor.

Amendment 3

On page 1, before line 1, insert:

SECTION 1. Section 50784.5 of the Health and Safety Code is amended to read:

50784.5. (a) The department may make loans from the Mobilehome Park Rehabilitation and Purchase Fund to a qualified nonprofit housing sponsor or a local public entity to acquire or rehabilitate a mobilehome park, provided that no less than 30 percent of residents at the time of acquisition that the loan application is filed are low income.

(b) Loans may be provided pursuant to this section where either of the following applies:

(1) The park to be acquired has significant outstanding violations of the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200)) that threaten the long-term viability of the park and that will be remedied by the purchaser.

(2) The department determines that the acquisition or rehabilitation of the park will have a substantial benefit to low- and moderate-income homeowners and that the purchaser will nonprofit housing sponsor or local public entity agrees to maintain rents at levels affordable to lower income households.

(c) (1) Any mobilehome park purchased by a local public entity with a loan pursuant to this section shall be transferred to a qualified nonprofit housing sponsor or to a resident organization that plans to convert the park to resident ownership no later than three years from the date of loan closing, with all obligations under the loan assumed by the nonprofit organization or resident organization.

(2) If a local public entity has made a good faith effort, but has not been able, to transfer the park by the end of the three-year period, the entity may apply to the department for an additional three-year extension. Upon a determination by the department that the local public entity has made a good faith effort to transfer the park in accordance with paragraph (1), it shall have an additional three years from the expiration date of the first three-year period to consummate the transfer. The three-year extension shall only be granted once by the department for each loan to a local public entity.



(3) If a local public entity fails to make a good faith effort to transfer the park within the first three-year period, as determined by the department, or fails to transfer the park by the expiration date of the extended three-year period, it shall repay the loan in full to the department.

(d) All of the following shall apply to loans provided pursuant to this section:

(1) Loans shall be for a term of no more than 40 years and shall bear interest at a rate of 3 percent per annum unless the department finds that a lower interest rate is necessary and will not jeopardize the financial stability of the fund.

(2) The department may establish flexible repayment terms for loans provided pursuant to this section if the terms do not represent an unacceptable risk to the security of the fund.

(3) Loans shall be for the minimum amount necessary to bring the park into compliance with all applicable health and safety standards and to maintain the monthly housing costs of lower income residents at an affordable level.

(4) The total secured debt in a superior position to the department's loan plus the department's loan shall not exceed 115 percent of the value of the collateral securing the loan plus the amount of costs incidentally, but directly, related to the acquisition and rehabilitation of the park.

(5) (A) For loans issued on and after January 1, 2019, notwithstanding paragraphs (1) and (2), loan repayments shall be deferred for the full term of the loan, except for residual receipts payments. These residual receipts payments shall be structured to avoid reducing the amount of payments on local public agency loans resulting solely from changes in the payment terms on the department's loan, and not resulting from fees or other payments to the borrower, and shall otherwise be consistent with the department's uniform multifamily regulations (Subchapter 19 (commencing with Section 8300) of Chapter 7 of Division 1 of Title 25 of the California Code of Regulations) or successor regulations. The department may charge a transaction fee to cover its costs for processing these restructuring transactions. The department may waive or defer some or all of this fee if it determines that the residents of the mobilehome park do not have the ability to make these payments.

(B) For loans issued pursuant to subparagraph (A), principal and accumulated interest is due and payable upon completion of the term of the loan. The loan shall bear simple interest at the rate of 3 percent per annum on the unpaid principal balance. The department shall require annual loan payments in the minimum amount necessary to cover the costs of project monitoring. For the first 30 years of the loan term, the amount of the required loan payments shall not exceed forty-two hundredths of 1 percent (.42%) per annum.

(e) In determining the eligibility for and amount of loans pursuant to this section, the department shall take into consideration, among other factors, all of the following:

(1) The current health and safety conditions in the park and the likelihood that conditions would be remedied without the loan.

(2) The degree to which the loan will benefit lower income homeowners.

(3) The age of the park and the age of the infrastructure that will be rehabilitated with the loan proceeds.

(f) Before providing financing pursuant to this section, the department shall require provision of, and approve, at least all of the following:

(1) Verification that either no park residents shall be involuntarily displaced as a result of the purchase or that the impacts of the displacement shall be mitigated as required under state and local law. For purposes of this requirement, compliance with Section 66427.5 of the Government Code shall be conclusively presumed to have mitigated economic displacement.

(2) Projected costs and sources of funds for all purchase and rehabilitation activities.

(3) Projected operating budget for the park after the purchase.

(4) A management plan for the operation of the park.

SEC. 2. Section 50784.7 of the Health and Safety Code is amended to read:

50784.7. (a) The department may make loans or grants to resident organizations or qualified nonprofit sponsors from the fund for the purpose of assisting lower income homeowners to do any of the following:

(1) Make repairs to their mobilehomes.

(2) Make accessibility-related upgrades to their mobilehomes.

(3) Replace their mobilehomes.

(b) Loans made pursuant to subdivision (a) shall meet both of the following requirements:

(1) The applicant entity has received a loan or loans pursuant to Section 50783, 50784, or 50784.5 for the purpose of assisting homeowners within a park proposed for acquisition or conversion.

(2) The applicant entity demonstrates sufficient organizational stability and capacity to manage a portfolio of individual loans over an extended time period. This capacity may be demonstrated by substantial successful experience performing similar activities or through other means acceptable to the department.

(c) (1) For loans issued pursuant to this section on and after January 1, 2019, loan repayments shall be deferred for the full term of the loan, except for residual receipts payments. These residual receipts payments shall be structured to avoid reducing the amount of payments on local public agency loans resulting solely from changes in the payment terms on the department's loan, and not resulting from fees or other payments to the borrower, and shall otherwise be consistent with the department's uniform multifamily regulations (Subchapter 19 (commencing with Section 8300) of Chapter 7 of Division 1 of Title 25 of the California Code of Regulations) or successor regulations. The department may charge a transaction fee to cover its costs for processing these restructuring transactions. The department may waive or defer some or all of this fee if it determines that the residents of the mobilehome park do not have the ability to make these payments.

(2) For loans issued pursuant to paragraph (1), principal and accumulated interest is due and payable upon completion of the term of the loan. The loan shall bear simple interest at the rate of 3 percent per annum on the unpaid principal balance. The department shall require annual loan payments in the minimum amount necessary to cover the costs of project monitoring. For the first 30 years of the loan term, the amount of the required loan payments shall not exceed forty-two hundredths of 1 percent (.42%) per annum.

(e)

(d) The department may adopt guidelines to implement this section.

89340

03/08/18 03:48 PM
RN 18 08883 PAGE 4
Substantive

Amendment 4

On page 1, strike out lines 1 and 2 and strike out pages 2 to 4, inclusive

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 2079

Amendment 1

In the title, in line 1, strike out "Section 1429.5" and insert:

Sections 1429, 1429.5, and 1430

Amendment 2

On page 1, before line 1, insert:

SECTION 1. This act shall be known, and may be cited as, the Janitor Survivor Empowerment Act.

SEC. 2. Section 1429 of the Labor Code is amended to read:

1429. The Division of Labor Standards Enforcement shall not approve the registration of any employer until all of the following conditions are satisfied:

(a) The employer has executed a written application, in a form prescribed by the commissioner and subscribed and sworn to by the employer containing the following:

(1) The name of the business entity and, if applicable, its fictitious or "doing business as" name.

(2) The form of the business entity and, if a corporation, all of the following:

(A) The date of incorporation.

(B) The state in which incorporated.

(C) If a foreign corporation, the date the articles of incorporation were filed with the California Secretary of State.

(D) Whether the corporation is in good standing with the California Secretary of State.

(3) The federal employer identification number (FEIN) and the state employer identification number (SEIN) of the business.

(4) The address of the business and the telephone number and, if applicable, the addresses and telephone numbers of any branch locations, and the name of any subcontractor or franchise servicing contracts affiliated with a branch location, the total number of employees working out of each listed branch office, and the address of each work location serviced by a branch office.

(5) Whether the application is for a new or renewal registration and, if the application is for a renewal, the prior registration number.

(6) The names, residential addresses, telephone numbers, and social security numbers of the following persons:

(A) All corporate officers, if the business entity is a corporation.

(B) All persons exercising management responsibility in the applicant's office, regardless of form of business entity.

(C) All persons, except bona fide employees on regular salaries, who have a financial interest of 10 percent or more in the business, regardless of the form of business entity, and the actual percent owned by each of those persons.

(7) The policy number, effective date, expiration date, and name and address of the carrier of the applicant business' current workers' compensation coverage.



(8) (A) Whether the employer and any persons named in response to subparagraph (A), (B), or (C) of paragraph (6) presently:

- (i) Owe any unpaid wages.
- (ii) Have unpaid judgments outstanding.
- (iii) Have any liens or suits pending in court against himself or herself.
- (iv) Owe payroll taxes, or personal, partnership, or corporate income taxes, Social Security taxes, or disability insurance.

(B) An applicant who answers affirmatively to any item described in subparagraph (A) shall provide, as part of the application, additional information on the unpaid amounts, including the name and address of the party owed, the amount owed, and any existing payment arrangements.

(9) (A) Whether the employer and any persons named in response to subparagraph (A), (B), or (C) of paragraph (6) have ever been cited or assessed any penalty for violating any provision of this code.

(B) An applicant who answers affirmatively to any item described in subparagraph (A) shall provide additional information, as part of the application, on the date, nature of citation, amount of penalties assessed for each citation, and the disposition of the citation, if any. The application shall describe any appeal filed. If the citation was not appealed, or if it was upheld on appeal, the applicant shall state whether the penalty assessment was paid.

(10) Effective January 1, 2020, all new applications for registration and renewal of registration shall complete the sexual violence and harassment prevention training requirements prescribed by the division and developed pursuant to Section 1429.5.

(11) Such other information as the commissioner requires for the administration and enforcement of this part.

(b) The employer has paid a registration fee to the Division of Labor Standards Enforcement pursuant to Section 1427.

(c) Notwithstanding any other law, violation of this section shall not be a crime.

Amendment 3

On page 1, in line 1, strike out "SECTION 1." and insert:

SEC. 3.

Amendment 4

On page 1, in line 3, after "1429.5." insert:

(a)

Amendment 5

On page 2, below line 18, insert:

(b) To assist in refining the standards described in subdivision (a), the director shall convene an advisory committee to develop requirements for qualified organizations

and peer trainers that employers covered by this part shall use to provide the training required, in addition to the trainer or trainer educators qualified to provide training under Section 12950.1 of the Government Code. The advisory committee shall be composed of representatives of the Division of Labor Standards Enforcement, the Division of Occupational Safety and Health, and the Department of Fair Employment and Housing, the Department of Consumer Affairs, and shall also include representatives from a recognized or certified collective bargaining agent that represents janitorial workers, employers, labor-management groups in the janitorial industry, sexual assault victims advocacy groups, and other related subject matter experts. The director shall convene the advisory committee no later than July 1, 2019. The Division of Labor Standards Enforcement shall adopt the requirements for the qualified organizations and peer trainers no later than January 1, 2020.

(c) The Division of Labor Standards Enforcement shall require employers covered by this part subject to the biennial training requirement to provide the training content created by the advisory committee.

(d) Upon request, a janitorial worker shall be given a copy of all training materials used during a training he or she attended.

(e) Employers covered by this part subject to the biennial training requirement shall be required to use a qualified organization from the list of qualified organizations developed and maintained by the director to provide the required training. Qualified organizations shall provide peer trainers that employers covered by this part shall use to provide the required training, in addition to the trainer or trainer educators qualified to provide training under Section 12950.1 of the Government Code. The employer shall be required to pay the qualified organization. The qualified organization shall ensure that the peer trainer is paid an hourly rate of at least twenty-five dollars (\$25) per hour to cover the peer trainer's regular wages. The hourly rate shall be reviewed every five years by the advisory committee. An employer covered shall be required to document compliance with the training requirement by completing and signing a form, to be created by the Division of Labor Standards, certifying that the training was conducted and that the qualified organization was paid in full, and the form shall be produced upon request by the Division of Labor Standards. A qualified organization shall submit a report to the director of a training within 48 hours of completion, and the report shall include the names of employers and employees trained and shall identify management and supervisors.

(f) The advisory committee shall approve and recommend the qualified organizations to the director. A qualified organization shall:

- (1) Have at least 10 trainers that meet the requirements of a qualified peer trainer.
- (2) Have experience specific to the janitorial or property service industry.
- (3) Have experience responding to sexual harassment and assault claims.

(g) To be qualified as a peer trainer under this section, a person shall have the training and experience necessary to train employees and employers and shall, at the minimum, have the following qualifications:

- (1) At least 40 hours of advocates training in the following:
 - (A) Survivor-centered and trauma-informed principles and techniques and the long-term affects of sexual trauma, intersection of discrimination, oppression, and sexual violence.

(B) Designing or conducting discrimination, retaliation, and sexual harassment prevention training.

(C) Responding to sexual harassment complaints or other discrimination complaints.

(D) Conducting investigations of sexual harassment complaints.

(E) Advising employers or employees regarding discrimination, retaliation, and sexual harassment prevention.

(2) Have two years of nonsupervisory work experience in the janitorial or property service industry and be employed in the industry in a nonsupervisory capacity.

(3) Be culturally competent and fluent in the language or languages that the relevant employees understand.

(h) The director shall develop and maintain a list of qualified organizations and qualified peer trainers as recommended by the advisory committee. The list shall be updated by the director as recommended by the advisory committee every three years.

(i) The advisory committee shall meet every three years to review and update the list of qualified organizations and qualified peer trainers.

(j) The advisory committee may recommend to the director to waive the requirement to use a qualified organization or qualified peer trainer in a specific county. The director, with the recommendation of the advisory committee, may grant a waiver, if it is demonstrated that a qualified peer trainer is not available in the county. If a waiver is granted for a county, an employer in the county may use a trainer as prescribed by the Department of Fair Housing and Employment with respect to sexual harassment training and education. The director shall not approve waivers for more than 40 counties annually.

SEC. 4. Section 1430 of the Labor Code is amended to read:

1430. The Division of Labor Standards Enforcement shall not register or renew the registration of an employer in any of the following circumstances:

(a) The employer has not fully satisfied any final judgment for unpaid wages due to an employee or former employee of a business for which the employer is required to register under this chapter.

(b) The employer has failed to remit the proper amount of contributions required by the Unemployment Insurance Code or the Employment Development Department has made an assessment for those unpaid contributions against the employer that has become final and the employer has not fully paid the amount of delinquency for those unpaid contributions.

(c) The employer has failed to remit the amount of Social Security and Medicare tax contributions required by the Federal Insurance Contributions Act (FICA) to the Internal Revenue Service and the employer has not fully paid the amount or delinquency for those unpaid contributions.

(d) The employer has not fully satisfied any final judgment for a violation of Section 12940 of the Government Code that is due to an employee or former employee of a business for which the employer is required to register under this chapter.

SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes

15132

the definition of a crime within the meaning of Section 6 of Article XIII B of the
California Constitution.

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 2090

Amendment 1

In the title, in line 1, strike out "17205" and insert:

1510.1

Amendment 2

In the title, in line 1, strike out "trusts." and insert:

guardianships.

Amendment 3

On page 1, before line 1, insert:

SECTION 1. Section 1510.1 of the Probate Code is amended to read:

1510.1. (a) (1) With the consent of the proposed ward, the court may appoint a guardian of the person for an unmarried individual who is 18 years of age or older, but who has not yet attained 21 years of age, in connection with a petition to make the necessary findings regarding special immigrant juvenile status pursuant to subdivision (b) of Section 155 of the Code of Civil Procedure.

(2) A petition for guardianship of the person of a proposed ward who is 18 years of age or older, but who has not yet attained 21 years of age, may be filed by a ~~relative parent, relative,~~ or any other person on behalf of the proposed ward, or the proposed ward.

(b) (1) At the request of, or with the consent of, the ward, the court may extend an existing guardianship of the person for a ward past 18 years of age, for purposes of allowing the ward to complete the application process with the United States Citizenship and Immigration Services for classification as a special immigrant juvenile pursuant to Section 1101(a)(27)(J) of Title 8 of the United States Code.

(2) A relative or any other person on behalf of a ward, or the ward, may file a petition to extend the guardianship of the person for a period of time not to extend beyond the ward reaching 21 years of age.

(c) This section does not authorize the guardian to abrogate any of the rights that a person who has attained 18 years of age may have as an adult under state law, including, but not limited to, decisions regarding the ward's medical treatment, education, or residence, without the ward's express consent.

(d) For purposes of this division, the terms "child," "minor," and "ward" include an unmarried individual who is younger than 21 years of age and who, pursuant to this section, consents to the appointment of a guardian or extension of a guardianship after he or she attains 18 years of age.

(e) The Judicial Council shall, by July 1, 2016, adopt any rules and forms needed to implement this section.



34327

03/07/18 08:09 PM
RN 18 09020 PAGE 2
Substantive

Amendment 4

On page 1, strike out lines 1 to 5, inclusive, and strike out page 2

- 0 -

AMENDMENTS TO ASSEMBLY BILL NO. 2096

Amendment 1

In the title, in line 1, strike out "amend Section 18873" and insert:

add Article 25 (commencing with Section 18907) to Chapter 3 of Part 10.2 of Division 2

Amendment 2

In the title, in line 2, strike out "taxation." and insert:

taxation, and making an appropriation therefor.

Amendment 3

On page 1, before line 1, insert:

SECTION 1. Article 25 (commencing with Section 18907) is added to Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, to read:

Article 25. Donate Life California Voluntary Tax Contribution Fund

18907. (a) Notwithstanding subdivision (c) of Section 18873, an individual may designate on the tax return that a contribution in excess of the taxpayer's personal income tax liability, if any, be made to the Donate Life California Voluntary Tax Contribution Fund, which is established by Section 18907.1 to be used to maintain the Donate Life California Organ and Tissue Donor Registry, authorized pursuant to Section 7150.90 of the Health and Safety Code. That designation is to be used as a voluntary contribution on the tax return.

(b) The contribution shall be in full dollar amounts and may be made individually by each signatory on the joint return.

(c) A designation under subdivision (a) shall be made for any taxable year on the original return for that taxable year, and once made shall be irrevocable. If payments and credits reported on the return, together with any other credits associated with the taxpayer's account, do not exceed the taxpayer's tax liability, the return shall be treated as though no designation has been made.

(d) The Franchise Tax Board shall revise the form of the return for taxable years beginning on and after January 1, 2018, to include a space labeled "Donate Life California Voluntary Tax Contribution Fund" to allow for the designation permitted under subdivision (a). The form shall also include in the instructions information that the contribution may be in the amount of one dollar (\$1) or more and that the contribution shall be used to maintain the Donate Life California Organ and Tissue Donor Registry.

(e) A deduction shall be allowed under Article 6 (commencing with Section 17201) of Chapter 3 of Part 10 for any contribution made pursuant to subdivision (a).



18907.1. There is hereby established in the State Treasury the Donate Life California Voluntary Tax Contribution Fund to receive contributions made pursuant to Section 18907. The Franchise Tax Board shall notify the Controller of both the amount of money paid by taxpayers in excess of their tax liability and the amount of refund money that taxpayers have designated pursuant to Section 18907 to be transferred to the Donate Life California Voluntary Tax Contribution Fund. The Controller shall transfer from the Personal Income Tax Fund to the Donate Life California Voluntary Tax Contribution Fund an amount not in excess of the sum of the amounts designated by individuals pursuant to Section 18907 for payment into that fund.

18907.2. (a) Notwithstanding Section 13340 of the Government Code, all moneys transferred to the Donate Life California Voluntary Tax Contribution Fund pursuant to Section 18907.1 shall be continuously appropriated and allocated as follows:

(1) To the Controller and the Franchise Tax Board for reimbursement of all costs incurred by the Controller and the Franchise Tax Board in connection with their duties under this article.

(2) The balance to the California Organ and Tissue Donor Registrar, for its ongoing activities to maintain the Donate Life California Organ and Tissue Donor Registry, authorized by Section 7150.90 of the Health and Safety Code.

(b) All moneys allocated pursuant to paragraph (2) of subdivision (a) may be carried over from the year in which they were received and encumbered in any following year.

Amendment 4

On page 1, strike out lines 1 to 8, inclusive, and strike out page 2

AMENDMENTS TO ASSEMBLY BILL NO. 2101

Amendment 1

In the heading, in line 1, strike out "Member Acosta" and insert:

Members Acosta and Eduardo Garcia

Amendment 2

In the title, in line 1, strike out "amend Section 9118.5 of" and insert:

add and repeal Section 4366 of

Amendment 3

In the title, in line 2, strike out "volunteers." and insert:

caregivers.

Amendment 4

On page 1, before line 1, insert:

SECTION 1. Section 4366 is added to the Welfare and Institutions Code, to read:

4366. (a) (1) It is the intent of the Legislature in enacting this section to establish, until January 1, 2024, a pilot program to provide a volunteer workforce to provide respite care to persons who are at least 65 years of age or have a cognitive impairment and who need in-home care.

(2) It is the intent of the Legislature that the CRCs train and place the volunteers for purposes of the pilot program and that the volunteers provide services in exchange for a stipend and, under certain circumstances, an educational award as described in this section. This pilot program is intended to incentivize high school and college students to volunteer to provide in-home respite care and to expand the current in-home care workforce.

(b) (1) The director shall administer, until January 1, 2024, a pilot program in accordance with the requirements of this section. The director shall also appoint an advisory council consisting of a group of key stakeholder organizations and qualified academic leaders to conduct a review of the pilot program in accordance with subdivision (h).

(2) Each CRC shall select, train, and place volunteers in accordance with this section and with the policies and procedures adopted by the CRC pursuant to this section.

(c) A person may apply to serve as a volunteer pursuant to this section by submitting an application to a CRC in the form, and containing the information, the CRC requires. The pilot program shall begin on July 1 of each year, and the application



RN1808672

deadline shall be two months prior to the commencement of training in order to provide time for administrators to select applicants. Each CRC shall select volunteers for the program in accordance with this section. A person who is selected to serve as a volunteer shall agree to serve pursuant to those terms and conditions as the CRC requires. A volunteer may not serve for more than 24 months, and may not serve for not more than two terms consisting of not more than 12 months each. A person is eligible to serve as a volunteer if he or she meets both of the following criteria:

(1) He or she turns 18 years of age on or before December 31 of the calendar year in which he or she begins participation in the program.

(2) He or she passes a criminal background check (LiveScan).

(d) A person is eligible to receive volunteer services pursuant to this section if he or she meets all of the following criteria:

(1) He or she is at least 65 years of age or has a cognitive impairment.

(2) He or she has difficulty with self-care or living independently.

(3) He or she has an unpaid caregiver who does not qualify to provide services pursuant to the In-Home Supportive Services program described in Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9, when the person is initially selected to be a recipient of these services.

(e) The pilot program established pursuant to this section shall provide volunteer services to populations that come within either of the following descriptions:

(1) Populations experiencing a shortage of approved care services.

(2) Populations consisting primarily of low-income or minority individuals.

(f) Each CRC shall provide training to volunteers, as follows:

(1) Each volunteer shall complete a six-week internship consisting of eight hours of training per week.

(2) Each volunteer shall receive a stipend during the internship.

(3) The first week of training shall include 40 hours of training modules developed by the CRC.

(4) Weeks two to six, inclusive, of training shall include pairing interns with unpaid family caregivers to enable the interns to shadow the family caregivers.

(5) An intern who is well-rated and who continues to express interest in the program shall receive further training and may be accepted as a volunteer.

(g) (1) Volunteers shall provide services that do all of the following:

(A) Result in person-to-person, supportive relationships with each individual served.

(B) Support the achievement and maintenance of the highest level of independent living for each individual in need.

(C) Are supported by appropriate orientation, training, and supervision.

(D) Are provided in support of, or in coordination with, a caregiver, if applicable.

(2) Volunteers shall not provide the following services:

(A) Professional medical services.

(B) Administrative support services of the program.

(C) Care in an institutional setting.

(D) Care prohibited by state law.

(E) Financial services.

(F) Any other services determined by the director to be inconsistent with the purposes of programs funded pursuant to this section.

(3) Each volunteer shall be assigned to several recipients in order to provide brief respites for the caregivers. If a caregiver subsequently qualifies to provide in-home care pursuant to the In-Home Supportive Services program, as described in paragraph (3) of subdivision (c), then the volunteer shall be assigned to a single recipient.

(h) (1) Each CRC shall provide a stipend in the amount of one thousand two hundred fifty dollars (\$1,250) per month to each volunteer.

(2) Each CRC shall provide educational awards, in addition to the stipend described in paragraph (1), to volunteers, as follows:

(A) If a volunteer completes less than 12 months of full-time service in the program as determined by the CRC, he or she shall not receive an educational award.

(B) If a volunteer completes 12 months of full-time service in the program, as determined by the CRC, the volunteer shall receive an educational award in the amount of either of the following, as applicable:

(i) Six thousand dollars (\$6,000).

(ii) If a volunteer commits to using an educational award granted pursuant to this section to complete a degree, a certificate, or training in a health care profession, or in a social services profession related to the delivery of long-term services and supports to older adults and people with disabilities or to their caregivers, ten thousand dollars (\$10,000).

(C) If a volunteer completes more than 12 months of full-time service in the program, as determined by the CRC, he or she shall receive the educational award described in subparagraph (B). In addition, for each additional six months of service after the initial 12-month period, the volunteer shall receive a prorated amount of that award. The total educational award to a volunteer shall not exceed a total amount of twelve thousand dollars (\$12,000) if the award is made pursuant to clause (i) of subparagraph (B), or twenty thousand dollars (\$20,000) if the award is made pursuant to clause (ii) of subparagraph (B).

(i) During the 2022 calendar year, the director and the advisory council shall evaluate the pilot program established pursuant to this section. The evaluation shall examine all of the following:

(1) Reduction in caregiver stress.

(2) Efficacy of youth caregivers.

(3) Average number of hours of caregiver respite provided.

(4) Workforce development outcomes.

(5) Percentage of recipients who reenter the workforce.

(j) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

Amendment 5

On page 1, strike out lines 1 and 2 and strike out page 2