

#### Assembly California Legislature Committee on Rules

**KEN COOLEY CHAIR** 

Thursday, July 1, 2021 8:45 a.m. State Capitol, Room 437

**VICE CHAIR** CUNNINGHAM, JORDAN

**MEMBERS** 

BENNETT, STEVE FLORA, HEATH GIPSON, MIKE A. LEE, ALEX MAIENSCHEIN, BRIAN MATHIS, DEVON J. RAMOS, JAMES C. RUBIO, BLANCA E. VILLAPUDUA, CARLOS WEBER, M.D., AKILAH

LEVINE, MARC (D-ALT) VALLADARES, SUZETTE MARTINEZ (R-ALT)

#### **CONSENT AGENDA**

(Please note room change)

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CHIEF ADMINISTRATIVE OFFICER
DEBRA GRAVERT

# Assembly California Legislature Committee on Rules KEN COOLEY CHAIR

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JORDAN CUNNINGHAM

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MARC LEVINE (D-ALT.) SUZETTE VALLADARES (R-ALT.)

# Memo

**To:** Rules Committee Members

**From:** Michael Erke, Bill Referral Consultant

**Date:** 6/30/2021

**Re:** Consent Bill Referrals

Since you received your preliminary list of bill referrals, there have been no changes.

#### REFERRAL OF BILLS TO COMMITTEE

07/01/2021

Pursuant to the Assembly Rules, the following bills were referred to committee:

Assembly Bill No. Committee:

ACR 94 RLS. ACR 95 JUD. HR 56 RLS. RLS. <u>HR 58</u> **SCR 36** RLS.

<u>SJR 5</u> P.E. & R.

#### **Introduced by Assembly Member Valladares**

June 23, 2021

Assembly Concurrent Resolution No. 94—Relative to First Lady Nancy Davis Reagan.

#### LEGISLATIVE COUNSEL'S DIGEST

ACR 94, as introduced, Valladares. First Lady Nancy Davis Reagan. This measure would honor the life and legacy of Nancy Davis Reagan, recognize the centennial of her birth on July 6, 2021, and the year-long celebration culminating on July 6, 2022, and commend her for a life dedicated to the service of our nation.

Fiscal committee: no.

- 1 WHEREAS, Nancy Davis Reagan was born on July 6, 1921, in
- 2 New York City, New York; and
- 3 WHEREAS, Mrs. Reagan served as First Lady of California for 4 eight years from 1967 to 1975; and
- WHEREAS, Mrs. Reagan served as First Lady of the United 5
- 6 States for eight years from 1981 to 1989; and
- WHEREAS, President George W. Bush awarded Mrs. Reagan 7
- 8 the Presidential Medal of Freedom, the nation's highest civilian
- honor, on July 9, 2002, for her contributions to the arts and her
- contributions to America; and 10
- WHEREAS, President Bill Clinton awarded Mrs. Reagan and 11
- President Ronald Reagan the Congressional Gold Medal, signed
- into law on July 27, 2000, in recognition of their service to the 13

 $ACR 94 \qquad \qquad -2 -$ 

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nation. On May 16, 2002, Mrs. Reagan accepted both medals in the Rotunda of the United States Capitol; and

WHEREAS, Mrs. Reagan dedicated her time and efforts to raise awareness of the plight of prisoner of war (POW) and missing in action (MIA) soldiers of the Vietnam War; and

WHEREAS, Mrs. Reagan worked on behalf of the Foster Grandparent Program while she was First Lady of California and helped grow the program nationally as First Lady of the United States: and

WHEREAS, Mrs. Reagan focused considerable efforts to raise the awareness of drug and alcohol abuse among our youth across the United States and abroad, including her "Just Say No" clubs that were active in thousands of schools across the country; and

WHEREAS, Mrs. Reagan traveled nearly 250,000 miles across the United States and to foreign countries to bring the message of fighting drug abuse to millions of youth; and

WHEREAS, In 1988, in recognition of her efforts to combat drug abuse, Mrs. Reagan was the first sitting First Lady of the United States asked to address the United Nations General Assembly; and

WHEREAS, Mrs. Reagan used her personal influence and diplomatic skills in support of America's 40th President to help bring an end to the Cold War; and

WHEREAS, Mrs. Reagan was an actress, former board member of the Screen Actors Guild, and lifelong advocate of the diversity of arts and artists, promoting them widely during her eight years as First Lady of the United States; and

WHEREAS, Mrs. Reagan embraced her diplomatic responsibilities by hosting almost 80 White House state dinners, as well as hundreds of other special events, to facilitate her husband's preference for face-to-face diplomacy; and

WHEREAS, Mrs. Reagan, in the later years of her life, took on new advocacy roles for Alzheimer's disease research, Alzheimer's disease caregiving, and breast cancer awareness; and

WHEREAS, Mrs. Reagan was a devoted wife, mother, and stepmother to four children; and

WHEREAS, Mrs. Reagan represented our state and nation with dignity, kindness, and compassion as First Lady of California and First Lady of the United States; now, therefore, be it -3- ACR 94

Resolved by the Assembly of the State of California, the Senate
 thereof concurring, That the Legislature honors the life and legacy
 of Nancy Davis Reagan, and recognizes the centennial of her birth
 on July 6, 2021, and the year-long celebration culminating on July
 6, 2022; and be it further
 Resolved, That the Legislature commends Nancy Davis Reagan
 for a life dedicated to the service of our nation; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies

9 of this resolution to the author for appropriate distribution.

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### ASSEMBLY COMMITTEE ON RULES

Ken Cooley, Chair ACR 94 (Valladares) – As Introduced June 23, 2021

SUBJECT: First Lady Nancy Davis Reagan.

**SUMMARY**: Honors the life and legacy of Nancy Davis Reagan, and recognizes the centennial of her birth on July 6, 2021, and the year-long celebration culminating on July 6, 2022. Specifically, **this resolution** makes the following legislative findings:

- 1) Nancy Davis Reagan was born on July 6, 1921, in New York City, New York. Mrs. Reagan served as First Lady of California for eight years from 1967 to 1975 and as First Lady of the United States for eight years from 1981 to 1989.
- 2) Mrs. Reagan dedicated her time and efforts to raise awareness of the plight of prisoner of war (POW) and missing in action (MIA) soldiers of the Vietnam War. She also worked on behalf of the Foster Grandparent Program while she was First Lady of California and helped grow the program nationally as First Lady of the United States.
- 3) Mrs. Reagan focused considerable efforts to raise the awareness of drug and alcohol abuse among our youth across the United States and abroad, including her "Just Say No" clubs that were active in thousands of schools across the country.
- 4) In 1988, in recognition of her efforts to combat drug abuse, Mrs. Reagan was the first sitting First Lady of the United States asked to address the United Nations General Assembly.
- 5) President Bill Clinton awarded Mrs. Reagan and President Ronald Reagan the Congressional Gold Medal, signed into law on July 27, 2000, in recognition of their service to the nation. On May 16, 2002, Mrs. Reagan accepted both medals in the Rotunda of the U.S. Capitol.
- 6) Mrs. Reagan, in the later years of her life, took on new advocacy roles for Alzheimer's disease research, Alzheimer's disease caregiving, and breast cancer awareness.
- 7) Mrs. Reagan represented our state and nation with dignity, kindness, and compassion as First Lady of California and First Lady of the United States.

FISCAL EFFECT: None

#### **REGISTERED SUPPORT / OPPOSITION:**

#### **Support**

None on file

#### **Opposition**

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

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# Introduced by Senator Umberg (Coauthor: Senator Pan)

December 7, 2020

Senate Concurrent Resolution No. 3—Relative to veterans.

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 3, as amended, Umberg. Veterans of the Republic of Vietnam Armed Forces Day.

This measure would proclaim June 19, 2021, as Veterans of the Republic of Vietnam Armed Forces Day.

Fiscal committee: no.

- 1 WHEREAS, The Republic of Vietnam Military Forces, or South
- 2 Vietnamese Armed Forces, were formally established on December
- 3 30, 1955, by Ngo Dinh Diem, the first President of South Vietnam;
- 4 and
- 5 WHEREAS, The Republic of Vietnam Military Forces consisted
- 6 of four branches: the Army of the Republic of Vietnam, the
- 7 Republic of Vietnam Air Force, the Republic of Vietnam Navy,
- 8 and the Republic of Vietnam Marine Division; and
- 9 WHEREAS, The duties of all four branches included: protecting
- 10 the sovereignty of the free Vietnamese nation and that of the
- 11 Republic, maintaining the political and social order and the rule
- 12 of law by providing internal security, defending the newly
- 13 independent Republic of Vietnam from external and internal
- 14 threats, and ultimately, ultimately helping to reunify Vietnam, a

 $SCR 3 \qquad \qquad -2-$ 

1 country that had been divided since the Geneva Accords of 1954; 2 and

WHEREAS, The Vietnam War brought about the loss of more than 250,000 members of the South Vietnamese Armed Forces and more than 58,000 members of the United States Armed Forces; and

WHEREAS, More than 300,000 members of the United States Armed Forces and more than 1,000,000 members of the South Vietnamese Armed Forces were injured; and

WHEREAS, After the Fall of Saigon on April 30, 1975, more than 250,000 members of the South Vietnamese Armed Forces were sent to prison camps, where many spent 18 years or more in captivity and more than 20,000 died before they were released; and

WHEREAS, The end of the Vietnam War left the South Vietnamese Armed Forces in disarray. Many military personnel and their family members fled Vietnam to escape tyrannical authoritarian rule and oppression, and hoped to find democracy and freedom in the United States and other free nations. They spent months at sea and in jungles, battling hunger, thirst, and separation from their families and loved ones; and

WHEREAS, Many of those who reached the United States found refuge in California and in various states throughout the country. They faced socioeconomic challenges but determined to build entirely new lives here; and

WHEREAS, In the United States, these military personnel continued to fight for their home country and the people there. They have been a strong voice for democracy, religious freedom, and human rights in Vietnam and have contributed culturally and economically to our society and to the diversity of our nation; and

WHEREAS, These veterans were fighting side by side with American soldiers against a common enemy and risked their lives to save many American lives. All veterans who risked their lives fighting for freedom should be honored for their distinguished service in the Vietnam War and for the contributions they provide to the United States as American citizens, and it is the intent of the State of California to honor the sacrifices, commitment, dedication, and courage of everyone who fought for the freedom of the Republic of Vietnam; and

-3- SCR 3

WHEREAS, Annually, Vietnamese Americans around the world recognize the Republic of Vietnam Armed Forces Day on June 19, and this year, 2021, marks the 56th anniversary of this annual commemoration; and

WHEREAS, Thousands of veterans of the South Vietnamese Armed Forces now reside in the United States and participate in activities sponsored by American veterans, including Memorial Day, Veterans Day, and Independence Day, and today there are more than 100,000 veterans from the Republic of Vietnam living in California; and

WHEREAS, These servicemembers who paid the ultimate sacrifice for their nation and have contributed greatly to the development of our society deserve to be honored and recognized; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature recognizes June 19, 2021, as Veterans of the Republic of Vietnam Armed Forces Day, in memory of the soldiers who sacrificed their lives for freedom and democracy and the victims of the Vietnam War, and in honor of the survivors, activists, and freedom fighters of that war; and be it further

*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.

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#### ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 3 (Umberg) – As Amended June 2, 2021

**SENATE VOTE**: 39-0

**SUBJECT**: Veterans of the Republic of Vietnam Armed Forces Day.

**SUMMARY:** Proclaims June 19, 2021, as Veterans of the Republic of Vietnam Armed Forces Day, in memory of the soldiers who sacrificed their lives for freedom and democracy and the victims of the Vietnam War, and in honor of the survivors, activists, and freedom fighters of that war. Specifically, **this resolution** makes the following legislative findings:

- 1) The Republic of Vietnam Military Forces consisted of four branches: the Army of the Republic of Vietnam, the Republic of Vietnam Air Force, the Republic of Vietnam Navy, and the Republic of Vietnam Marine Division.
- 2) The duties of all four branches included: protecting the sovereignty of the free Vietnamese nation and that of the Republic, maintaining the political and social order and the rule of law by providing internal security, defending the newly independent Republic of Vietnam from external and internal threats, and ultimately helping to reunify Vietnam, a country that had been divided since the Geneva Accords of 1954.
- 3) The Vietnam War brought about the loss of more than 250,000 members of the South Vietnamese Armed Forces and more than 58,000 members of the United States Armed Forces. More than 300,000 members of the United States Armed Forces and more than 1,000,000 members of the South Vietnamese Armed Forces were injured.
- 4) The end of the Vietnam War left the South Vietnamese Armed Forces in disarray. Many military personnel and their family members fled Vietnam, and hoped to find democracy and freedom in the United States and other free nations. They spent months at sea and in jungles, battling hunger, thirst, and separation from their families and loved ones.
- 5) Many of those who reached the United States found refuge in California and in various states throughout the country. They faced socioeconomic challenges but were determined to build entirely new lives here.
- 6) Annually, Vietnamese Americans around the world recognize the Republic of Vietnam Armed Forces Day on June 19, and this year, 2021, marks the 56th anniversary of this annual commemoration.
- 7) These servicemembers who paid the ultimate sacrifice for their nation and have contributed greatly to the development of our society deserve to be honored and recognized.

**FISCAL EFFECT**: None

#### **REGISTERED SUPPORT / OPPOSITION:**

**Support** 

None on file

Opposition

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

#### **Introduced by Senator Umberg**

March 10, 2021

Senate Concurrent Resolution No. 22—Relative to Community Development Financial Institution (CDFI) Week.

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 22, as introduced, Umberg. Community Development Financial Institution (CDFI) Week.

This measure would designate the week of April 5, 2021, through April 9, 2021, inclusive, as Community Development Financial Institution (CDFI) Week.

Fiscal committee: no.

- 1 WHEREAS, Community Development Financial Institutions (CDFIs) have brought opportunity to low-income communities 2 3 and communities of color, repeatedly underserved and undervalued by mainstream financial institutions, for more than 50 years; and 5 WHEREAS, CDFIs are private sector, nonprofit, and for-profit mission-driven financial intermediaries with community 6 development as their primary mission. Therefore, they can reach 7 communities that traditional lenders do not. Through 8 mission-driven lending and investments, CDFIs leverage capital from public and private sources to deliver affordable and 10 responsible lending products that help reverse the impacts of 11 disinvestment and foster the resilience of low-income communities; 12 13 and
- WHEREAS, CDFIs have been called the "financial first responders" of the COVID-19 pandemic, providing resources in nearly every district of California to communities most impacted

 $SCR 22 \qquad \qquad -2-$ 

by the COVID-19 economic recession, with an emphasis on rural,
urban, and Native communities impacted by the recession and;
and

WHEREAS, CDFIs have shown remarkable success as Paycheck Protection Program (PPP) lenders, outperforming much larger and better capitalized lenders, and in less than three months, a subset of the CDFI industry, 303 CDFIs, made 106,113 PPP loans for a total of \$7.4 billion; and

WHEREAS, The State of California has developed critical partnerships with CDFIs and has turned to them to provide technical assistance, lending, mortgage assistance, program management, and disaster relief; and

WHEREAS, CDFIs provide tools to enable economically disadvantaged individuals to become self-sufficient stakeholders in their own future. These tools include providing financial services, loans, and investments; offering training and technical assistance services; and promoting development efforts that enable individuals and communities to effectively use credit and capital; and

WHEREAS, Seven CDFIs originally partnered to form The Golden State Acquisition Fund (GSAF), a \$93 million flexible, low-cost financing program aimed at supporting the creation and preservation of affordable housing throughout the State of California and to date has committed and repaid \$427,800,000 for 97 projects with over 10,000 housing units; and

WHEREAS, The state of California is home to nearly 100 CDFIs, of which the CDFI Coalition estimates California CDFIs manage a total of \$27 billion and play a critical role in creating jobs, financing affordable housing, ensuring financial health for underserved communities, and providing a path to financial and economic justice and opportunity for all; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature hereby designates the week of April 5, 2021, through April 9, 2021, inclusive, as Community Development Financial Institution (CDFI) Week; and be it further

*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.

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#### ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 22 (Umberg) – As Introduced March 10, 2021

**SENATE VOTE**: 38-0

**SUBJECT**: Community Development Financial Institution (CDFI) Week.

**SUMMARY:** Designates the week of April 5, 2021, through April 9, 2021, inclusive, as Community Development Financial Institution (CDFI) Week. Specifically, **this resolution** makes the following legislative findings:

- 1) Community Development Financial Institutions (CDFIs) have brought opportunity to low-income communities and communities of color, repeatedly underserved and undervalued by mainstream financial institutions, for more than 50 years.
- 2) Through mission-driven lending and investments, CDFIs leverage capital from public and private sources to deliver affordable and responsible lending products that help reverse the impacts of disinvestment and foster the resilience of low-income communities.
- 3) CDFIs have been called the "financial first responders" of the COVID-19 pandemic, providing resources in nearly every district of California to communities most impacted by the COVID-19 economic recession, with an emphasis on rural, urban, and Native communities impacted by the recession.
- 4) CDFIs have shown remarkable success as Paycheck Protection Program (PPP) lenders, outperforming much larger and better capitalized lenders; and, in less than three months, a subset of the CDFI industry, 303 CDFIs, made 106,113 PPP loans for a total of \$7.4 billion.
- 5) California has developed critical partnerships with CDFIs and has turned to them to provide technical assistance, lending, mortgage assistance, program management, and disaster relief.
- 6) The state is home to nearly 100 CDFIs that play a critical role in creating jobs, financing affordable housing, ensuring financial health for underserved communities, and providing a path to financial and economic justice and opportunity for all.

FISCAL EFFECT: None

#### **REGISTERED SUPPORT / OPPOSITION:**

#### **Support**

None on file

#### **Opposition**

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

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#### **Introduced by Senator Gonzalez**

April 5, 2021

Senate Concurrent Resolution No. 32—Relative to distracted driving.

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 32, as introduced, Gonzalez. Distracted Driving Awareness Month.

This measure would proclaim April 2021 as Distracted Driving Awareness Month in California and call upon residents, government agencies, business leaders, hospitals, schools, and public and private institutions within the state to promote awareness of the distracted driving problem and to support programs and policies to reduce the incidence of distracted driving.

Fiscal committee: no.

- WHEREAS, Distracted driving is defined as any activity that could divert a person's attention away from the primary task of driving; and
- WHEREAS, Distracted driving takes three primary forms:
  - (a) Visual distraction: tasks that require the driver to look away from the roadway to visually obtain information.
  - (b) Manual distraction: tasks that require the driver to take a hand off the steering wheel and manipulate a device.
  - (c) Cognitive distraction: tasks that are defined as the mental workload associated with a task that involves thinking about something other than the task of driving; and
- WHEREAS, The AAA Foundation for Traffic Safety Research found that even though 97 percent of drivers nationwide say texting
- 4 and emailing while driving is a serious threat to their safety, nearly

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one-half admit to having read a text or email while driving in the last 30 days; and

WHEREAS, A 2020 statewide traffic safety survey conducted by the California Office of Traffic Safety similarly reported that more than 75 percent of Californians surveyed thought texting on a cell phone while driving posed the biggest safety problem on California roadways; and

WHEREAS, Text messaging creates a crash risk 23 times worse than driving while not distracted; and

WHEREAS, To read or type the average text takes 4.6 seconds. Just three seconds of texting while driving at 65 mph is equal to driving 100 yards, equal to the length of a football field, blindfolded; and

WHEREAS, Engaging in visual-manual subtasks, such as reaching for a phone, dialing, and texting, associated with the use of handheld phones and other portable devices increased the risk of getting into a road departure crash by three times and odds of rear-ending a vehicle by more than a multiple of seven; and

WHEREAS, There are more than 20,000 drivers, on average, in California involved in a crash every year where inattention is a factor; and

WHEREAS, In 2019, 3,142 people were killed nationwide in motor vehicle crashes involving distracted drivers; and

WHEREAS, In 2018, distracted driving citations reached 108,000 statewide; and

WHEREAS, In 2018, 9 percent of all drivers 15 to 19 years of age who were involved in fatal crashes were reported as distracted at the time of the crash, and nearly a one-quarter of those involved cell phone use; and

WHEREAS, According to the National Highway Traffic Safety Administration, only about one out of five young drivers think that texting makes no difference to their driving performance. Sixty-eight percent of young drivers 18 to 20 years of age are willing to answer incoming phone calls on some, most, or all driving trips; and

WHEREAS, In addition to other factors, collisions involving distracted driving often include unsafe speed, improper turning, or not reacting or stopping in time; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature proclaims April 2021 as

-3- SCR 32

- Distracted Driving Awareness Month in California and calls upon
- 2 residents, government agencies, business leaders, hospitals,
- 3 schools, and public and private institutions within the state to
- 4 promote awareness of the distracted driving problem and to support
- 5 programs and policies to reduce the incidence of distracted driving
- 6 in California and nationwide; and be it further
- 7 Resolved, That the Secretary of the Senate transmit copies of
- 8 this resolution to the author for appropriate distribution.

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#### ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 32 (Gonzalez) – As Introduced April 5, 2021

**SENATE VOTE**: 37-0

**SUBJECT**: Distracted Driving Awareness Month.

**SUMMARY:** Proclaims April 2021 as Distracted Driving Awareness Month in California; and, calls upon residents, government agencies, business leaders, hospitals, schools, and public and private institutions within the state to promote awareness of the distracted driving problem and to support programs and policies to reduce the incidence of distracted driving in California. Specifically, **this resolution** makes the following legislative findings:

- 1) Distracted driving is defined as any activity that could divert a person's attention away from the primary task of driving and takes three primary forms: visual distraction, manual distraction, and cognitive distraction.
- 2) The AAA Foundation for Traffic Safety Research found that even though 97 percent of drivers nationwide say texting and emailing while driving is a serious threat to their safety, nearly one-half admit to having read a text or email while driving in the last 30 days.
- 3) A 2020 statewide traffic safety survey conducted by the California Office of Traffic Safety similarly reported that more than 75 percent of Californians surveyed thought texting on a cell phone while driving posed the biggest safety problem on California roadways.
- 4) Text messaging creates a crash risk 23 times worse than driving while not distracted.
- 5) Engaging in visual-manual subtasks, such as reaching for a phone, dialing, and texting, associated with the use of handheld phones and other portable devices increased the risk of getting into a road departure crash by three times and odds of rear-ending a vehicle by more than a multiple of seven.
- 6) There are more than 20,000 drivers, on average, in California involved in a crash every year where inattention is a factor.

FISCAL EFFECT: None

#### **REGISTERED SUPPORT / OPPOSITION:**

**Support** 

None on file

**Opposition** 

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

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#### **Introduced by Senator Pan**

#### April 19, 2021

Senate Concurrent Resolution No. 38—Relative to Cystic Fibrosis Awareness Month.

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 38, as introduced, Pan. Cystic Fibrosis Awareness Month.
This measure would proclaim the month of May 2021 as Cystic Fibrosis Awareness Month.

Fiscal committee: no.

- 1 WHEREAS, Cystic fibrosis, a chronic and progressive systemic
- 2 disease, is the most common fatal genetic disease in the United
- 3 States, and one for which there is no known cure; and
- 4 WHEREAS, Nearly 31,000 children and adults in the United
- 5 States have cystic fibrosis and more than 1,000 new cases are
- 6 diagnosed each year, predominantly through newborn screening;7 and
- 8 WHEREAS, Due to progress in understanding the disease and
- 9 new therapeutic advances, the average life expectancy of
- 10 individuals recently diagnosed with cystic fibrosis is in the
- 11 mid-40s; and
- WHEREAS, Despite advances in disease understanding and
- 13 new therapies, the median age of death for those with cystic fibrosis
- 14 is 31 years of age; and
- WHEREAS, Cystic fibrosis impacts individuals of every race
- and ethnicity, but due to health disparities and newborn screening
- 17 panels that fail to capture rare cystic fibrosis transmembrane

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conductance regulator (CFTR) mutations, many individuals with cystic fibrosis are misdiagnosed or diagnosed late; and

WHEREAS, The federal Centers for Disease Control and Prevention estimates that more than 12 million Americans are unknowing, symptomless carriers of the cystic fibrosis gene and have high odds of passing the gene to their children; and

WHEREAS, Prompt, aggressive treatment of the symptoms of cystic fibrosis can extend the lives of people who have the disease; and

WHEREAS, Recent advances in cystic fibrosis research have produced promising leads in gene, protein, and drug therapies beneficial to people who have the disease; and

WHEREAS, Cystic fibrosis research continues for potential therapies, and a nationwide network of care centers exists to improve the length and quality of life for individuals with cystic fibrosis, yet lives continue to be lost to this disease; and

WHEREAS, The Cystic Fibrosis Research Institute (CFRI) was formed in 1975 with a mission to be a global resource for the cystic fibrosis community while pursuing a cure through research, education, advocacy, and support; and

WHEREAS, CFRI provides funding for innovative cystic fibrosis research at medical and academic centers nationwide to expand understanding of the disease process and to seek new therapies and ultimately a cure for this challenging multisystemic disease; and

WHEREAS, CFRI seeks to improve the quality of life for all people with cystic fibrosis in California and the nation, as well as their family members, by providing psychosocial support programs; and

WHEREAS, Education of the public about cystic fibrosis, including the symptoms of the disease and its impact upon people of all races and ethnicities, increases knowledge and understanding of cystic fibrosis and promotes early diagnosis, and CFRI serves as a vital link in providing vital educational resources; and

WHEREAS, Support for those impacted by cystic fibrosis, a rare disease, begins with the raising of public awareness, and CFRI works within the diverse cystic fibrosis community on both the state and national level to advocate for continued research, access to quality care, and the development of new therapies to extend and enhance lives; now, therefore, be it

-3- SCR 38

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature proclaims the month of May 2021 as Cystic Fibrosis Awareness Month; and be it further Resolved, That the Legislature honors the goals and ideals of Cystic Fibrosis Awareness Month so as to promote public awareness and understanding of cystic fibrosis and the diverse

*Resolved*, That the Legislature encourages early diagnosis and access to quality care for all people with cystic fibrosis to improve the quality of their lives, advocates for increased support for people who have cystic fibrosis and their families, and supports research to find a cure for cystic fibrosis; and be it further

communities it impacts; and be it further

*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.

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#### ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 38 (Pan) – As Introduced April 19, 2021

**SENATE VOTE**: 37-0

**SUBJECT**: Cystic Fibrosis Awareness Month.

**SUMMARY:** Proclaims the month of May 2021 as Cystic Fibrosis Awareness Month to promote public awareness and understanding of cystic fibrosis and the diverse communities it impacts. Specifically, **this resolution** makes the following legislative findings:

- 1) Cystic fibrosis, a chronic and progressive systemic disease, is the most common fatal genetic disease in the United States, and one for which there is no known cure.
- 2) Nearly 31,000 children and adults in the United States have cystic fibrosis and more than 1,000 new cases are diagnosed each year, predominantly through newborn screening.
- 3) Due to progress in understanding the disease and new therapeutic advances, the average life expectancy of individuals recently diagnosed with cystic fibrosis is in the mid-40s. Despite advances in disease understanding and new therapies, the median age of death for those with cystic fibrosis is 31 years of age.
- 4) Cystic fibrosis impacts individuals of every race and ethnicity, but due to health disparities and newborn screening panels that fail to capture rare cystic fibrosis transmembrane conductance regulator (CFTR) mutations, many individuals with cystic fibrosis are misdiagnosed or diagnosed late.
- 5) The federal Centers for Disease Control and Prevention estimates that more than 12 million Americans are unknowing, symptomless carriers of the cystic fibrosis gene and have high odds of passing the gene to their children.
- 6) Recent advances in cystic fibrosis research have produced promising leads in gene, protein, and drug therapies beneficial to people who have the disease.
- 7) Cystic fibrosis research continues for potential therapies, and a nationwide network of care centers exists to improve the length and quality of life for individuals with cystic fibrosis, yet lives continue to be lost to this disease.

**FISCAL EFFECT**: None

#### **REGISTERED SUPPORT / OPPOSITION:**

#### **Support**

None on file

# Opposition

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

#### **Introduced by Senator Pan**

May 6, 2021

Senate Concurrent Resolution No. 42—Relative to AAPI Day Against Bullying and Hate.

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 42, as introduced, Pan. AAPI Day Against Bullying and Hate. This measure would proclaim May 18, 2021, as AAPI Day Against Bullying and Hate.

Fiscal committee: no.

- WHEREAS, May is Asian Pacific American Heritage Month, and:
- 3 WHEREAS, May 18 is the birthday of Vincent Chin, who was
- 4 brutally murdered in a hate crime in 1982, fueling a national Asian
- 5 American activist movement that continues to this day; and
- WHEREAS, There has been a staggering rise in bullying, discrimination, and hate crimes against the Asian American and
- 8 Pacific Islander (AAPI) community during the COVID-19
- 9 pandemic; and
- WHEREAS, Every day, kids of all ages suffer from being bullied
- 11 in schools and online across the country; and
- WHEREAS, In the AAPI community, this problem is often
- 13 compounded by cultural, religious, and linguistic barriers that can
- 14 keep these youth from seeking and receiving help; and
- WHEREAS, Certain AAPI groups, including South Asian,
- 16 Muslim, Sikh, Micronesian, LGBTQ+, immigrant, and
- 17 limited-English-proficient youth, are more likely to be the targets
- 18 of bullying; and

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WHEREAS, One in four Asian American youth face COVID-19-related bullying, two-thirds of Sikh American students are victims of bullying, and half of Muslim American students report being bullied because of their religion; and

WHEREAS, Act To Change is one of the national nonprofits dedicated to fighting bullying directed at the Asian American and Pacific Islander community; and

WHEREAS, The Legislature joins Act To Change in sharing one vision: a world where all youth, including within the AAPI community, have the opportunity to grow up feeling proud and supported in the development of their identities and sharing of their stories; and

WHEREAS, The Legislature will continue to empower students by advocating for systemic change and providing resources to promote healthy communities; and

WHEREAS, The Legislature is committed to this important issue and encourages the public to foster dialogue, share resources, and learn more about what they can do to fight bullying; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That May 18, 2021, is hereby proclaimed AAPI Day Against Bullying and Hate, in honor of Asian Pacific American Heritage Month and Vincent Chin; and be it further

*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.

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#### ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 42 (Pan) – As Introduced May 6, 2021

**SENATE VOTE**: 38-0

**SUBJECT**: AAPI Day Against Bullying and Hate.

**SUMMARY:** Proclaims May 18, 2021, as AAPI Day Against Bullying and Hate. Specifically, **this resolution** makes the following legislative findings:

- 1) May is Asian Pacific American Heritage Month and May 18 is the birthday of Vincent Chin, who was brutally murdered in a hate crime in 1982, fueling a national Asian American activist movement that continues to this day.
- 2) There has been a staggering rise in bullying, discrimination, and hate crimes against the Asian American and Pacific Islander (AAPI) community during the COVID-19 pandemic.
- 3) Every day, kids of all ages suffer from being bullied in schools and online across the country. In the AAPI community, this problem is often compounded by cultural, religious, and linguistic barriers that can keep these youth from seeking and receiving help.
- 4) Certain AAPI groups, including South Asian, Muslim, Sikh, Micronesian, LGBTQ+, immigrant, and limited-English-proficient youth, are more likely to be the targets of bullying.
- 5) One in four Asian American youth face COVID-19-related bullying, two-thirds of Sikh American students are victims of bullying, and half of Muslim American students report being bullied because of their religion.
- 6) The Legislature will continue to empower students by advocating for systemic change and providing resources to promote healthy communities.

FISCAL EFFECT: None

#### **REGISTERED SUPPORT / OPPOSITION:**

**Support** 

None on file

**Opposition** 

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

#### **Introduced by Senator Newman**

May 10, 2021

Senate Concurrent Resolution No. 43—Relative to CASA Appreciation Day.

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 43, as introduced, Newman. CASA Appreciation Day. This measure would declare May 28, 2021, as CASA Appreciation Day in California.

Fiscal committee: no.

WHEREAS, All children have the right to a home with loving people to care for them, but each year in the United States, children are abused, neglected, or abandoned by their families. These children are removed from their homes, placed in foster care or institutions, and eventually end up in court; and

WHEREAS, A judge has the power to decide the future for these children and whether they should remain in foster care, be reunited with parents, or adopted, but in many cases, the children become victims for a second time, lost in an overburdened child welfare system that cannot pay close attention to each child; and

WHEREAS, CASA Appreciation Day recognizes the important role played by Court Appointed Special Advocate for children (CASA) volunteers. These trained community volunteers are

13 (CASA) volunteers. These trained community volunteers are 14 appointed by a judge as officers of the court to speak up for

15 children in juvenile court and to help humanize the often

16 frightening and confusing child welfare and legal systems for these

17 children; and

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WHEREAS, Eighty thousand of California's children are in foster care because they have been abused, neglected, or abandoned. In 2020, 8,798 CASA volunteers supported 14,150 foster children in California. CASA volunteers play an important role in their lives by getting to know a foster care child and letting 5 the judge and others in the child welfare system know about the 6 child's perspective and needs; and

WHEREAS, The CASA mission is to ensure consistency and support for children in the foster care system through the use of volunteer advocates advancing the best interests of each child; and WHEREAS, The CASA vision is one where every child in need is appointed a CASA volunteer to champion the child in court, without compromise, on the path to a safe and permanent home;

now, therefore, be it Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature hereby declares that May 28, 2021, is recognized as CASA Appreciation Day in California; and be it further

Resolved, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.

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#### ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 43 (Newman) – As Introduced May 10, 2021

**SENATE VOTE**: 40-0

**SUBJECT**: CASA Appreciation Day.

**SUMMARY:** Declares that May 28, 2021, is recognized as CASA Appreciation Day in California. Specifically, **this resolution** makes the following legislative findings:

- 1) All children have the right to a home with loving people to care for them, but each year in the United States, children are abused, neglected, or abandoned by their families. These children are removed from their homes, placed in foster care or institutions, and eventually end up in court.
- 2) A judge has the power to decide the future for these children and whether they should remain in foster care, be reunited with parents, or adopted, but in many cases, the children become victims for a second time, lost in an overburdened child welfare system that cannot pay close attention to each child.
- 3) CASA Appreciation Day recognizes the important role played by Court Appointed Special Advocate for children (CASA) volunteers. These trained community volunteers are appointed by a judge as officers of the court to speak up for children in juvenile court and to help humanize the often frightening and confusing child welfare and legal systems for these children.
- 4) Eighty thousand of California's children are in foster care because they have been abused, neglected, or abandoned. In 2020, 8,798 CASA volunteers supported 14,150 foster children in California. CASA volunteers play an important role in their lives by getting to know a foster care child and letting the judge and others in the child welfare system know about the child's perspective and needs.
- 5) The CASA mission is to ensure consistency and support for children in the foster care system through the use of volunteer advocates advancing the best interests of each child.

FISCAL EFFECT: None

#### **REGISTERED SUPPORT / OPPOSITION:**

#### **Support**

None on file

#### **Opposition**

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

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#### **Introduced by Senator Umberg**

(Principal coauthor: Assembly Member Quirk-Silva)

May 11, 2021

Senate Concurrent Resolution No. 46—Relative to California Tourism Month.

#### LEGISLATIVE COUNSEL'S DIGEST

SCR 46, as introduced, Umberg. California Tourism Month.

This measure would proclaim the month of May 2021 as California Tourism Month and would urge the citizens of this great state to support tourism and local businesses by traveling in state as an act of civic pride.

Fiscal committee: no.

- WHEREAS, Tourism has been a consistent driver of California's economy and workforce; and
- WHEREAS, A robust travel industry provides significant economic benefits for California, generating more than \$144 billion dollars in visitor spending in 2019; and
- WHEREAS, Travel has been the foundation of a healthy workforce, serving as one of the largest private-sector employers in California, supporting 1.2 million jobs in 2019; and
- 9 WHEREAS, Spending by travelers benefits all Californians, 10 generating \$12.2 billion dollars in state and local tax revenue in 11 2019 to support essential public services and programs; and
- WHEREAS, Travel and tourism-dependent businesses and organizations, 83 percent of which are small businesses, are
- 14 responsible for welcoming visitors from all around the world to
- 15 explore California and all our state has to offer; and

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WHEREAS, In 2020, the coronavirus pandemic devastated every sector of the travel industry with staggering economic consequences, affecting every community in California; and

WHEREAS, California lost \$79.8 billion dollars in visitor spending in 2020, a 55-percent decline from the previous year, and lost \$6.1 billion dollars in tax revenue, a 50-percent drop; and

WHEREAS, Nearly one million of Californians working in travel and hospitality lost their jobs in the first month of the pandemic and the employment sector remains by far the hardest hit in California; and

WHEREAS, The travel industry cannot recover without the full return of leisure and business travel, as well as meetings and events, by both domestic and international visitors; and

WHEREAS, The rebound of travel will drive the rebuilding of California's economy and workforce; and

WHEREAS, The California Legislature in 2016 declared every May as California Tourism Month to celebrate the positive economic impact of the tourism in California; and

WHEREAS, Californians can help put their fellow Californians back to work and support the recovery of local businesses by traveling in California; now, therefore, be it

Resolved by the Senate of the State of California, the Assembly thereof concurring, That the Legislature proclaims May 2021 as California Tourism Month, and urges the citizens of this great state to support tourism and local businesses by traveling in state as an act of civic pride; and be it further

*Resolved*, That the Secretary of the Senate transmit copies of this resolution to the author for appropriate distribution.

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#### ASSEMBLY COMMITTEE ON RULES Ken Cooley, Chair SCR 46 (Umberg) – As Introduced May 11, 2021

**SENATE VOTE**: 35-0

SUBJECT: California Tourism Month.

**SUMMARY:** Proclaims May 2021 as California Tourism Month, and urges the citizens of this great state to support tourism and local businesses by traveling in state as an act of civic pride. Specifically, **this resolution** makes the following legislative findings:

- 1) Tourism has been a consistent driver of California's economy and workforce. A robust travel industry provides significant economic benefits for California, generating more than \$144 billion dollars in visitor spending in 2019.
- 2) Travel has been the foundation of a healthy workforce, serving as one of the largest private-sector employers in California, supporting 1.2 million jobs in 2019.
- 3) Spending by travelers benefits all Californians, generating \$12.2 billion dollars in state and local tax revenue in 2019 to support essential public services and programs.
- 4) Travel and tourism-dependent businesses and organizations, 83 percent of which are small businesses, are responsible for welcoming visitors from all around the world to explore California and all our state has to offer.
- 5) In 2020, the coronavirus pandemic devastated every sector of the travel industry with staggering economic consequences, affecting every community in California.
- 6) California lost \$79.8 billion dollars in visitor spending in 2020, a 55-percent decline from the previous year, and lost \$6.1 billion dollars in tax revenue, a 50-percent drop.
- 7) Nearly one million of Californians working in travel and hospitality lost their jobs in the first month of the pandemic and the employment sector remains by far the hardest hit in California.
- 8) The travel industry cannot recover without the full return of leisure and business travel, as well as meetings and events, by both domestic and international visitors. The rebound of travel will drive the rebuilding of California's economy and workforce.

FISCAL EFFECT: None

#### **REGISTERED SUPPORT / OPPOSITION:**

#### **Support**

None on file

# Opposition

None on file

**Analysis Prepared by**: Michael Erke / RLS. / (916) 319-2800

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COMMITTEES

BUDGET SUBCOMMITTEE #1
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LABOR, PUBLIC EMPLOYMENT
& RETIREMENT
NATURAL RESOURCES & WATER
RULES
JOINT LEGISLATIVE
COMMITTEE ON RULES

June 30, 2021

The Honorable Ken Cooley Chair, Assembly Rules Committee State Capitol, Room 3016 Sacramento, California 95814

# Re: Request for Urgency on SB 272 (Laird): State Government: Gender-Neutral Terms: California Conservation Corps

Dear Chair Cooley:

I am writing to request an urgency clause be added to Senate Bill 272: Gender-Neutral Terms: California Conservation Corps.

While California has led efforts to promote diversity, equity, and equality, our laws are lagging behind. SB 272 was borne out of the historic appointment and confirmation of California Highway Patrol Commissioner Amanda Ray. Commissioner Ray is the first woman and second African American in its 91-year history to lead the largest state law enforcement agency in the nation. Unfortunately, current laws governing her duties describe her position in male pronouns. This is not only discriminatory, but erases the groundbreaking progress her appointment has made in our state's continued push towards equal representation. SB 272 seeks to immediately remedy this injustice by updating state law to ensure gender neutrality across various code sections is achieved.

An urgency clause for SB 272 is necessary to immediately recognize the service and dedication of the numerous individuals who are currently in these positions, but are being overlooked due to outdated and archaic gender-specific language throughout various statutes. This bill is sponsored by Insurance Commissioner, Ricardo Lara, is a legislative priority for the LGBTQ Caucus, and has unanimous bipartisan support in both houses.

Thank you for your consideration of this important matter. Should you have any questions or concerns, please reach out to me directly, or Lesley Brizuela, Lesley.brizuela@sen.ca.gov.

Sincerely,

John Laird

State Senator, 17th District

John Land

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No. 272

#### **Introduced by Senator Laird**

(Coauthors: Assembly Members Bauer-Kahan and Low)

January 29, 2021

An act to amend Sections 1635, 1638, 1638.5, 1639.1, 1651, 1652, 1666, 1666.5. 1678, 1679, 1681, 1683, 1693, 1708, 1718, 1724.5, 1725, 1725.5, 1729, 1730, 1733, 1734, 1734.5, 1735.5, 1738, 1741, 1747, 1748.5, 1749.1, 1749.6, 1751.7, 1758.65, 1758.692, 1758.7, 1758.74, 1758.76, 1758.92, and 1758.95 of the Insurance Code, to amend Sections 737, 752, 757, 764, 765, 774, 777, 778, 781, 783, 4033, 4114.5, 4136, 4142.1, 4151, 4152, 4153, 4156, 4157, 4165, 4166, 4172, 4175, 4176, 4179.5, 4181, 4253, 4255, 4256, 4291.3, 4295.5, 4297, 4331, 4416, 4421, 4422, 4423.1, 4432, 4433, 4436, 4582, 4582.6, 4582.7, 4586, 4588, 4593.3, 4594.4, 4602.5, 4608, 4625, 4646, 4648, 4674, 4703, 4714, 4718, 4854, 4855, 12260, 14000, 14300, 14302, 14304, and 14507.5 of the Public Resources Code, and to amend Sections 2107, 2259.5, 2262, 2403, and 2404 of the Vehicle Code, relating to—the California Highway Patrol. state government.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 272, as amended, Laird. <del>Department of the California Highway Patrol: Commissioner.</del> State government: gender-neutral terms: California Conservation Corps.

(1) Existing law establishes the California Conservation Corps in the Natural Resources Agency and requires the corps to implement and administer the conservation corps program. Under existing law, the corps consists of an average annual enrollment of not less than 50 corpsmembers between 18 and 25 years of age.

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This bill would expand the eligibility for conservation corps membership to include persons who are 26 years of age.

## **Existing**

(2) Existing law regulates the business of insurance in this state. Existing law enacts provisions related to public resources, including forestry. Existing law places the Department of the California Highway Patrol under the control of a civil executive officer known as the Commissioner of the California Highway Patrol who is appointed by the Governor with the advice and consent of the Senate, as specified. Existing law directs the commissioner to take specified actions, including establishing a school for the training and education of members of the California Highway Patrol and creating districts for the administration and enforcement of laws regarding the use of highways, as specified.

This bill would make technical, nonsubstantive changes to these provisions to use gender-neutral language.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1635 of the Insurance Code is amended 2 to read:
- 1635. No-A license is *not* required under the provisions of this chapter for a person to act in the following capacities or to engage in the following activities, providing no a commission is *not* paid or allowed, directly or indirectly, by the insurer, creditor, retailer, or other person for acting in those capacities or engaging in those activities:
- 9 (a) The business of examining, certifying, or abstracting titles to real property.
  - (b) The solicitation for membership in a fraternal benefit society and other activities to the extent and as described in Sections 11013 and 11102 of this code.
- 14 (c) As a salaried representative of a reciprocal or interinsurance 15 exchange or of its attorney-in-fact.
- 16 (d) Employment that does not include the solicitation, 17 negotiation, or effecting of contracts of insurance and the signing 18 of policies or other evidences of insurance.

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(e) As an officer of an insurer or a salaried traveling employee of the type commonly known as a special agent or as an agency supervisor, while performing duties and exercising functions that are commonly performed by a special agent or agency supervisor, if the person engaging in the activity does not do either of the following:

(1) Effect insurance.

- (2) Solicit or negotiate insurance except as a part of and in connection with the business of a property broker-agent, casualty broker-agent, or life agent licensed under this chapter.
- (f) As an officer or salaried representative of a life insurer if his or her the activities of the officer or salaried representative are limited to direct technical advice and assistance to a properly licensed person and his or her the officer or salaried representative's activities do not include effecting, soliciting, or negotiating insurance except as a part of and in connection with the business of a property broker-agent, casualty broker-agent, or life agent licensed under this chapter.
- (g) Employment by an insurer at its home or branch office that does not include the solicitation, negotiation, or effecting of contracts of insurance, and that may as part thereof include the signing of policies or other evidences of insurance.
- (h) The completion or delivery of a declaration or certificate of coverage under a running inland marine insurance contract evidencing coverage thereunder and including only those negotiations as are necessary to the completion or delivery if the person performing those acts or his or her the person's employer has an insurable interest in the risk covered by the certificate or declaration.
- (i) As an employee of a licensed property broker-agent or casualty broker-agent, whose employment is one or more of the following:
- (1) That of a regularly salaried administrative or clerical employee whose activities do not include the solicitation, negotiation, or effecting of contracts of insurance from the insuring public.
- (2) That of a salesperson who devotes substantially all of his or her that salesperson's activities to selling merchandise and whose solicitation of insurance is limited only to the quoting of a premium

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for insurance to be included in the purchase price covering the interest retained in the merchandise by the seller.

- (j) The solicitation, negotiation, or effectuation of home protection contracts by a person licensed pursuant to Part 1 (commencing with Section 10000) of Division 4 of the Business and Professions Code in connection with-his or her the person's licensed function authorized by Section 10131 or 10131.6 of the Business and Professions Code. The receipt of a payment permitted by Section 12760 shall not disqualify the recipient from the licensing exemption provided by this chapter.
- (k) Employees of an insurer whose duties are the inspection, processing, adjusting, investigation, settling of claims, conducting safety inspections, or accepting or rejecting business from licensed insurance agents or brokers.
- (1) Officers, directors, or employees of an insurer or producer whose executive, administrative, managerial, or clerical activities are only indirectly related to solicitation, negotiation, or effecting the sale of insurance, provided those persons do not have direct contact with consumers in a sales or service capacity except as otherwise provided by this section.
- (m) Employees whose activities are limited to making clerical changes in existing policies or providing indirect marketing and servicing support for the purpose of determining general interest in insurance products.
- SEC. 2. Section 1638 of the Insurance Code is amended to read:
- 1638. (a) A nonresident license is a license issued to a person not a resident of this state.
- A person is a resident of this state if either of the following applies:
- (1) He or she A person occupies a dwelling in this state and intends this state to be his or her that person's domicile.
- (2) He or she A person maintains his or her that person's principal place of business in this state.
- (b) A person licensed under this chapter may designate only one state as his or her that person's resident state.
- 37 SEC. 3. Section 1638.5 of the Insurance Code is amended to 38 read:
- 39 1638.5. Unless denied licensure pursuant to Article 6 40 (commencing with Section 1666), a nonresident person shall

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receive a production agency license if he or she meets that nonresident person meets the following requirements:

- (a) The person is currently licensed and in good standing in the state, territory of the United States, or province of Canada in which he or she the person is licensed as a resident producer.
- (b) The person has submitted the proper request for licensure and has paid the fees required by Section 1750.5.
- (c) The person has submitted or transmitted to the Insurance Commissioner the application for licensure that the person submitted to the state, territory of the United States, or province of Canada in which he or she the person is licensed as a resident, or submitted or transmitted to the commissioner, a completed National Association of Insurance Commissioners (NAIC) Uniform Nonresident Application.
- (d) The state, territory of the United States, or province of Canada in which the person holds a resident producer license awards nonresident producer licenses to residents of this state on the same basis.
- SEC. 4. Section 1639.1 of the Insurance Code is amended to read:
- 1639.1. (a) The class or classes of insurance which a nonresident person is licensed to transact under his or her that nonresident person's resident license shall be determined according to the definitions of classes of insurance in Sections 101 to 120, inclusive. A certificate from the insurance regulatory authority of the nonresident's home state may be accepted as evidence of the applicant's license status and the capacity or capacities in which he or she is that nonresident person is licensed. The Insurance Commissioner may also verify the producer's licensing status through the Producer Database maintained by the National Association of Insurance Commissioners, its affiliates or subsidiaries.
- (b) A nonresident producer who moves from one state to another state or a resident producer who moves from this state to another state shall file a change of address and provide certification from the new resident state within 30 days of the change of legal residence. No fee or license application is required.
- 38 (c) The license authority granted to the nonresident shall not 39 exceed the class or classes of insurance granted by the license

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issued under the laws of the state, territory of the United States, or province of Canada where the resident license is maintained.

- 3 SEC. 5. Section 1651 of the Insurance Code is amended to 4 read:
  - 1651. The commissioner shall at all times retain full property rights in any document evidencing any license issued pursuant to Chapters 5, 6, 7, and 8 of this part.—He *The commissioner* may require the surrender of said document for any proper reason.
- 9 SEC. 6. Section 1652 of the Insurance Code is amended to 10 read:
- 1652. (a) A license under this chapter, Chapter 5A 11 12 (commencing with Section 1759), Chapter 6 (commencing with Section 1760), Chapter 7 (commencing with Section 1800), and 13 Chapter 8 (commencing with Section 1831), of Part 2 of Division 14 1, and Chapter 1 (commencing with Section 14000) and Chapter 15 2 (commencing with Section 15000) of Division 5 shall be applied 16 for, and renewed by the filing with the commissioner of a written 17 18 application therefor. The application shall be on a form prescribed by the commissioner, which form shall prescribe the disclosure of 19 information that will aid the commissioner in determining whether 20 the prerequisites for the license sought have been met. The 21 22 applicant shall declare, under penalty of perjury, that the contents 23 of the application are true and correct.
  - (b) The forms prescribed by the commissioner other than for renewal applications may require authenticated fingerprints of any of the following:
    - (1) Individual applicants.
    - (2) Specified partners or officers of organization applicants.
  - (3) The individuals who are to transact insurance for an organization applicant.
  - (c) The forms may require the fingerprints to be affixed to the application or to an attachment to be affixed to the application. The commissioner, in-his or her the commissioner's discretion, may require the fingerprints on applications for any, some, or all of the licenses issued pursuant to this chapter or Chapter 6 (commencing with Section 1760), Chapter 7 (commencing with Section 1800), or Chapter 8 (commencing with Section 1831), provided that as to any one such type of license the requirement is applied without discrimination to all applicants within specified

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classifications. The classifications may be made upon any or all of the following bases:

- (1) Length of continuous residence in this state.
- (2) Whether or not previously or currently licensed by the commissioner.
- (3) Whether or not currently licensed by specified regulatory agencies of the State of California which require fingerprints on applications for licenses and routinely process the fingerprints for positive identification.
  - (4) Other reasonable criteria.

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- (d) The commissioner may decline to act on an incomplete or defective application until an amended application which completes the prescribed form is filed with him or her. the commissioner.
- SEC. 7. Section 1666 of the Insurance Code is amended to read:
- 1666. Upon the filing of an application for a license in accordance with Article 4 of this chapter, the commissioner may make—such an investigation and require the filing of—such supplementary documents, affidavits affidavits, and statements as may be necessary to obtain a full disclosure of—such information as will aid—him the commissioner in determining whether the prerequisites for the license have been met. If the applicant makes a showing satisfactory to the commissioner that—he the applicant meets all—such prerequisites, the commissioner, if the applicant—be eligible therefor, is eligible, may issue a certificate of convenience, and upon the applicant meeting any applicable examination requirements may issue a permanent license.
- SEC. 8. Section 1666.5 of the Insurance Code is amended to read:
- 1666.5. (a) (1) Notwithstanding any other provision of law, the commissioner shall at the time of issuance or renewal of any license under this chapter or Chapter 6 (commencing with Section 1760), Chapter 7 (commencing with Section 1800), or Chapter 8 (commencing with Section 1831) require that any license applicant or licensee provide its federal employer identification number if the license applicant or licensee is a partnership, or his or her the social security number of the license applicant or licensee for all others, except as provided in paragraph (2).
- (2) The commissioner shall require either a social security number or an individual taxpayer identification number if the

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license applicant or licensee is an individual applying for or renewing a license under this chapter.

- (b) Any-A license applicant or licensee failing to provide the federal identification number, social security number, or individual taxpayer identification number shall be reported by the commissioner to the Franchise Tax Board and, if failing to provide after notification pursuant to paragraph (1) of subdivision (b) of Section 19528 of the Revenue and Taxation Code, shall be subject to the penalty provided in paragraph (2) of subdivision (b) of Section 19528 of the Revenue and Taxation Code.
- (c) (1) The commissioner shall, upon request of the Franchise Tax Board, furnish to the board all of the following information with respect to every license applicant or licensee:
  - (A) License applicant's or licensee's name.
  - (B) Address or addresses of record.
- (C) Federal employer identification number if the entity is a partnership or owner's name and social security number for all others.
- 19 (D) Type of license.
- 20 (E) Effective date of license or renewal.
  - (F) Expiration date of license.
- 22 (G) Whether license is active or inactive, if known.
  - (H) Whether license is new or a renewal.
  - (2) Notwithstanding paragraph (1), the commissioner shall, upon request of the Franchise Tax Board, furnish to the board either a social security number or an individual taxpayer identification number for individuals licensed under this chapter.
    - (d) For the purposes of this section:
  - (1) "License" includes a certificate, registration, or any other authorization needed to engage in the insurance business regulated by this code.
  - (2) "License applicant" means any individual or entity, other than a corporation, in the process of obtaining a license, certificate, registration, or other means to engage in the insurance business regulated by this code.
  - (3) "Licensee" means any individual or entity, other than a corporation, authorized by a license, certificate, registration, or other means to engage in the insurance business regulated by this code.

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(e) The reports required under this section shall be filed on magnetic media or in other machine-readable form, according to standards furnished by the Franchise Tax Board.

- (f) The commissioner shall begin providing to the Franchise Tax Board the information required by this section as soon as economically feasible, but no later than July 1, 1987. The information shall be furnished at a time that the Franchise Tax Board may require.
- (g) Notwithstanding Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code, the information furnished pursuant to subdivision (a) and subparagraph (C) of paragraph (1) of, and paragraph (2) of, subdivision (c) shall not be deemed to be a public record and shall not be open to the public for inspection.
- (h) Any—A deputy, agent, clerk, officer, or employee of the commissioner, or any former officer or employee or other individual individual, hereinafter "employees," who in the course of his or her the employees' employment or duty has or has had access to the information required to be furnished under this section, shall not disclose or make known in any manner that information, except as provided in this section.
- (1) This section shall not prevent an agency from disclosing or making known in any manner that information when the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and the use is compatible with a purpose for which the information was collected and the use or transfer is accounted for in accordance with Section 1798.25 of the Civil Code.
- (2) With respect to information transferred from a law enforcement or regulatory agency, or information transferred to another law enforcement or regulatory agency, a use is compatible if the use of the information requested is needed in an investigation of unlawful activity under the jurisdiction of the requesting agency or for licensing, certification, or regulatory purposes by that agency and on the condition that the law enforcement or regulatory agency requesting the information needed agrees to keep that information confidential in accordance with Section 1798.25 of the Civil Code.
- (3) A law enforcement or regulatory agency that requests information from the commissioner shall, upon request, identify for the commissioner the intended use for the information. The

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commissioner shall have the discretion to determine whether to transfer the information to the law enforcement or regulatory agency and shall not transfer the information if the commissioner determines that the information will be used for an improper purpose.

- (i) It is the intent of the Legislature in enacting this section to utilize the social security account number, individual taxpayer identification number, or federal employer identification number for the purpose of establishing the identification of persons affected by state tax laws and, to that end, the information furnished pursuant to this section shall be used exclusively for an agency to perform its constitutional or statutory duties.
  - (j) This section shall become operative on July 1, 2018.
- SEC. 9. Section 1678 of the Insurance Code is amended to read:
- 1678. The commissioner shall, at least once each month, give in each of the cities in which—he the commissioner has an office qualifying examinations under this chapter. He The commissioner may give—such the examinations at more frequent intervals or in other places throughout the State.
- SEC. 10. Section 1679 of the Insurance Code is amended to read:
- 1679. (a) A nonresident applicant for a license shall be subject to the same qualifying examination as is required of a resident applicant. The examination may be administered to an eligible nonresident applicant through the insurance authority of the state, territory of the United States, or province of Canada of his or her applicant's residence; provided, however, that the commissioner may, in his or her the commissioner's discretion, enter into a reciprocal arrangement with the officer having supervision of the insurance business in any other state, territory of the United States, or province of Canada whose qualification standards for the applicant to be examined are substantially the same as or in excess of those of this state, to accept, in lieu of the examination of an applicant residing therein, a certificate of the officer to the effect that the applicant is licensed in that state, territory of the United States, or province of Canada in a capacity similar to that for which a license is sought in this state and has complied with its qualification standards in respect to all of the following:

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1 (1) Experience or training.

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- (2) Reasonable familiarity with the broad principles of insurance licensing and regulatory laws and with the provisions, terms, and conditions of the insurance which the applicant proposes to transact.
- 6 (3) A fair and general understanding of the obligations and duties of a holder of the license sought.
  - (b) The provisions of this section shall not apply to a nonresident applicant who maintains a license in a jurisdiction that grants reciprocity to California residents in accordance with Section 1638.5.
  - (c) A nonresident applicant for an organizational license shall name at least one person from a state other than California who may exercise the power and perform the duties under their license. Additional persons endorsed to that license may be residents of other states, including California.
  - SEC. 11. Section 1681 of the Insurance Code is amended to read:
  - 1681. If an applicant fails the qualifying examination, he or she that applicant may, subject to the provisions of Section 1682, retake a qualifying examination.
  - SEC. 12. Section 1683 of the Insurance Code is amended to read:
  - 1683. An applicant shall schedule or reschedule his or her the applicant's qualifying examination using an electronic service approved by the commissioner. If an applicant fails to appear at the time and place set for the examination, he or she the applicant shall be deemed to have failed the examination. If the applicant fails the qualifying examination, the commissioner shall give him or her the applicant written notice thereof.
  - SEC. 13. Section 1693 of the Insurance Code is amended to read:
  - 1693. An estate certificate of convenience expires upon the happening of any of the following events, whichever occurs first:
- 35 (a) Upon the filing with the commissioner of a certified copy 36 of an order appointing an executor or administrator, if the certificate 37 of convenience has been issued to a person other than the person 38 so appointed executor or administrator.

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 (b) Upon the filing with the commissioner of a certified copy of an order appointing a new conservator of the estate of a property broker-agent, casualty broker-agent, or life agent.

- (c) Upon the disposal of the business of the property broker-agent, casualty broker-agent, or life agent who is deceased or for whom a conservator of the estate has been appointed.
- (d) Upon the expiration of one year after the death of the deceased property broker-agent, casualty broker-agent, or life agent; provided, however, that if during the said year the holder of the certificate of convenience files an application for a license to act as a property broker-agent, casualty broker-agent, or life agent in his or her the individual capacity, capacity of the holder, then the certificate of convenience may remain in force until the holder thereof has been given an opportunity to take the qualifying examination for the license.
- (e) Upon the termination of the conservatorship of the estate of the property broker-agent, casualty broker-agent, or life agent.
- SEC. 14. Section 1708 of the Insurance Code is amended to read:
- 1708. A licensee may at any time surrender for cancellation any license under which he or she is that licensee is permitted to act in any of the capacities specified in this chapter. The licensee may make that surrender by written notice thereof delivered to the commissioner.
- SEC. 15. Section 1718 of the Insurance Code is amended to read:
- 1718. (a) Not less than 60 days before a permanent license will expire, the commissioner may use an electronic delivery method, including e-mail email or other similar electronic method of delivery, to deliver, or may mail, to the latest-e-mail email or mailing address appearing on his or her the commissioner's records, an application to the licensee to renew the license for the appropriate succeeding license term. It is the licensee's responsibility to renew whether or not a renewal notice is received. The commissioner may accept a late renewal, provided the licensee's failure to comply is due to clerical error or inadvertence on the part of the department.
- 38 (b) Application for renewal of a license may be filed on or before 39 the expiration date. When filed under this subdivision, the fee for 40 filing shall be as specified in Section 1750.

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(c) The application for renewal of an expired license may be filed after the expiration date and until that same month and day of the next succeeding year. The fee for a renewal application under this subdivision shall be the fee specified in subdivision (b) and a delinquent fee in the amount specified for a one-year period in Section 1750 for the filing. Each licensee shall be subject to payment of delinquent fees under this section.

SEC. 16. Section 1724.5 of the Insurance Code is amended to read:

1724.5. Every individual and organization licensee and every applicant for-such a license shall file with the commissioner in writing the true name of the individual or organization and also all fictitious names under which he conducts or intends an individual or organization conducts or intends to conduct—his business and after licensing shall file with the commissioner any change in or discontinuance of—such those names. The commissioner may in writing disapprove the use of any true or fictitious name (other than the bona fide natural name of an individual) by any licensee on any of the following grounds:

- (a) Such-The name is an interference with or is too similar to a name already filed and in use by another licensee;
  - (b) The use of the name may mislead the public in any respect;
- (c) The name states, infers or implies that the licensee is an insurer, motor club, hospital service plan or entitled to engage in insurance activities not permitted under licenses held or applied for:
- (d) The name states or implies that the licensee is an underwriter. This subdivision shall not prevent—a natural—person persons who is a are life-licensee licensees from describing himself themselves as an "underwriter" or from using the designation "Chartered Life Underwriter" if entitled thereto nor shall it prevent a natural person who is a fire and casualty licensee from using the designation "Chartered Property and Casualty Underwriter" if entitled thereto nor a producers trade association each member of which is also separately licensed from having a name containing the word underwriter; or
- (e) The licensee has already filed and not discontinued the use of more than two names including the true name. This subdivision shall not prevent a licensee who has lawfully purchased or succeeded to the business or businesses of other licensees from

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using for each-such business not more than two additional names, true or fictitious, consisting of names used by-his the licensee's predecessors in the conduct of such those businesses.

A licensee may not use a true or fictitious name after being notified by the commissioner in writing that such the use is contrary to this section. If the commissioner determines that there are facts in mitigation in connection with the continued use of such the name—he the commissioner may permit its use for a specified reasonable period of time if in connection therewith—he the commissioner imposes—such conditions—as that will protect the public and achieve the purposes of this section.—Any such—The permission and—any such conditions shall be written.

The grounds specified in subdivisions (a), (c), and (d) shall not be applicable to the true name of any organization licensee—which that on October 1, 1961, holds under—such that name any type of license issued under this chapter (commencing with Section 1621) or Chapter 8 (commencing with Section 1831) of this part nor to any fictitious name in use on October 1, 1961, by any individual or organization holding any type of license issued under this chapter or Chapter 8 of this part on—such that date, provided—such the fictitious name is filed with the commissioner on or before January 2, 1962.

The ground specified in subdivisions (b) and (e) shall not be applicable to any licensee who, or which, on October 1, 1961, holds a license issued under this chapter or Chapter 8 of this part until on and after January 2, 1964.

SEC. 17. Section 1725 of the Insurance Code is amended to read:

1725. Every A license to act as a resident property broker-agent, casualty broker-agent, personal lines broker-agent, and limited lines automobile insurance agent shall be prominently displayed by the holder thereof in his or her the license holder's office in a manner whereby anyone may readily inspect it and ascertain both its currency and the capacity in which its holder is licensed to act. SEC. 18. Section 1725.5 of the Insurance Code is amended to read:

1725.5. (a) Every-A person licensed under Sections 1625, 1625.5, 1625.55, 1626, 1758.1, 1765, 1800, 14020, and 15006, and Chapter 8 (commencing with Section 1831), shall affix, type, or print on business cards, written price quotations for insurance

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products, and print advertisements distributed exclusively in this state for insurance products, its license number in a type size that is at least as large as any indicated telephone number, address, or fax number or in 12-point type, or in 8-point type for business cards, whichever is larger. If a licensee includes the names of multiple licensed organizations on a business card, written price quotation, or print advertisement distributed exclusively in this state, affixing, typing, or printing the license number of any one of the organizations complies with the requirements of this section.

- (b) Every—A person licensed under Sections 1625, 1625.5, 1625.55, 1626, 1758.1, 1765, 14020, and 15006, and Chapter 8 (commencing with Section 1831), shall affix, type, or print on business cards, written price quotations for insurance products, and print advertisements distributed in this state for insurance products, the word "Insurance" in a type size that is at least as large as the smallest telephone number or in 12-point type, or in 8-point type for business cards, whichever is larger.
- (c) A natural person who is a solicitor, as defined in Section 1624, working exclusively as an employee of a motor club agent, or working exclusively for a property broker-agent or casualty broker-agent on behalf of a motor club, shall use the organizational licensee number of his or her that person's employer.
- (d) Any-A person in violation of this section shall be subject to a fine levied by the commissioner in the amount of two hundred dollars (\$200) for the first offense, five hundred dollars (\$500) for the second offense, and one thousand dollars (\$1,000) for the third and subsequent offenses. The penalty shall not exceed one thousand dollars (\$1,000) for any one offense. These fines shall be deposited into the Insurance Fund.
- (e) A separate penalty shall not be imposed upon each piece of printed material that fails to conform to the requirements of this section.
- (f) If the commissioner finds that the failure of a licensee to comply with the provisions of subdivision (a) or (b) is due to reasonable cause or circumstance beyond the licensee's control, and occurred notwithstanding the exercise of ordinary care and in the absence of willful neglect, the licensee may be relieved of the penalty in subdivision (d).
- (g) A licensee seeking to be relieved of the penalty in subdivision (d) shall file with the department a statement with

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supporting documents setting forth the facts upon which the licensee bases its claims for relief.

- (h) This section does not apply to-any *a* person or entity that is not currently required to be licensed by the department or that is exempted from licensure.
- (i) This section does not apply to general advertisements of motor clubs that merely list insurance products as one of several services offered by the motor club, and do not provide any details of the insurance products.
- (j) This section does not apply to life insurance policy illustrations required by Chapter 5.5 (commencing with Section 10509.950) of Part 2 of Division 2 or to life insurance cost indexes required by Chapter 5.6 (commencing with Section 10509.970) of Part 2 of Division 2.
- (k) This section shall become operative on January 1, 2019. SEC. 19. Section 1729 of the Insurance Code is amended to read:
- 1729. Every licensee and every applicant for a license shall immediately notify the commissioner using an electronic service approved by the commissioner of any change in his or her e-mail, that licensee or applicant's email, residence, principal business, or mailing address as given to the commissioner pursuant to Sections 1658 and 1728.
- SEC. 20. Section 1730 of the Insurance Code is amended to read:
- 1730. A licensee shall not misrepresent the type of license under which he is that licensee is transacting insurance, nor shall he that licensee engage in transactions not authorized by the licenses held by him. that licensee.
- 30 SEC. 21. Section 1733 of the Insurance Code is amended to 31 read:
  - 1733. All funds received by any person acting as a licensee under this chapter, Chapter 5A (commencing with Section 1759), Chapter 6 (commencing with Section 1760), or Chapter 7 (commencing with Section 1800), as premium or return premium on or under any policy of insurance or undertaking of bail, are received and held by that person in his or her that person's fiduciary capacity. Any such A person who diverts or appropriates those fiduciary funds to his or her that person's own use is guilty of theft and punishable for theft as provided by law. Any premium

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that a premium financer agrees to advance pursuant to the terms of a premium finance agreement shall constitute fiduciary funds as defined in this section only if actually received by a person licensed in one or more of the capacities herein specified.

SEC. 22. Section 1734 of the Insurance Code is amended to read:

- 1734. This section applies to any a person licensed, hereinafter "licensee," whether under a permanent license, restricted license, temporary license, or certificate of convenience, to act in any of the capacities specified in Section 1733. If fiduciary funds, as defined in Section 1733, are received by that person, he or she the licensee, the licensee shall do one of the following:
- (a) Remit premiums, less commissions, and return premiums received or held by-him or her the licensee to the insurer or the person entitled thereto.
- (b) Maintain those fiduciary funds at all times in a trust account in a bank or savings and loan association, within any state of the United States, which account is insured by the Federal Deposit Insurance Corporation (FDIC), and is licensed by any state government within the United States or by the United States government, separate from any other account, in an amount at least equal to the premiums and return premiums, net of commissions, received by him or her the licensee and unpaid to the persons entitled thereto or, at their direction or pursuant to written contract, for the account of those persons. However, that person may commingle with those fiduciary funds in the account those additional funds as he or she the licensee may deem prudent for the purpose of advancing premiums, establishing reserves for the paying of return commissions, or for those contingencies as may arise in his or her the licensee's business of receiving and transmitting premium or return premium funds.
- (c) Maintain those fiduciary funds pursuant to Section 1734.5. SEC. 23. Section 1734.5 of the Insurance Code is amended to read:
- 1734.5. (a) (1) If fiduciary funds, as defined in Section 1733, are received by any person licensed, *hereinafter the "licensee,*" whether under a permanent license, restricted license, temporary license, or certificate of convenience, to act in any of the capacities specified in Section 1733, and the funds are not remitted, or maintained pursuant to subdivisions (a) and (b) of Section 1734,

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except as provided in subdivision (f), the funds shall be maintained in any of the following:

- (A) United States government bonds and treasury certificates or other obligations for which the full faith and credit of the United States are pledged for payment of principal and interest.
- (B) Certificates of deposit of banks or savings and loan associations, which are insured by the Federal Deposit Insurance Corporation (FDIC) and licensed by any state government within the United States or by the United States government.
- (C) Repurchase agreements collateralized by securities issued by the United States government.
  - (D) Either of the following:
- (i) Bonds and other obligations of this state or of any local agency or district of the State of California having the power, without limit as to rate or amount, to levy taxes or assessments upon all property within its boundaries subject to taxation or assessment by the local agency or district to pay the principal and interest of the obligations.
- (ii) Revenue bonds and other obligations payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by this state, or a local agency or district, or by a department, board, agency, or authority thereof.
- (2) The bonds and obligations described in subparagraph (D) of paragraph (1) shall either have maturities of not more than one year or afford the holder of the obligation the unilateral right to redeem the obligation from its issuer within one year from date of purchase at an amount equal to, or greater than, its par value, and the bonds and obligations shall be required to be rated at least Aa1, MIG-1/VMIG-1, or Prime-1 by Moody's Investor Service, Inc., or AA, SP-1, or A-1 by Standard and Poor's Corporation.
- (3) For the fiduciary funds maintained as provided in paragraph (1), the bonds, certificates, obligations, certificates of deposit, and repurchase agreements shall be valued on the basis of their acquisition cost.
- (b) As a condition to maintaining the fiduciary funds pursuant to this section, a written agreement shall be obtained from each and every insurer or person entitled thereto authorizing the maintenance and the retention of any earnings accruing on the funds.

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- (c) Except as provided in subdivision (f), evidence of the funds shall be maintained at all times in a trust account in a bank or savings and loan association within any state of the United States, which account is insured by the FDIC and which institution is licensed by any state government within the United States or by the United States government, separate from any other funds, in an amount at least equal to the premiums and return premiums, net of commissions received by him or her the licensee and unpaid to the persons entitled thereto, or, at their discretion or pursuant to a written contract, for the account of these persons. However, the person may commingle with the fiduciary funds any additional funds as he or she the licensee may deem prudent for the purpose of advancing premiums, establishing reserves for the paying of return premiums, or for any contingencies that may arise in his or her the business of receiving and transmitting premium or return premium funds. funds by the licensee.
- (d) All administrative actions involving trust accounts shall be subject to the jurisdiction of the commissioner. All suits involving trust accounts shall be subject to the jurisdiction of the courts of the State of California and the federal courts located within the State of California.
- (1) Any licensee specified in Section 1733 utilizing a trust account located outside of the State of California shall be required to file and maintain in the commissioner's office, as a condition of maintaining a license, a written designation identifying the agent for service of process in this state for the bank or savings and loan association located outside the State of California being utilized by the licensee. The designated agent shall be a person residing in this state. The writing shall state the name of the agent and his or her the agent's place of business in this state with sufficient particularity so that he or she the agent can readily be found by peace officers or process servers. Appointment of an agent reasonably available for service of papers, notice, proof of loss, summons, or other process during business hours shall be continuously maintained by every licensee subject to this article while the licensee holds a valid and unrevoked license.
- (2) The commissioner shall not have jurisdiction over any disputes arising between parties concerning the maintenance of fiduciary funds pursuant to this section. However, this subdivision shall not otherwise affect the authority granted to the commissioner

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 over fiduciary funds by other provisions of this code, or regulations adopted pursuant thereto. As used in this subdivision, "parties" shall not include the commissioner.

- (e) Investment losses to the principal of fiduciary funds maintained pursuant to this section are the responsibility of the person licensed, whether under a permanent license, restricted license, temporary license, or certificate of convenience, to act in any of the capacities specified in Section 1733, and any obligation to insurers or other persons entitled to the fiduciary funds shall in no way be diminished due to any loss in the value to the principal of the fiduciary funds held pursuant to this section.
- (f) Any fiduciary funds, as defined in Section 1733, received as cash, lawful money of the United States, or freely tradeable currency of any foreign government, by any person licensed, whether under a permanent license, restricted license, temporary license, or certificate of convenience, to act in any of the capacities specified in Section 1733, shall comply with Section 1734, but shall initially be maintained in a trust account in a bank or savings and loan association in California, licensed by the State of California or the United States government and insured by the FDIC.
- SEC. 24. Section 1735.5 of the Insurance Code is amended to read:
- 1735.5. A property broker-agent, casualty broker-agent, or surplus line-broker broker, hereinafter the "licensee," may offset funds due an insured for return premiums on any policy against amounts due-him or her the licensee from the same insured for unpaid premiums on the same or any other policy. Any insurer may pay return premiums to any property broker-agent or any casualty broker-agent for that purpose. This section shall not invalidate an assignment of return premium made concurrently with policy issuance as security for financing that premium, nor the right of the assignee, or-his or her the assignee's assign, to enforce the assignment as a prior claim.
- 35 SEC. 25. Section 1738 of the Insurance Code is amended to 36 read:
  - 1738. The commissioner may suspend or revoke—any a permanent license issued pursuant to this chapter on any of the grounds set forth in Article 6 hereof on which—the commissioner may deny an application.—Whenever in such grounds When the

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word "applicant" is used, such used in those grounds, the word 2 shall for the application of this section be the words "the holder 3 of a permanent license." A suspension or revocation based upon a ground set forth in Section 1669 may be without notice or 4 5 hearing. Suspension or revocation of any permanent license, except 6 a restricted license, on a ground other than that set forth in Section 7 1669 shall be after notice and hearing conducted in accordance 8 with Chapter 5, Part 1, Division 3, Title 2 of the Government Code, 9 and the commissioner has all of the powers granted therein.

SEC. 26. Section 1741 of the Insurance Code is amended to read:

1741. If the commissioner finds, after a hearing, that there be are grounds for the denial of an application for a license to act in any capacity set forth in Article 1 of this chapter or if-he the commissioner finds, after a hearing, that any licensee has violated the provisions of this code and that such the violation would justify the suspension or revocation of any license held by such the person, the commissioner may order-him the licensee to prove-his the licensee's qualifications by taking and passing the qualifying examination for any-such license held or applied for. The commissioner shall set the time for the taking of-such the examination. Failure thereof by any licensee shall result in the termination of all licenses of-such the licensee to which the examination is applicable. An order to take-such the examination may be in lieu of any other action in respect to the application or the license, or, except in the case of revocation, may be in addition to any other action.

SEC. 27. Section 1747 of the Insurance Code is amended to read:

1747. Whenever-When the commissioner may determine or have good cause to believe that any property broker-agent or casualty broker-agent has failed to keep or maintain the records required by Section 1727, in connection with or in lieu of any other disciplinary action against the license of the licensee, the commissioner may issue his or her the commissioner's order requiring the licensee to establish and currently complete those records within 60 days from the date of the order. When the order is given in lieu of other disciplinary action, notice of the order may be given by certified mail addressed to the office of the licensee. Failure of the licensee to comply with the order within the time

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1 specified therein shall be grounds for the suspension or revocation

- of the license or licenses of the licensee, and the proceeding shall
- 3 be conducted in accordance with Chapter 5 (commencing with
- 4 Section 11500) of Part 1 of Division 3 of Title 2 of the Government 5 Code.
- 6 SEC. 28. Section 1748.5 of the Insurance Code is amended to 7 read:
  - 1748.5. (a) For the purposes of this section, the following definitions are applicable:
  - (1) "Production agency" means any person or organization licensed under Chapter 5 (commencing with Section 1621), Chapter 5A (commencing with Section 1759), Chapter 6 (commencing with Section 1760), Chapter 7 (commencing with Section 1800), or Chapter 8 (commencing with Section 1831).
  - (2) "Subject person" means any person who has participated or may participate in any manner in the business of a production agency, or any person licensed as a producer.
  - (3) "Insurer" means any domestic insurer, and any insurer that is admitted to transact insurance in this state, provided that if a subject person of an insurer is not a resident of California, or operating out of a place of business within California, then the subject person shall be engaged in direct management, direction, or conduct of the business of insurance in California in order to come within the provisions of this section.
  - (b) If, after notice and a hearing, the commissioner finds all of the following, the commissioner may issue an order removing a subject person from his or her the subject person's office or employment with the production agency and prohibiting the subject person from participating in any manner in the conduct of the business of an insurer or production agency, except with the prior consent of the commissioner:
  - (1) (A) The subject person has engaged in misconduct with respect to the business of insurance that has caused financial or other injury to any person, or
  - (B) The subject person has engaged in fraud, or willful acts or omissions involving dishonesty that exposed a person to financial or other injury; and
- 38 (2) The subject person's conduct or practice demonstrates 39 unfitness to continue as a subject person.

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(c) (1) If the commissioner gives written notice pursuant to subdivision (b) to a subject person, the commissioner shall immediately issue an order prohibiting the subject person from participating in any manner in the business of insurance, except with the prior consent of the commissioner, if the commissioner: (A) finds that failure to immediately issue the order threatens the financial solvency of an insurer or may reasonably be expected to cause irreparable injury to any person; (B) serves that subject person and the production agency with written notice of the suspension order; and (C) finds that all of the necessary factors are present which would permit the commissioner, after notice and a hearing, to issue an order pursuant to subdivision (b) removing a subject person from his or her the subject person's office or employment with the production agency and prohibiting the subject person from participating in any manner in the business of an insurer or production agency.

- (2) Any suspension order issued pursuant to paragraph (1) of this subdivision shall be effective until the date the commissioner dismisses the charges contained in the notice served under subdivision (b) or paragraph (1) of this subdivision, the effective date of an order issued by the commissioner pursuant to subdivision (b), or a court issues a stay of the order pursuant to subdivision (d).
- (d) Within 10 days after a subject person has been served with an order of suspension pursuant to subdivision (c), the person may apply to the superior court of the county in which the principal office of the production agency is located for a stay of the order pending completion of the proceedings pursuant to subdivision (b), and the court shall have jurisdiction to issue an order staying the suspension. Nothing in this subdivision shall be deemed to authorize the court to issue a stay order on an ex parte basis.
- (e) (1) If the commissioner finds both of the following, he or she the commissioner shall immediately issue an order suspending a subject person from his or her the subject person's office or employment with a production agency and prohibiting the subject person from participating in any manner in the conduct of the business of an insurer or production agency, except with the prior consent of the commissioner: (A) the subject person has been charged in an indictment issued by a grand jury, or in an information, complaint, or similar pleading issued by a United

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States Attorney, district attorney, or other governmental official or agency authorized to prosecute crimes, with a crime punishable by imprisonment for a term exceeding one year and which involves as one of its necessary elements a fraudulent act or an act of dishonesty in the acceptance, custody, or payment of money or property; and (B) that a failure to immediately issue the order threatens the financial solvency of an insurer or may cause financial or other injury to any person.

In the event the criminal proceedings are terminated other than by judgment of conviction, an order issued pursuant to paragraph (1) of this subdivision shall be deemed rescinded as if it had not been issued

- (2) If the commissioner finds both of the following, he or she the commissioner may immediately issue an order removing a subject person from his or her the subject person's office or employment with a production agency and prohibiting the subject person from participating in any manner in the business of an insurer or production agency, except with the prior consent of the commissioner: (A) the person has during the preceding five years been convicted of a crime that is punishable by imprisonment for a term exceeding one year and has as one of its necessary elements a fraudulent act or an act of dishonesty in the accepting, custody, or payment of money or property; and (B) that a failure to immediately issue the order threatens the financial solvency of an insurer or may cause financial or other injury to any person.
- (3) The fact that any subject person charged with a crime involving as one of its necessary elements a fraudulent act or any act of dishonesty in the acceptance, custody, or payment of money or property is not convicted of that crime shall not preclude the commissioner from issuing an order regarding the subject person pursuant to other provisions of this code.
- (f) (1) Within 30 days after an order is issued pursuant to subdivision (c) or (e), the subject person to whom the order is issued may choose to do either of the following: (A) file with the commissioner an application for a hearing on the order. The commissioner shall, upon the written request of the subject person, extend the 30-day period by an additional 30 days provided the request is filed with the commissioner within 30 days after the order is issued. If the commissioner fails to commence the hearing within 15 business days after the application is filed, or within a

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longer period of time to which the subject person consents, the order shall be deemed rescinded as if it had not been issued. Within 30 days after the hearing, the commissioner shall affirm, modify, or rescind the order; otherwise, the order shall be deemed rescinded as if it had not been issued, or (B) petition for judicial review of the order pursuant to Section 1085 of the Code of Civil Procedure, where the court shall exercise its independent judgment on the evidence.

- (2) The right of any subject person to whom an order is issued pursuant to subdivision (c) or (e) to petition for judicial review of the order shall not be affected by the failure of that subject person to apply to the commissioner for a hearing on the order as provided by this subdivision.
- (g) (1) Any person to whom an order is issued pursuant to subdivision (b), (c), or (e) may apply to the commissioner to modify or rescind the order. The commissioner shall not grant the application unless he or she the commissioner finds that it is reasonable to believe that the person will, if and when he or she becomes the person becomes a subject person, comply with all of the applicable provisions of this code and of any regulation or order issued thereunder.
- (2) The right of any subject person to whom an order is issued pursuant to subdivision (b), (c), or (e) to petition for judicial review of the order shall not be affected by the failure of that subject person to apply to the commissioner pursuant to paragraph (1).
- (h) (1) It is unlawful for any subject person or former subject person to whom an order is issued pursuant to subdivision (b), (c), or (e) to do any of the following as long as the order is in effect, except with the prior consent of the commissioner: (A) to serve or act as a subject person for any insurer or production agency; or (B) to directly or indirectly vote any shares or other securities of an insurer or production agency.
- (2) If, after notice and a hearing, the commissioner finds that any subject person has violated paragraph (1) of this subdivision, the commissioner may order that subject person to pay to the commissioner a civil penalty, which may be recovered in a civil action, in an amount the commissioner may specify; provided however, that the amount of the civil penalty shall not exceed one thousand dollars (\$1,000) for each day for which the violation continues.

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In determining the amount of civil penalty to be paid to the commissioner under this paragraph, the commissioner shall consider the financial resources and good faith of the subject person charged, the gravity of the violation, the history of previous violations by the person, and other factors as in the opinion of the commissioner may be relevant.

(3) If, after notice and a hearing, the commissioner finds that any production agency has knowingly aided and abetted a subject person in a violation of paragraph (1) of this subdivision, or subdivision (h) of Section 728, the commissioner may order that production agency to pay to the commissioner a civil penalty in an amount the commissioner may specify; provided however, that the amount of the civil penalty shall not exceed one thousand dollars (\$1,000) for each violation or in the case of a continuing violation, one thousand dollars (\$1,000) for each day for which the violation continues, up to a maximum of fifty thousand dollars (\$50,000). Continuation of the subject person's salary or other employee benefits pending final disposition shall not be considered aiding and abetting a subject person.

In determining the amount of civil penalty to be paid to the commissioner under this paragraph, the commissioner shall consider the financial resources and good faith of the subject person charged, the gravity of the violation, the history of previous violations by the person, and other factors as in the opinion of the commissioner may be relevant.

- (i) Except as otherwise provided by this section, any hearing required by this section shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, subject to the following:
- (1) At the option of the subject person, all hearings shall be a closed session and private, and the records of the hearings shall not be made public unless the hearing results in a final order adverse to the subject person.
- (2) Where judicial review is sought by the subject person pursuant to Section 1085 of the Code of Civil Procedure, the court shall exercise its independent judgment upon the evidence.
- (3) When a subject person to whom an order has been issued pursuant to subdivision (c) or (e) applies to the commissioner for a hearing pursuant to subparagraph (A) of paragraph (1) of subdivision (f), the Office of Administrative Hearings shall

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schedule the hearing on a priority basis at the earliest possible time and once the hearing is commenced, it shall not be continued for more than three business days without the consent of the subject person.

- (4) If the Office of Administrative Hearings cannot schedule the commencement of a hearing within 15 business days as provided by paragraph (1) of subdivision (f), and the subject person does not waive his or her the person's right to a hearing commencing within 15 days, the hearings may be conducted by administrative law judges appointed by the commissioner; the hearing shall be completed within 45 days of commencement, unless additional time is requested by the subject person. If the hearing is not completed within the 45 days, the order shall be deemed rescinded as if it had not been issued. The scheduling of other hearings before the administrative law judge shall not be considered good cause for purposes of this paragraph.
- (j) Nothing in this section is intended to or shall be construed to create a private cause of action against an offending subject person or insurer or production agency that aids and abets a subject person, based on the standards established by this section or the commissioner's findings or orders pursuant to this section.
- SEC. 29. Section 1749.1 of the Insurance Code is amended to read:
- 1749.1. (a) The commissioner shall appoint a curriculum board consisting of representatives of insurance agents, brokers, and life agents trade associations, representatives of insurance companies, consumer groups, bail agents, and insurance adjusters to develop the prelicensing and continuing education curriculum, including a list of preapproved courses of study, including courses of study for professional designations that would satisfy the requirements of this article, subdivision (a) of Section 1810.7, and Sections 14090.1 and 15059.1. The curriculum board shall develop or recommend courses of study covering all lines of insurance to be sold under each license, including, but not limited to, any special products such as long-term care insurance, Medi-gap policies, disability insurance products, and course study on ethics and pertinent sections of this code. The curriculum board shall also develop or recommend courses of study on commercial earthquake risk management, including courses relating to understanding risk zones, options for insurance coverage to cover potential loss,

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mitigation strategies, and postevent recovery. The curriculum developed and the courses of study approved by the board shall be submitted to the commissioner for final approval.

- (b) The curriculum board shall also develop standards for providers and instructors of prelicensing and continuing education courses, programs, and seminars, which standards shall be approved by the board and submitted to the commissioner for final approval. The curriculum board may approve standards for courses in business management practices that may consist of up to 25 percent of the agent or broker requirements for license renewal. A prelicensing or continuing education course shall not include sales training, motivational training, self-improvement training, or training offered by insurers or agents regarding new products or programs.
- (c) For purposes of applying subdivision (b), courses in "business management practices" shall consist of the following subject matter:
- (1) Accounting and financial management, including trust account maintenance, reconciliation and auditing, financial statements, business budgeting, income and expense ratios, banking and investment practices, and business perpetuation and planning.
- (2) Information and database management, including recordkeeping, privacy law, and other legal requirements covering the use of information.
- (3) Human resource management, including employee compliance supervision, recruitment, training, and licensing.
- (4) Customer service management, consisting of methods to improve handling of consumer inquiries and complaints.
- (5) Communication skills, consisting of methods to improve writing and verbal skills for communication with clients, employees, insurance carriers, claims departments, and regulators.
- (d) Whenever the commissioner has reasonable cause to believe, and determines after public hearing, that any approved course, program of instruction, or seminar is being conducted so as to fail to meet the commissioner's prelicensing or continuing education curriculum, or any provider or instructor for any course, program, or seminar has failed to comply with the commissioner's standards, the commissioner may make and serve upon the provider or instructor of that course, program, or seminar an order or orders rescinding approval for that provider, course, program, or seminar,

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or imposing fines and penalties on that provider, or both. The amount of any fines and penalties shall not exceed the amounts set forth in Section 1748, and shall be based on the criteria for assessing penalties specified in that section. No credit towards meeting the requirements of this article shall be granted any applicant or licensee for completion of a course, program, or seminar after the effective date of any order rescinding approval for that course, program, or seminar. The commissioner shall serve notice of hearing required by this section upon the provider or instructor of the course, program, or seminar, stating the time and place therefor, and the grounds upon which his or her the commissioner's order is made. The hearing shall occur not less than 30 nor more than 60 days after notice is served.

(e) The commissioner may impose monetary penalties for minor instances of noncompliance with the standards established pursuant to this article, such as late course roster submissions and late course presentation schedules. The monetary penalties shall not exceed the amounts of the fees established pursuant to Section 1751.1. The commissioner shall adopt regulations to establish the monetary penalties to be levied against providers for late filings and other minor instances of noncompliance with this article and Article 6.5 (commencing with Section 2186) of Subchapter 1 of Chapter 5 of Title 10 of the California Code of Regulations.

SEC. 30. Section 1749.6 of the Insurance Code is amended to read:

1749.6. Any A person failing to meet the requirements imposed by Section 1749.3 or 1749.31, and who has not been granted an extension of time within which to comply by the commissioner shall have his or her that individual's license automatically terminated until the time that the person demonstrates to the satisfaction of the commissioner that he or she has that individual has complied with all of the requirements of this article and all other laws applicable thereto. Where a person cannot perform the requirements of this article due to a disability or inactivity due to special circumstances, the commissioner shall provide a procedure for the person to place his or her that individual's license on inactive status until the time that the person demonstrates to the satisfaction of the commissioner that he or she has that individual has complied with or made up all of the requirements of this article for the period of disability or inactivity.

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1 SEC. 31. Section 1751.7 of the Insurance Code is amended to 2 read:

1751.7. The commissioner may periodically publish a newsletter containing summaries of rules, regulations, interpretative opinions, and such other information as he the commissioner deems important to the proper conduct of the insurance business in this state by persons and organizations licensed under this chapter. All costs of the publication shall be covered by and included in license fees paid by persons licensed under this chapter. The fees shall be reviewed annually for sufficiency for this purpose, and shall be increased or decreased as necessary. The amount of the fees to be utilized for this purpose shall be set forth as a separate line item in the department's annual budget.

SEC. 32. Section 1758.65 of the Insurance Code is amended to read:

1758.65. (a) If a licensee or endorsee violates any provision of this article or any other provision of this code, the commissioner may do any of the following:

- (1) After notice and hearing, suspend or revoke the license of the portable electronics insurance agent.
- (2) After notice and hearing, impose fines on the portable electronics insurance agent for its conduct or that of its endorsees.
- (3) After notice and hearing, impose other penalties that the commissioner deems necessary and convenient to carry out the purpose of this code, including suspending the privilege of transacting portable electronics insurance pursuant to this article at specific business locations where violations have occurred, imposing fines on the portable electronics insurance agent, and suspending or revoking the ability of individual endorsees to act under the vendor's license.
- (b) If any person-sells or persons sell insurance in connection with, or incidental to, the sale of portable electronics or the sale or provision of accessories or services related thereto, or holds himself or herself hold themselves or an organization out as a portable electronics insurance agent without obtaining the license required by this article, or as being licensed pursuant to Chapter 5 (commencing with Section 1621) without obtaining that license, the commissioner may issue a cease and desist order pursuant to Section 12921.8.

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(c) Notwithstanding any other provision of law to the contrary, the provisions of Section 1748.5 are applicable to both the organization issued a license pursuant to this article and any endorsee to that license.

SEC. 33. Section 1758.692 of the Insurance Code is amended to read:

1758.692. (a) Not less than 60 days before a permanent license will expire, the commissioner may use an electronic delivery method, including e-mail or other similar electronic method of delivery, to deliver, or may mail, to the latest e-mail or mailing address appearing on his or her the commissioner's records, an application to the licensee to renew the license of a portable electronics insurance agent for the appropriate succeeding license term. It is the licensee's responsibility to renew, whether or not a renewal notice is received.

- (b) The commissioner may accept a late renewal without penalty, provided that the licensee's failure to comply is due to a clerical error or inadvertence.
- (c) An application for renewal of a license may be filed on or before the expiration date. An application for renewal of an expired license may be filed after the expiration date and until that same month and date of the next succeeding year.
- (d) The commissioner shall impose a penalty fee equal to one-half of the renewal fee for the portable electronics insurance agent license for any renewal that is filed after the expiration date of the license.
- SEC. 34. Section 1758.7 of the Insurance Code is amended to read:
- 1758.7. (a) A self-service storage facility, or franchisee of a self-service storage facility, shall not offer or sell insurance unless it has complied with the requirements of this article and has been issued a license by the commissioner as provided in this article.
- (b) The commissioner may issue to a self-service storage facility, or its franchisee, that has complied with the requirements of this article, a license that authorizes the self-service storage facility or its franchisee to offer or sell the types of insurance specified in Section 1758.75 in connection with and incidental to rental agreements on behalf of any insurer authorized to write those types of insurance policies in this state.

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(c) (1) The license period shall be a two-year period beginning as described in subparagraph (A) or (B) of paragraph (2), as applicable, and ending on the second succeeding year on the last calendar day of the month in which the initial license was issued.

- (2) The commencement of a license period shall be determined for each self-service storage facility or franchisee of a self-service storage facility, as follows:
- (A) Upon initial licensing, the license period begins on the date the license is issued.
- (B) Upon license renewal, the license period begins on the first day of the month following the month in which the initial license was issued.
- (3) (A) Not less than 60 days before a permanent license will expire, the commissioner may use an electronic delivery method, including email or other similar electronic method of delivery, to deliver, or may mail, to the latest email or mailing address appearing on-his or her the commissioner's records, an application to the licensee to renew the license for the appropriate succeeding license period. It is the licensee's responsibility to renew whether or not a renewal application is received. The commissioner may accept a late renewal without penalty, provided that the licensee's failure to comply is due to clerical error or inadvertence on the part of the department.
- (B) The application for renewal of a license shall be filed on or before the expiration date.
- (C) The application for renewal of an expired license may be filed after the expiration date and until the same month and day of the next succeeding year. A licensee who files the renewal application after the license has expired shall be charged, in addition to the renewal fee, a penalty of 50 percent of the renewal fee.
- (d) The applicant for a license pursuant to this section shall submit an application fee upon initial application and upon renewal application of two hundred ninety-four dollars (\$294).
- (e) Costs associated with any enforcement action or investigation shall be paid for by the person or organization licensed pursuant to this article.
- 38 SEC. 35. Section 1758.74 of the Insurance Code is amended 39 to read:

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1758.74. (a) If a licensee violates any provision of this article, the commissioner may do any of the following:

- (1) After notice and hearing, revoke or suspend the self-service storage facility's license.
- (2) After notice and hearing, impose other penalties, including suspending the transaction of insurance at specific self-service storage facilities where violations of this article have occurred.
- (3) Impose fines and penalties on the self-service storage agent for its conduct or that of its employees.
- (b) If any person-sells or persons sell insurance in connection with, or incidental to, self-service storage rental agreements, or holds himself or herself hold themselves or an organization out as a self-service storage agent without obtaining the license required by this article, the commissioner may issue a cease and desist order pursuant to Section 12921.8.
- (c) Notwithstanding any other provision of law, the provisions of Section 1748.5 are applicable to a self-service storage facility or its franchisee issued a license pursuant to this article.
- SEC. 36. Section 1758.76 of the Insurance Code is amended to read:
- 1758.76. A licensee shall not sell insurance pursuant to this article unless all of the following conditions are satisfied:
- (a) The self-service storage agent provides brochures or other written material to the prospective renter that does all of the following:
- (1) Summarizes the material terms and conditions of coverage offered to renters, including the identity of the insurer.
- (2) Describes the process for filing a claim, including a toll-free telephone number to report a claim.
- (3) Discloses any additional information on the price, benefits, exclusions, conditions, or other limitations of the types of insurance specified in Section 1758.75 that the commissioner may by rule prescribe.
- (4) Provide the licensee's name, address, telephone number, and license number and the availability of the department's toll-free consumer hotline.
- 37 (b) The self-service storage agent makes all of the following 38 disclosures to the renter, which shall be acknowledged in writing 39 by the renter, or displayed by clear and conspicuous signs that are

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posted at every location where rental agreements are executed, such as the counter where a renter would sign a rental agreement:

- (1) That the purchase by the renter of the insurance is not required in order to rent storage space. However, the licensee's employees may advise the renter that the self-service storage facility's rental agreement may contain provisions requiring the renter to provide insurance on his or her that renter's property in the storage unit.
- (2) That the insurance policies offered by the self-service storage agent may provide a duplication of coverage already provided by a renter's homeowners insurance policy or by another source of coverage.
- (3) That the self-service storage facility and its employees are not qualified or authorized to evaluate the adequacy of the purchaser's existing insurance coverage.
- (c) If a renter elects to purchase the coverage, evidence of coverage is stated on the face of the rental agreement or is provided to the renter.
- (d) The insurance is provided under an individual, a group, or a master policy issued to the self-service storage agent by an insurer authorized to write the types of insurance specified in Section 1758.75 in this state.
- SEC. 37. Section 1758.92 of the Insurance Code is amended to read:
- 1758.92. (a) An applicant for a credit insurance agent license under this article shall submit each of the following to the commissioner:
- (1) A written application for licensure signed by the applicant or an officer of the applicant, in the form prescribed by the commissioner.
- (2) A certificate by the insurer that is to be named in the credit insurance agent license, stating that the insurer has satisfied itself that the named applicant is trustworthy and competent to act as its insurance agent limited to this purpose and that the insurer will appoint the applicant to act as its agent in reference to selling or soliciting the kind or kinds of insurance that are permitted by this article, if the credit insurance agent license applied for is issued by the commissioner. The certification shall be subscribed by an officer or managing agent of the insurer on a form prescribed by the commissioner.

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(3) An application fee, and, for each license period thereafter, a renewal fee, of four hundred eight dollars (\$408).

- (b) Notwithstanding any other law to the contrary, the provisions set forth in Sections 1667, 1668, 1668.5, 1669, 1670, 1720, 1738, and 1739 apply to any application for or issuance of a license, or any application for or approval of an endorsee, pursuant to this article.
- (c) (1) Not less than 60 days before a permanent license will expire, the commissioner may use an electronic delivery method, including email or other similar electronic method of delivery, to deliver, or may mail, to the latest email or mailing address appearing on his or her the commissioner's records, an application to the licensee to renew the license for the appropriate succeeding license period. It is the licensee's responsibility to renew whether or not a renewal application is received. The commissioner may accept a late renewal without penalty, provided the licensee's failure to comply is due to a clerical error or inadvertence on the part of the department.
- (2) An application for renewal shall be filed on or before the expiration date.
- (3) The application for renewal of an expired license may be filed after the expiration date and until that same month and date of the next succeeding year. A licensee who files a renewal application after the license has expired shall be charged, in addition to the renewal fee, a penalty of 50 percent of the renewal fee for the credit insurance agent license and all endorsees.
- (d) Costs associated with any enforcement action or investigation shall be paid for by the person or organization licensed pursuant to this article.
- SEC. 38. Section 1758.95 of the Insurance Code is amended to read:
- 1758.95. (a) If a licensee or endorsee violates any provision of this article or any other provision of this code, the commissioner may do either of the following:
- (1) After notice and hearing, suspend or revoke the license of the credit insurance agent.
- (2) After notice and hearing, impose other penalties that the commissioner deems necessary and convenient to carry out the purposes of this code, including suspending the privilege of transacting credit insurance pursuant to this article at specific

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business locations where violations have occurred, imposing fines
 on the credit insurance agent, individual endorsees or endorsee
 managers, and suspending or revoking the endorsement of a named
 endorsee or endorsee manager.

- (b) If any person-sells or persons sell insurance in connection with or incidental to a loan or other extension of credit or-holds himself or herself hold themselves or an organization out as a credit insurance agent without obtaining the license required by this article, as being an endorsee when that person is not an endorsee, or as being licensed pursuant to Chapter 5 (commencing with Section 1631) without obtaining that license, the commissioner may issue a cease and desist order pursuant to Section 12921.8.
- (c) Notwithstanding any other provision of law to the contrary, the provisions of Section 1748.5 are applicable to both the organization issued a license pursuant to this article and any endorsee to that license.
- SEC. 39. Section 737 of the Public Resources Code is amended to read:
- 737. (a) No-A member of the board shall *not* participate in-any a board action pursuant to Article 8 (commencing with Section 4601) or Article 9 (commencing with Section 4621) of Chapter 8 of Part 2 of Division 4-which that involves-himself the board member or any a person with-which he whom the board member is connected as a director, officer, or employee, or in which he board member has a direct personal financial interest within the meaning of Section 1120 of the Government Code.
- (b) Upon request of—any a person or on—his the Attorney General's own initiative, the Attorney General may file a complaint in the superior court for the county in which the board has its principal office alleging that a board member has knowingly violated this section and the facts upon which the allegation is based and asking that the member be removed from office. Further proceedings shall be in accordance as near as may be with rules governing civil actions. If after trial the court finds that the board member has knowingly violated this section it shall pronounce judgment that the board member be removed from office.
- 37 SEC. 40. Section 752 of the Public Resources Code is amended 38 to read:
  - 752. (a) "Professional forester," as used in this article, means a person who, by reason of his or her their knowledge of the natural

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sciences, mathematics, and the principles of forestry, acquired by forestry education and experience, performs services, including, but not limited to, consultation, investigation, evaluation, planning, or responsible supervision of forestry activities when those professional services require the application of forestry principles and techniques.

(b) A professional forester is licensed to perform forestry services only in those areas of expertise in which the person is fully competent as a result of training or experience. In order for a professional forester to fulfill all of his or her their responsibilities with regard to a particular activity on a site, if the expertise that is prudently required exceeds the expertise possessed by the professional forester in that regard, the professional forester may need to utilize the services of other qualified experts, including, but not limited to, archaeologists, botanists, civil engineers, ecologists, fisheries biologists, geologists, hydrologists, land surveyors, landscape architects, range scientists, soil scientists, or wildlife biologists. Nothing in this This article shall not preclude those other environmental professionals from the application of their knowledge in their field of expertise outside the practice of forestry, as defined in Section 753.

SEC. 41. Section 757 of the Public Resources Code is amended to read:

757. The provisions of this article do-This article does not apply to—any a landowner who is a natural person and who personally performs services of a professional forester, when-such those services are personally performed on lands owned by—him. that person.

SEC. 42. Section 764 of the Public Resources Code is amended to read:

764. Any—A person appointed to serve upon the examining committee shall receive, if requested, one hundred dollars (\$100) for each day during which—he or she that person is engaged in the performance of—his—or her their official duties, except that the compensation of each member shall not exceed in any one fiscal year the sum of one thousand dollars (\$1,000). In addition, each member shall be reimbursed for necessary expenses incurred in the performance of—his—or her their duties, including travel, at state rates.

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1 SEC. 43. Section 765 of the Public Resources Code is amended 2 to read:

765. The examining committee shall adhere to the rules and regulations of the board. Any An applicant for a license pursuant to this article who contends that he has they have been aggrieved by any an action taken by the examining committee with respect to his their qualifications may appeal to the board in accordance with rules or regulations prescribed by the board. The board on such upon the appeal may administer an oral or written examination to the applicant as an aid in determining whether the applicant is qualified under the terms of this article.

SEC. 44. Section 774 of the Public Resources Code is amended to read:

- 774. (a) Issuance of a license may be denied if sufficient evidence is received by the board of the commission or doing by the applicant of any an act which, that, if committed or done by a licensee, would be grounds for the suspension or revocation of his the licensee's license.
- (b) In—any a decision denying an application, the board may provide that it will accept no future application from the applicant until—he the applicant complies with specified conditions.—No condition may be required by the The board shall not require a condition that is not just and reasonable.
- SEC. 45. Section 777 of the Public Resources Code is amended to read:
- 777. (a) If the board finds against the registrant, the board, in its decision, may terminate all operations of the registrant during the period fixed by the decision, except those operations the board determines that the person may complete. The board may impose upon the registrant compliance with specific conditions as may be just in connection with his or her the registrant's operations, and may further provide that, until the conditions are complied with, no application for restoration of the suspended or revoked registration shall be accepted by the board.

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(b) The board shall provide public notice of the suspension or revocation pursuant to this section.

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(c) The board may issue a private reprimand when a registrant commits a failure of responsibility—which that warrants a lesser

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level of discipline than suspension. The issuance of a private reprimand does not prohibit the board from using the subject of the private reprimand in an accusation, within the statute of limitations, seeking suspension or revocation resulting from a subsequent complaint, to establish a pattern of lesser failures of professional responsibility. If the evidence is insufficient to support a private reprimand or an accusation, the executive officer for registration may send a letter expressing the examining committee's concerns.

SEC. 46. Section 778 of the Public Resources Code is amended to read:

778. A registrant or certificant is subject to disciplinary action who:

- (a) Has been convicted of a felony substantially related to the qualifications, functions, or duties of a registered professional forester. A conviction within the meaning of this section means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action—which that the board is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent order under Section 1203.4 of the Penal Code.
- (b) Has been found guilty by the board of any deceit, misrepresentation, fraud, material misstatement of fact, incompetence, or gross negligence in his or her their practice.
- (c) Has been guilty of any fraud or deceit in obtaining his or her their registration or certification.
- (d) Aids or abets-any *a* person in the violation-of any provision of this article.
- (e) Fails in any material respect to comply with the provisions of this article.
- SEC. 47. Section 781 of the Public Resources Code is amended to read:
- 781. All fees received pursuant to the provisions of this article shall be available, when appropriated by the Legislature, for the administration of this article; provided, that in the event that moneys need to be expended from the Professional Forester Registration Fund for emergencies for which no appropriation, or an insufficient appropriation, has been made by law, and which in the judgment of the Director of Finance constitutes a case of actual

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necessity, but limited to purposes of administration of this article which that have been specifically approved by the Legislature in budget acts or other legislation, the Director of Finance may authorize an emergency expenditure in an amount determined by him the Director of Finance from-such the fund; provided, further, that the Director of Finance shall file with the Joint Legislative Budget Committee within 10 days after approval of such the emergency expenditure, copies of all executive orders, expenditure authorizations, and allotments made pursuant to this section, and stating the reasons for, and the amount of, such those expenditures. 

SEC. 48. Section 783 of the Public Resources Code is amended to read:

783. In case—any a person defaults in payment of the renewal fee, his or her the person's registration may be revoked by the board on 60 days' notice in writing from the board, unless within this time the fee is paid, together with penalty, not exceeding the amount fixed by this article. Upon payment of the fee and penalty within one year, the board shall reinstate the person's registration.

SEC. 49. Section 4033 of the Public Resources Code is amended to read:

- 4033. (a) The department may provide permits for temporary means of ingress to, egress from, and movement across all property under the jurisdiction of the department in order to provide ready access for the purposes of harvesting timber, conducting studies, and passing and placing equipment upon the department's lands.
- (b) The department may grant a permit for a right-of-way across the department's lands over that route and subject to those conditions and construction and maintenance specifications as the department may determine that will cause minimum alteration to the physical features of the department's lands and minimum interference with the use of the forests by the public.
- (c) The permittee shall, at his or her the permittee's own expense, construct and maintain the means of ingress and egress, in accordance with the terms and conditions set forth in the permit, noncompliance with which in any part shall be due cause for revocation of that permit.
- (d) The department may require a permittee or permittees to allow the use of those temporary means of ingress and egress by any other applicant whose lands are similarly situated.

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(e) The department may, at its discretion, charge a reasonable fee for access to its lands.

- (f) (1) A permit granted for passage pursuant to this section is temporary and does not imply consent to a permanent easement, and the permit shall include language stating this.
  - (2) The permits are and shall be revocable at any time.
- SEC. 50. Section 4114.5 of the Public Resources Code is amended to read:
- 4114.5. (a) Any-A contract with a nonpublic entity entered into by the department that includes a provision for the services of pilots to fly firefighting aircraft owned by, or on loan to, the department for the purpose of fighting fire shall expressly provide that, if the pilot dies while performing the duties specified in the contract, eligible survivors, if any, of the pilot shall be paid a one-time death benefit by the department equal to the sum of the following:
- (1) The amount of the one-time benefit that the eligible survivors of the pilot would receive if the pilot were subject to the federal Public Safety Officers' Death Benefits Act (42 U.S.C. Sec. 3796 et seq.). This paragraph shall not be applicable if, at the time of the pilot's death, the eligible survivors of the pilot are entitled to benefits under that act.
- (2) An amount, as determined by the department, that would be commensurate with the death benefit payable to a mid-career firefighter employed by the department who died in the line of duty.
- (b) The benefits payable pursuant to any contract subject to this section shall be paid to eligible survivors in a lump sum as follows:
  - (1) If there is no eligible child, to the surviving spouse.
- (2) If there is an eligible child or children and a surviving spouse, one-half to the child or to the children in equal shares and one-half to the surviving spouse.
- (3) If there is no surviving spouse and there is an eligible child or children, to the eligible child or in equal shares to the eligible children.
- (4) If there is no surviving spouse nor any eligible child or children, to the surviving parent or in equal shares to the surviving parents.

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(c) If there are no eligible survivors, no benefit shall be payable and a pilot may not otherwise designate a beneficiary to receive the benefits under the contract.

- (d) (1) As used in this section, an "eligible survivor" means the surviving spouse, eligible children, or surviving parents of the deceased pilot.
- (2) "Surviving spouse" means a husband or wife spouse who was married to the pilot at the time of the pilot's death.
- (3) "Eligible child" means an unmarried, natural child of the deceased pilot who (A) was born before or after the death of the pilot or is an adopted child or stepchild of the pilot, and (B) is 18 years of age or younger at the time of the pilot's death, or over the age of 18 years and incapable of self-support due to a physical or mental disability, or between the age of 18 and 22 years and pursuing a full-time course of study or training, if the child has not already completed four years of education beyond high school.
- (e) This section shall be applicable irrespective of whether the department contracts directly with the pilot or contracts with a third party that employs or contracts with pilots.
- (f) Nothing in this section relieves the pilot's employer from the obligation to secure coverage for workers' compensation; eliminates or reduces any workers' compensation benefits otherwise available; or affects, alters, or eliminates any other remedy otherwise available at law.
- (g) This section does not apply to a pilot who dies while performing duties in a firefighting aircraft that is owned by the pilot or another entity other than the department pursuant to a contract or agreement with the department, except for a firefighting aircraft on loan to the department pursuant to subdivision (a).
- SEC. 51. Section 4136 of the Public Resources Code is amended to read:
- 4136. (a) A transferor of real property that is located within a state responsibility area determined by the board, pursuant to Section 4125, shall disclose to—any *a* prospective transferee the fact that the property is located within a wildland area that may contain substantial forest fire risks and hazards and is subject to the requirements of Section 4291.
- (b) Except for property located within a county that has assumed responsibility for prevention and suppression of all fires pursuant to Section 4129, the transferor shall also disclose to—any *a*

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prospective transferee that it is not the state's responsibility to provide fire protection services to—any *a* building or structure located within the wildlands unless the department has entered into a cooperative agreement with a local agency for those purposes pursuant to Section 4142.

- (c) Disclosure is required pursuant to this section only when one of the following conditions is met:
- (1) The transferor, or the transferor's agent, has actual knowledge that the property is within a wildland fire zone.
- (2) A map that includes the property has been provided to the city or county pursuant to Section 4125, and a notice has been posted at the offices of the county recorder, county assessor, and county planning agency that identifies the location of the map and any information regarding changes to the map received by the county.
- (d) In all transactions that are subject to Section 1103 of the Civil Code, the disclosures required by this section shall be provided by either of the following means:
- (1) The Local Option Real Estate Disclosure Statement as provided in Section 1102.6a of the Civil Code.
- (2) The Natural Hazard Disclosure Statement as provided in Section 1103.2 of the Civil Code.
- (e) If the map or accompanying information is not of sufficient accuracy or scale that a reasonable person can determine if the subject real property is included in a wildland fire zone, the agent shall mark "Yes" on the Natural Hazard Disclosure Statement. The agent may mark "No" on the Natural Hazard Disclosure Statement if he or she the agent attaches a report prepared pursuant to subdivision (c) of Section 1103.4 of the Civil Code that verifies the property is not in the hazard zone. Nothing in this subdivision is intended to This subdivision does not limit or abridge any existing duty of the transferor or the transferor's agents to exercise reasonable care in making a determination under this subdivision.
- (f) For purposes of this section, Section 1103.13 of the Civil Code applies.
- (g) The specification of items for disclosure in this section does not limit or abridge any obligation for disclosure created by any other—provision of law or that may exist in order to avoid fraud, misrepresentation, or deceit in the transfer transaction.

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1 SEC. 52. Section 4142.1 of the Public Resources Code is 2 amended to read:

4142.1. Whenever-When a county, city, or district considers entering into a cooperative agreement pursuant to subdivision (a) of Section 4142 under which the state would assume personnel from the county, city, or district, the county, city or district shall, prior to the execution of the cooperative agreement, give written notice to each affected employee of how the transfer of functions would affect his or her their health benefits upon his or her their retirement.

SEC. 53. Section 4151 of the Public Resources Code is amended to read:

4151. (a) The director shall appoint, in—such a number and localities as—he the director deems wise, public-spirited citizens to act as voluntary firewardens, who may receive payment for their services from the counties or from private sources. They shall promptly report all fires and take immediate and active steps toward their extinguishment, report any violation of forest fire laws, assist in apprehending and convicting offenders, and perform—such other duties as the director may direct.—Any A United States Forest Service employee within this state, if—he the employee accepts the duties and responsibilities of a firewarden, may be appointed a voluntary firewarden, and shall have all the powers given to firewardens by this article.

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- (b) The firewardens do not have authority to obligate the state for the payment of any money, unless specifically-so authorized by the director.
- 29 SEC. 54. Section 4152 of the Public Resources Code is 30 amended to read:
  - 4152. If a fire patrol for the prevention and suppression of forest fires is maintained by owners of land or by any organization, the director may designate each—patrolman patrol person as a voluntary firewarden and, for the protection of lands patrolled by him them or adjacent to—such those lands, may give—him them all the rights and powers of a voluntary firewarden. Voluntary firewardens shall be paid by—such the owners or organizations or as provided for by Section 4151.—Such The firewardens do not have authority to obligate the state for the payment of—any money, unless specifically—so authorized by the director.

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SEC. 55. Section 4153 of the Public Resources Code is amended to read:

4153. The department or its duly authorized agent may summon any an able-bodied person to assist in suppressing any a forest fire and may authorize any an officer of the state, who is charged with the prevention and suppression of fire or the enforcement of the state fire laws, to summon-any an able-bodied person to assist in suppressing-any a forest fire within their respective jurisdictions. An able-bodied person who is engaged in the harvest of perishable agricultural crops shall not, however, be summoned to assist in suppressing-any a forest fire until all other available workpower has been exhausted within the respective jurisdiction of the officer issuing-such the summons. No member A member in good standing of any a regularly organized fire department shall not be summoned if—he the member is available and subject to call for duty with a firefighting unit.

SEC. 56. Section 4156 of the Public Resources Code is amended to read:

4156. (a) The director and employees or classes of employees of the department designated by the director have the powers conferred by law upon peace officers listed in Section 830.2 of the Penal Code, and voluntary firewardens designated by the director have the powers conferred by law upon peace officers listed in Section 830.37 of the Penal Code; provided, however, that the primary duty of the peace officer shall be the enforcement of forest laws and regulations, state and county fire laws and regulations, and the laws relating to explosives as set forth in Part 1 (commencing with Section 12000) of Division 11 of the Health and Safety Code, other than laws the enforcement of which is primarily the responsibility of the State Fire Marshal. Officers, employees, and voluntary firewardens, upon request pursuant to Section 8597 of the Government Code, shall have the full powers and duties of peace officers for all purposes as provided by the Penal Code and are not liable to civil action for trespass committed in the discharge of their duties.

- (b) Any A peace officer may enforce federal fire laws to the extent that he or she the peace officer is authorized to do so.
- 38 SEC. 57. Section 4157 of the Public Resources Code is 39 amended to read:

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4157. Whenever When the director or any of the employees or voluntary firewardens who are designated as peace officers pursuant to Section 4156 arrests—any a person for a violation of this article or for a violation of any a law relating to forest or fire protection—which that is not a felony,—he the director or any of the employees or voluntary firewardens who are designated as peace officers may immediately release the arrested person from—his their custody in the manner and under the conditions that are set forth in Section 853.6 of the Penal Code.

- SEC. 58. Section 4165 of the Public Resources Code is amended to read:
- 4165. Every person is guilty of a misdemeanor who, at a forest fire, does any of the following:
- (a) Disobeys the lawful orders of any *a* public officer or fireman. *firefighter.*
- (b) Offers—any resistance to, or interference with, the lawful efforts of—any fireman a firefighter or company of—firemen firefighters to extinguish the fire.
- (c) Engages in any disorderly conduct which is calculated to prevent the fire from being extinguished.
- (d) Forbids, prevents, or dissuades others from assisting to extinguish the fire.
- (e) Rides, drives, or propels any vehicle or conveyance upon, over, or across any firehose or chemical hose—which that is used by, or in charge of,—any a public officer or—fireman, firefighter or injures or damages in any manner any—such hose or apparatus of any kind—which that is in use by, or in charge of,—any a public officer or—fireman. firefighter.
- SEC. 59. Section 4166 of the Public Resources Code is amended to read:
- 4166. Every-A person who violates this article is guilty of a misdemeanor, which is punishable by a fine of not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000). If the defendant refuses, on conviction, to pay the fine, he the defendant shall be confined in the county jail of the county in which conviction is had for a period not to exceed one day for every five dollars (\$5) of the fine imposed, or may be subject to both-such the fine and imprisonment.
- 39 SEC. 60. Section 4172 of the Public Resources Code is 40 amended to read:

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4172. Whenever—If the director determines that a public nuisance, as defined in Section 4171, exists,—he the director shall notify the owner of the property to abate the public nuisance. If the owner is unknown, a copy of the notice shall be posted upon the property.

- SEC. 61. Section 4175 of the Public Resources Code is amended to read:
- 4175. If a property owner requests a hearing, the director shall fix a time and a place for the hearing and notify the property owner. At the time and place of the hearing, the property owner may appear and be heard upon the question of whether or not a public nuisance actually exists upon property—which he that the property owner owns. The hearing shall be conducted in accordance with the provisions of Chapter 2 (commencing with Section 11180), Part 1, Division 3, Title 2 of the Government Code.
- SEC. 62. Section 4176 of the Public Resources Code is amended to read:
- 4176. If the director determines, at the conclusion of the hearing, that a public nuisance actually exists upon property owned by the property owner,—he *the director* shall order the property owner to abate the public nuisance within a specified time.
- SEC. 63. Section 4179.5 of the Public Resources Code is amended to read:
- 4179.5. The Attorney General may at any time release all or any portion of the property subject to a lien imposed pursuant to Sections 4178 and 4179 from the lien or subordinate-such a the lien to other liens and encumbrances if-he the Attorney General determines that the amount owed is sufficiently secured by a lien on other property or that the release or subordination of-such the lien will not jeopardize the collection of-such the amount owed. A certificate by the Attorney General to the effect that any property has been released from-such the lien or that-such the lien has been subordinated to other liens and encumbrances shall be conclusive evidence that the property has been released or that the lien has been subordinated as provided in-such the certificate.
- SEC. 64. Section 4181 of the Public Resources Code is amended to read:
- 38 4181. When the property is sold, enough of the proceeds to 39 satisfy the lien and the costs of the foreclosure shall be paid to the 40 state. The surplus, if any, shall be paid to the owner of the property,

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1 if known, or if he the property owner is not known, shall be paid 2 into the court in which the lien was foreclosed for the use of the 3 owner when he the property owner is ascertained.

- SEC. 65. Section 4253 of the Public Resources Code is amended to read:
- 4253. Whenever When the director determines that a fire hazard exists in any other area due to the presence of flammable material or cover, he the director may by regulation designate such the area to be a hazardous fire area. The regulation shall declare the period of time during which the area shall be so designated.
- 11 SEC. 66. Section 4255 of the Public Resources Code is 12 amended to read:
  - 4255. (a) Except as provided in this section, a person shall not smoke or build a campfire or other open fire within a hazardous fire area.
  - (b) The board may designate by regulation campgrounds or campsites within hazardous fire areas where smoking and the building of campfires are allowed. However, no campground or campsite shall be designated without the consent of the owner, or his the owner's authorized agent, of the land upon which it is located.
  - SEC. 67. Section 4256 of the Public Resources Code is amended to read:
  - 4256. Whenever When it is necessary in the interest of public peace or safety, the director, with the consent of the owner of any lands designated as a hazardous fire area, may declare such those lands closed to entry by any person. Any public highway traversing such a the hazardous fire area, shall, however, be excluded from the order of closure, and the closure to entry does not prohibit or curtail the entry or use of the lands by the owner of the lands or his the owner's agent, nor the entry by any a federal, state or county officer upon the closed area in the performance of his their official duties. All state and county law enforcement officers shall enforce the order of closure.
- 35 SEC. 68. Section 4291.3 of the Public Resources Code is amended to read:
- 4291.3. (a) Subject to any other applicable law, a state or local fire official, at his or her their discretion, may authorize an owner of property, or his or her the owner's agent, to construct a firebreak, or implement appropriate vegetation management techniques, to

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ensure that defensible space is adequate for the protection of a hospital, adult residential care facility, school, aboveground storage tank, hazardous materials facility, or similar facility on the property. The firebreak may be for a radius of up to 300 feet from the facility, or to the property line, whichever distance is shorter.

- (b) The director may authorize an owner of a property not listed in subdivision (a) to construct a firebreak, or implement appropriate vegetation management techniques, within a radius of up to 300 feet from a structure, or to the property line, whichever distance is shorter, if it is determined by the director as necessary to protect life, property, and natural resources from unreasonable risks associated with wild land wildland fires.
- SEC. 69. Section 4295.5 of the Public Resources Code is amended to read:
- 4295.5. (a) Notwithstanding any other law, including Section 4295, any a person who owns, controls, operates, or maintains any an electrical transmission or distribution line may traverse land as necessary, regardless of land ownership or express permission to traverse land from the landowner, after providing notice and an opportunity to be heard to the landowner, to prune trees to maintain clearances pursuant to Section 4293, and to abate, by pruning or removal, any hazardous, dead, rotten, diseased, or structurally defective live trees. The clearances obtained when the pruning is performed shall be at the full discretion of the person that owns. controls, operates, or maintains any electrical transmission or distribution line, but shall be no less than what is required in Section 4293. This section shall apply to both high fire threat districts, as determined by the California Public Utilities Commission pursuant to its rulemaking authority, and to state responsibility areas.
- (b) Nothing in subdivision (a) shall Subdivision (a) does not exempt any a person who owns, controls, operates, or maintains any an electrical transmission or distribution line from liability for damages for the removal of vegetation that is not covered by any an easement granted to him or her the person for the electrical transmission or distribution line.
- 37 SEC. 70. Section 4297 of the Public Resources Code is 38 amended to read:
  - 4297. Upon the showing of the director that the unrestricted use of any grass-covered land, grain-covered land, brush-covered

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1 land, or forest-covered land is, in the judgment of the director, a

- 2 menace to life or property due to conditions tending to cause or
- 3 allow the rapid spread of fires-which that may occur on-such the
- 4 lands or because of the inaccessible character of-such the lands,
- 5 the Governor through the director, may, by a proclamation, which
- 6 declares such that condition and designates the area to which, and
- 7 the period during which the proclamation shall apply, require that
- 8 such the area be closed to hunting and fishing and to entry by any
  9 a person except a person that is within one of the following classes:
  - (a) Owners and lessees of land in the area.
  - (b) Bona fide residents in the area.

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- (c) Persons engaged in some bona fide business, trade, occupation, or calling in the area and persons employed by them in connection with-such that business, trade, occupation, or calling.
- (d) Authorized agents or employees of a public utility entering such *the* area for the purpose of operating or maintaining public utility works or equipment within the area.
  - (e) Members of any an organized firefighting force.
- (f) Any A federal, state or local officer in the performance of his their duties.
- (g) Persons traveling on public roads or highways through the area.
- SEC. 71. Section 4331 of the Public Resources Code is amended to read:
- 4331. Except at the places or during the period of time designated by regulations adopted pursuant to the authority of the Secretary of Agriculture of the United States, a person shall not smoke or build a campfire upon-any national forest land unless-he *the person* has a written permit to do so issued by an authorized agent of the Secretary of Agriculture and possesses the firefighting tools-which that are required by-such the permit.
- SEC. 72. Section 4416 of the Public Resources Code is amended to read:
- 4416. This chapter does not authorize any *a* county firewarden, fireman, *a firefighter*, or *a* county officer to obligate the state for the payment of any money.
- 37 SEC. 73. Section 4421 of the Public Resources Code is 38 amended to read:
- 39 4421. A person shall not set fire or cause fire to be set to-any 40 *a* forest, brush, or other flammable material which that is on-any

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land that is not his own, the person's own land, or under his the person's legal control, without the permission of the owner, lessee, or agent of the owner owner's agent or lessee of the land.

- SEC. 74. Section 4422 of the Public Resources Code is amended to read:
  - 4422. A person shall not do-any either of the following:
- (a) Willfully or knowingly allow fire to burn uncontrolled on land-which he that the person owns or controls, or to escape to the lands of any person other than that of the owner.
- (b) Allow any fire kindled or attended by—him the person to escape from—his the person's control or to spread to the land of any person other than from the land from which the fire originated.
- SEC. 75. Section 4423.1 of the Public Resources Code is amended to read:
- 4423.1. (a) Burning under permit by-any a person on public or private lands, except within incorporated cities, may be suspended, restricted, or otherwise prohibited by proclamation.
- Any of the following public officers may issue a proclamation, which shall be applicable within their respective jurisdictions:
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- 21 (1) The director or his or her the director's designee.
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- 23 (2) Any county fire warden with the approval of the director.
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- (3) The federal officers directing activities within California of the United States Bureau of Land Management, the National Park Service, and the United States Forest Service.
- <del>-The</del>
- (b) The proclamation may be issued when, in the judgment of the issuing public official, the menace of destruction by fire to life, improved property, or natural resources is, or is forecast to become, extreme due to critical fire weather, fire suppression forces being heavily committed to control fires already burning, acute dryness of the vegetation, or other factors that may cause the rapid spread of fire. A proclamation is effective on issuance or at a time specified therein and shall remain in effect until a proclamation removing the suspension, restriction, or prohibition is issued. The proclamation may be effective for a single day or longer. The proclamation shall declare the conditions that necessitate its issuance, designate the geographic area to which it applies, require

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- that all or specified burning under permit be suspended, restricted,
- or prohibited until the conditions necessitating the proclamation
- abate, and identify the public official issuing the proclamation.
- The proclamation may be in the form of a verbal or audio recorded 4
- 5 telephone message, a press release, or a posted order.
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- (c) The proclamation may be issued without complying with 7 8 Chapter 3.5 (commencing with Section 11340) and Chapter 5
- (commencing with Section 11500) of Part 1 of Division 3 of Title 10 2 of the Government Code.
- SEC. 76. Section 4432 of the Public Resources Code is 11 12 amended to read:
- 4432. (a) A person shall not leave a campfire, kindled or attended by-him, that person, burning or unextinguished unless 14 one of the following requirements is satisfied:
- 16 (a) He
- 17 (1) The person leaves some other person in attendance.
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- 19 (2) The fire is enclosed within a stove, oven, drum, or other 20 nonflammable container, in such manner that the fire cannot escape from the container. 21
- 22 No
  - (b) A person shall not allow a campfire, kindled or attended by him, that person, to spread after it is built.
- SEC. 77. Section 4433 of the Public Resources Code is 26 amended to read:
  - 4433. (a) A person shall not light, maintain, or use a campfire upon-any brush-covered land, grass-covered land, or forest-covered land-which that is the property of another person unless-he the person first obtains a written permit from the owner, lessee, or agent of the owner or lessee of the property.
- 32 <del>If,</del>
- 33 (b) If, however, campsites and special areas have been established by the property owner and posted as areas for camping, 34 35 a permit is not necessary.
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- 37 (c) A written campfire permit duly issued by or under the authority of the United States Forest Service is necessary for use 38
- on land under the jurisdiction and control of the United States
- 40 Forest Service.

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SEC. 78. Section 4436 of the Public Resources Code is amended to read:

4436. A person shall not refuse or fail to render assistance in combating a forest, brush, or grass fire at the summons of the department, or its authorized agent who is charged with the prevention or suppression of fire or the enforcement of the state fire laws, or any county firewarden, fireman, firefighter, or county officer who is charged with the duty of preventing or combating forest, brush, or grass fires, or any officer of a county fire protection district, unless prevented from so doing by sickness or physical disability.

SEC. 79. Section 4582 of the Public Resources Code is amended to read:

4582. The timber harvesting plan shall be filed with the department in writing by a person who owns, leases, or otherwise controls or operates on all or any portion of any timberland and who plans to harvest the timber thereon. on the timberland. If the person who files the timber harvesting plan is not the owner of the timberland, the person filing the plan shall notify the timberland owner by certified mail that the plan has been submitted and shall certify that mailing to the department. The timber harvesting plan shall be a public record and shall include all of the following information:

- (a) The name and address of the timber owner.
- (b) The name and address of the timber operator if known at the time of filing. If the timber operator is not known at the time of filing, the plan submitter shall notify the department as soon as the timber operator is known, but in any case before timber operations begin.
- (c) A description of the land on which the work is proposed to be done, including a United States Geological Survey quadrangle map or equivalent indicating the location of all streams, the location of all proposed and existing logging truck roads, and indicating boundaries of all site I classification timberlands to be stocked in accordance with subdivision (b) of Section 4561 and any other site classifications if the board establishes specific minimum stocking standards for other site classifications.
- 38 (d) A description of the silvicultural methods to be applied, 39 including the type of logging equipment to be used.

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1 (e) An outline of the methods to be used to avoid excessive accelerated erosion from timber operations to be conducted within the proximity of a stream.

- (f) Special provisions, if any, to protect any unique area within the area of timber operations.
- (g) The expected dates of commencement and completion of timber operations.
- (h) A certification by the registered professional forester preparing the plan that he or she the registered professional forester or a designee has personally inspected the plan area.
- (i) Any other information the board provides by regulation to meet its rules and the standards of this chapter.
  - (i) This section shall become operative on January 1, 1996.
- SEC. 80. Section 4582.6 of the Public Resources Code is amended to read:
- 4582.6. (a) Upon receipt of the timber harvesting plan, the department shall place it, or a true copy thereof, of the plan, in a file available for public inspection in the county in which timber operations are proposed under the plan, and, for the purpose of interdisciplinary review, shall transmit a copy to the Department of Fish and—Game, Wildlife, the appropriate California regional water quality control board, the county planning agency, and, if the area is within its jurisdiction, the Tahoe Regional Planning Agency, as the case may be. The department shall invite, consider, and respond in writing to comments received from public agencies to which the plan has been transmitted and shall consult with those agencies at their request.
- (b) Within the public comment period, any responsible agency, as defined in Section 21069, shall provide the department with specific comments or recommendations, or both, on any significant environmental issues and proposed mitigation measures raised by the timber harvesting plan. The responsible agency shall also identify its statutory authority for any requests for mitigation measures that it may determine to be necessary. If the responsible agency fails to respond by the end of the public comment period, the department may assume that the responsible agency has no comments or recommendations concerning the timber harvesting plan, but the failure of the responsible agency to make comments or recommendations shall not be used as the basis for a determination or presumption that the timber harvesting plan will

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have no significant effect on the environment. The department 2 shall consider all comments and recommendations received from 3 responsible agencies and from the public during the public 4 comment period. If a responsible agency fails to respond within 5 the public comment period, it may request additional time to 6 respond. The director may grant an extension of the time to respond 7 of up to 14 calendar days if he or she the director determines, after 8 consultation with the person submitting the timber harvesting plan, 9 that an extension is necessary.

- (c) To ensure that all public comments and concerns are considered by the department, each responsible agency shall maintain a list of written information it disseminates on the timber harvesting plan under review prior to the close of the public comment period.
- (d) On and after July 1, 1983, the board of supervisors or planning commission of any a county for which rules have been adopted pursuant to Section 4516.5 may request a public hearing on-any a timber harvesting plan submitted for lands within the county, and the department shall hold a hearing for the purpose of public comment, if requested, prior to taking any action on the timber harvesting plan pursuant to Section 4582.7. The hearing shall be held in the county in which the proposed harvest is located at a time and place convenient to the public. The hearing shall be held in county offices if made available by the county for that purpose. The chairperson of the hearing shall be a representative of the department, shall receive both oral and written testimony from members of the public, local government officials, persons submitting the plans, and others, and shall provide for the hearing to be electronically recorded. The department shall prepare and make available written responses to significant issues raised at the hearing. The requirements of this subdivision shall not be construed as extending This subdivision does not extend the time within which any an action is required to be taken pursuant to Section
- 35 SEC. 81. Section 4582.7 of the Public Resources Code is amended to read:
  - 4582.7. (a) The director shall have 30 days from the date that the initial inspection is completed (10 of these days shall follow the date of final interagency review) or, if the director determines that the inspection need not be made, 15 days from the date of

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agreed upon by the director and the person submitting the timber harvesting plan, to review the plan and take public comments.

After the final review and public comment period has ended, the director shall have up to 15 working days, or a longer period mutually agreed upon by the director and the person submitting the *timber harvesting* plan, to review the public input, to consider

filing, as specified in Section 4604, or a longer period mutually

the *timber harvesting* plan, to review the public input, to consider recommendations and mitigation measures of other agencies, to respond in writing to the issues raised, and to determine if the plan is in conformance with the rules and regulations of the board and

11 with this chapter.

- (b) If the director determines that the timber harvesting plan is not in conformance with the rules and regulations of the board or with this chapter, the director shall return the plan, stating his or her the director's reasons in writing, and advising the person submitting the plan of the person's right to a hearing before the board, and timber operations may not commence.
- (c) A person to whom a timber harvesting plan is returned may, within 10 days from the date of receipt of the plan, request of the board a public hearing before the board. The board shall schedule a public hearing to review the *timber harvesting* plan to determine if the plan is in conformance with the rules and regulations of the board and with this chapter. Timber operations shall await board approval of the *timber harvesting* plan. Board action shall occur within 30 days from the date of the filing of the appeal, or a longer period mutually agreed upon by the board and the person filing the appeal.
- (d) If the timber harvesting plan is not approved on appeal to the board, the plan may be found to be in conformance by the director within 10 days from the date of the board action, provided that the plan is brought into full conformance with the rules and regulations of the board and with this chapter. If the director does not act within 25 days or a longer period mutually agreed upon by the director and the person submitting the *timber harvesting* plan, timber operations may commence pursuant to the plan, and all provisions of the plan shall be followed as provided in this chapter.
- (e) Upon the request of a responsible agency, the director shall consult with that agency, pursuant to this chapter, but the director, or his or her the director's designee within the department, shall have the final authority to determine whether a timber harvesting

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plan is in conformance with the rules and regulations of the board and with this chapter for purposes of approval by the department.

SEC. 82. Section 4586 of the Public Resources Code is amended to read:

4586. Within six months of the receipt of the work completion report specified in Section 4585, the director shall determine, by inspection, whether the work described in the report has been properly completed in conformity with the rules and regulations of the board and the standards of this chapter. If the work has been so completed, the director shall issue a report of satisfactory completion of the work. If not, the director shall take—such corrective action as—he—or—she the director determines to be appropriate in accordance with Article 8 (commencing with Section 4601).

SEC. 83. Section 4588 of the Public Resources Code is amended to read:

4588. Within six months of the receipt of the stocking report, the director shall determine, by inspection, whether the stocking has been properly completed. If—so, he the stocking is properly completed, the director shall issue a report of satisfactory completed of stocking. If—not, he the stocking is not properly completed, the director shall take—such corrective action as—he the director deems appropriate in accordance with—the provisions of Article 8 (commencing with Section 4601) of this chapter.

SEC. 84. Section 4593.3 of the Public Resources Code is amended to read:

4593.3. A nonindustrial timber management plan may be filed with the department in writing by a person who intends to become a nonindustrial tree farmer with the long-term objective of an uneven aged timber stand and sustained yield through the implementation of a nonindustrial timber management plan. The *nonindustrial timber* management plan shall be prepared by a registered professional forester. It shall be a public record and shall include all of the following information:

- (a) The name and address of the timberland owner.
- (b) A description of the land on which the *nonindustrial timber management* plan is proposed to be implemented, including a United States Geological Survey quadrangle map or equivalent indicating the location of all streams, the location of all proposed and existing logging truck roads, and indicating boundaries of all

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site I classification timberlands to be stocked in accordance with
 subdivision (b) of Section 4561 and any other site classifications
 if the board establishes specific minimum stocking standards for
 other site classifications.

- (c) A description of the silviculture methods to be applied and the type of yarding equipment to be used.
- (d) An outline of the methods to be used to avoid excessive accelerated erosion from timber operations to be conducted within the proximity of a stream.
- (e) Special provisions, if any, to protect any unique area within the boundaries of the proposed nonindustrial timber management plan.
- (f) A description of the existing stand, its current projected growth, alterations required to achieve the management objectives, the projected timber volumes and tree sizes to be available for harvest, and projected frequencies of harvest.
- (g) A certification by the registered professional forester preparing the *nonindustrial timber management* plan that he or she the registered professional forester or a designee has personally inspected the plan area.
- (h) Any other information the board provides by regulation to meet its rules and the standards of this chapter.
  - (i) This section shall become operative on January 1, 1996.
- SEC. 85. Section 4594.4 of the Public Resources Code is amended to read:
- 4594.4. If the board finds that a registered professional forester has made any material misstatement in any nonindustrial timber harvesting notice, nonindustrial timber management plan, or report under this chapter, the board shall take disciplinary action against him or her that registered professional forester as provided under Section 775.
- SEC. 86. Section 4602.5 of the Public Resources Code is amended to read:
- 4602.5. (a) This section provides an administrative procedure to suspend timber operations temporarily while judicial remedies are pursued pursuant to this article.
- (b) An inspecting forest officer may issue a written timber operations stop order if, upon reasonable cause, the officer determines that a timber operation is being conducted or is about to be conducted in violation of this chapter or of forest practice

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rules adopted by the board pursuant to this chapter and that the violation or threatened violation would result in imminent and substantial harm to soil, water, or timber resources, or to fish and wildlife habitat. A stop order shall apply only to those acts or omissions that are the proximate cause of the violation or threatened violation. The stop order shall be effective immediately and throughout the next day.

- (c) A supervising forest officer may, after an onsite investigation, extend a stop order issued pursuant to subdivision (b) for up to five days, excluding Saturday and Sunday, provided that he or she the supervising forest officer finds that the original stop order was issued upon reasonable cause. A stop order shall not be issued or extended for the same act or omission more than one time.
- (d) (1) Each stop order shall identify the specific act or omission that constitutes the violation or threatened violation, any timber operation that is to be stopped, and any corrective or mitigative actions that may be required.
- (2) The department may terminate the stop order if the responsible parties enter into a written agreement with the department assuring that the parties will resume operations in compliance with this chapter and the rules adopted by the board and will correct the violations. The department may require a reasonable cash deposit or bond payable to the department as a condition of compliance with the agreement.
- (e) Notice of the issuance of a stop order or an extension of a stop order shall be deemed to have been made to all persons working on a timber operation when a copy of the written order is delivered to the person in charge of operations at the time the order is issued or, if no persons are present at that time, then by posting a copy of the order conspicuously on the yarder or log loading equipment at a currently active landing on the timber operations. If no persons are present at the site of the timber operation when the order is issued, the issuing officer shall deliver a copy of the order to the timber operator either in person or to the operator's address of record prior to the commencement of the next working day.
- (f) As used in this section, "forest officer" means a registered professional forester employed by the department in a civil service classification of forester I or higher grade.

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(g) (1) Failure of the timber operator or an employee of the timber operator, after receiving notice, to comply with a stop order is a violation of this chapter and is punishable as provided in Section 4601; provided, however, that in all cases the timber operator, and not another person or the employee, shall be charged with this violation.

- (2) In determining the penalty for any timber operator found guilty of violating a validly issued stop order, the court shall take into consideration all relevant circumstances, including, but not limited to, the following:
- (A) The extent of harm to soil, water, or timber resources or to fish and wildlife habitat.
  - (B) Corrective action, if any, taken by the defendant.
- (3) Each day or portion of the day that the violation continues shall constitute a new and separate offense.
- (h) Nothing in this section shall This section does not prevent a timber operator from seeking an alternative writ as prescribed in Chapter 2 (commencing with Section 1084) of Title 1 of Part 3 of the Code of Civil Procedure, or as provided by any other provision of law.
- SEC. 87. Section 4608 of the Public Resources Code is amended to read:
- 4608. Prior to-(a) Before taking any corrective action, other than under Section 4605, the department shall serve a written notice upon the person responsible for the violation. The notice shall include a statement of the corrective action to be taken, a date not less than 30 days from the date of service of the notice by which such the corrective action is to be taken, and a statement that if such the corrective action is not taken on or before the date specified the department may take corrective action and charge such the person for the costs—thereof of the corrective action pursuant to Section 4610. The notice shall also include a statement that if such the person disagrees for any reason with the proposed corrective action or with the charging of—such the person with the costs—thereof, he of the corrective action, the person may, within 10 days from the service of the notice, request of the board a public hearing before the board.

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(b) The department may record-such the notice in each county wherein where the land in violation is situated, together with a

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statement that any and all expenses incurred by the department in taking corrective action pursuant to the provisions of this article shall be a lien against the land. Upon satisfactory proof that corrective action has been completed, the department shall record a notice to that effect.

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amended to read:

(c) Any expenses incurred by the department in taking-such corrective action shall be a lien upon the real property upon which such the action was taken when notice of the lien is recorded. Notice of the lien, particularly identifying the real property upon which-such the action was taken and the amount of-such the lien and naming the owner of-such the property, shall be recorded by the department, in the office of the county recorder of each county in which-such the property is situated within one year after the first item of expenditures by the department or within 90 days after the completion of such the action, whichever first occurs. Upon such recordation, the recording, the lien shall have the same force, effect, and priority as a judgment lien, except that it shall attach only to the real property described in-such the notice and shall continue for 10 years from the time of the recording of-such the notice, unless sooner released or otherwise discharged. The lien may, within 10 years of the time of such the recording, or within 10 years from the date of the last extension of the lien in the manner herein provided, be extended by recording a new notice in the office of the county recorder where the original notice is recorded, and from the time of such recordation the recording the lien shall be extended as to-such the real property for 10 years, unless sooner released or otherwise discharged. The department may at any time release all or any portion of the real property subject to such the lien from the lien or subordinate it to other liens and encumbrances, if it determines that the amount owed is sufficiently secured by a lien on other property or that the release or subordination of such the lien will not jeopardize the collection of such the amount owed. A certificate by the department to the effect that any real property has been released from such the lien or that such the lien has been subordinated to other liens and encumbrances shall be conclusive evidence that the real property has been released or that the lien has been subordinated as provided in such the certificate.

SEC. 88. Section 4625 of the Public Resources Code is

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4625. If the board finds the applicant does have a bona fide intention to convert the land, it shall approve the application, authorizing the applicant to cut and remove any and all trees, provided that he the applicant otherwise complies with this chapter. SEC. 89. Section 4646 of the Public Resources Code is amended to read:

4646. The director, acting in accordance with policies adopted by the board, shall administer this chapter. He *The director* may exercise all powers necessary to accomplish its purposes and intent.

SEC. 90. Section 4648 of the Public Resources Code is amended to read:

4648. (a) Acquisition of forest land pursuant to this chapter shall be made only upon the approval of the director. Approval by the director shall be based on satisfactory evidence presented to him the director by the board as to the suitability and desirability of lands under consideration for purchase for state forest purposes. This suitability and desirability shall be predicated on, but not limited to, all of the following factors:

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- (1) That the lands are suited primarily to timber growing.
- <del>(b)</del>
- (2) That the lands represent growing capacities not below the average for the timber region.

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(3) That they are favorably situated for multiple use and economical administration, management, and utilization.

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- (b) The director shall not approve the acquisition of any lands pursuant to this chapter unless—he the director receives a resolution recommending—such the action adopted by the board of supervisors of the county in which—such those lands are situated following a public hearing held by the board of supervisors on the proposed acquisition. Notice of the hearing shall be published pursuant to Section 6066 of the Government Code. The holding of a hearing shall be optional to the board of supervisors for areas of 2,000 acres or less. Upon approval of a purchase by the director, the department may negotiate for and consummate the purchase of the lands.
- 39 SEC. 91. Section 4674 of the Public Resources Code is 40 amended to read:

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1 4674. The department may, with the approval of the 2 Department of General Services, enter into a cooperative 3 agreement, upon-such the terms and under-such the conditions as 4 he the director deems wise, for-any either of the following purposes, with any county, city, or district-which that makes an appropriation for any such purpose:

- (a) The protection and forest management of any lands over which the county, city, or district has jurisdiction.
- (b) The reforestation or afforestation on lands within the county, city, or district.
- SEC. 92. Section 4703 of the Public Resources Code is amended to read:
- 4703. Before accepting conveyance of the land, the director shall have the title examined. He *The Director* shall not accept title unless a good and merchantable title free and clear of all taxes, liens liens, or other financial encumbrances is shown to be vested in the grantor or donor. The title shall be passed upon and approved by the Attorney General.
- SEC. 93. Section 4714 of the Public Resources Code is amended to read:
- 4714. Every owner of timber or timberlands shall control or eradicate—such the insect pests or plant diseases on lands owned by him the owner or under his the owner's control. If he the owner does not do so the work may be performed as provided in this article.
- SEC. 94. Section 4718 of the Public Resources Code is amended to read:
- 4718. Whenever If the director determines that insect or disease control work within the designated zone of infestation or infection is no longer necessary or feasible—he the director shall, with the approval of the board, dissolve the zone.
- SEC. 95. Section 4854 of the Public Resources Code is amended to read:
- 4854. When sold, the proceeds of the lumber shall be applied first to the payment of the charges of sale and in liquidation of the expenses and damages awarded to the claimant. The residue shall be paid to the county treasurer, to be by-him the county treasurer paid over to the former owner of the lumber, or his the former owner's representatives, or assigns, on the production of proof of his their former ownership satisfactory to the judge of the superior

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court of the county, and on his the judge's order therefor, made within one year after its receipt.

- 3 SEC. 96. Section 4855 of the Public Resources Code is 4 amended to read:
  - 4855. The rejection by the judge of any claimant's right to such the proceeds is conclusive, unless within six months thereafter he the claimant commences action to obtain such the proceeds. If no claim is made or sustained to the proceeds, the county treasurer shall place the proceeds in the county unapportioned elementary school fund.
  - SEC. 97. Section 12260 of the Public Resources Code is amended to read:
  - 12260. If the department determines that the proposed conservation easement meets the eligibility criteria set forth in Section 12251, the application shall be reviewed based upon the extent to which it satisfies *all of* the following selection criteria:
  - (a) The nature of the environmental values proposed for protection, and whether they can be monitored efficiently and effectively.
  - (b) Whether the parcels are likely to become isolated from other areas maintained for key forest resources by development on adjacent parcels.
  - (c) Whether the landowner's management goal for his or her the landowner's parcel is compatible with the resource protections he or she the landowner is proposing.
  - (d) Whether the landowner has developed, or commits to developing by the time the easement is finalized, a management plan equivalent to, or better than, a forest stewardship plan that governs management on the parcel.
  - (e) Whether a nonprofit land trust organization, public agency, or other suitable organization has expressed an interest in working with the department and the landowner to establish, hold, and monitor the easement.
  - (f) Whether other sources of funding for easement acquisition, closing costs, monitoring monitoring, and other costs are available.
  - (g) Other relevant considerations established by the director.
- 37 SEC. 98. Section 14000 of the Public Resources Code is 38 amended to read:
- 14000. (a) The Legislature hereby finds and declares that every California youth should be encouraged to reach his or her their

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full potential, but that many youths require guidance and support to reach their goals and make positive changes in their lives.

- (b) The Legislature finds and declares that conserving or developing natural resources, and enhancing and maintaining environmentally important lands and waters through the use of California's young-women and men, adults, is beneficial not only to the youth of the state by providing them with educational and work opportunities, but also is beneficial for the state's economy and its environment.
- (c) The Legislature further finds and declares that the California Conservation Corps continues to offer California a unique opportunity to meet both the goal of increasing understanding and appreciation of the environment and the goal of helping youths become productive adults.
- (d) The Legislature therefore reaffirms its intent that the corps' mission includes increasing awareness of and improving our natural resources, but more importantly, includes instilling basic skills and a healthy work ethic in California youth, building their character, self-esteem, and self-discipline, and establishing within them a strong sense of civic responsibility and understanding of the value of a day's work for a day's wages.
- (e) It is the further intent of the Legislature that corpsmembers graduate from the corps with good work habits, positive attitudes, and broadened professional horizons. It is the intent of the Legislature that the corps blend academic and job skills training with personal growth opportunities in order to develop productive youths who can make substantial contributions as California workers and citizens.
- (f) It is the further intent of the Legislature, in memory of Brien Thomas "B.T." Collins and John E. "Jack" Dugan, and on behalf of their passion, support, and commitment to the mission of the corps, to ensure that the corps is an entrepreneurial and incentive-based program with stable and predictable funding. In pursuit of that goal, it is the intent of the Legislature that all state agencies look to the corps first to perform those projects that meet the mission of the corps.
- 37 SEC. 99. Section 14300 of the Public Resources Code is 38 amended to read:

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1 14300. Young women and men *adults* participating in the corps program shall generally be engaged in projects which that do the following:

- (a) Preserve, maintain, and enhance environmentally important lands and waters.
- (b) Accomplish useful and needed public works projects in both urban and rural areas.
- (c) Conserve, maintain, improve, and develop natural resources in both urban and rural areas.
- (d) Provide opportunities for public use of, or education in, the areas, projects, and resources described in subdivisions (a), (b), and (c).
- (e) Assist in emergency operations, such as natural disaster relief and the rescue of lost and injured persons.
  - (f) Assist in fire prevention and suppression.
  - (g) Directly contribute to the conservation of energy.
- (h) Contribute toward making public facilities accessible to persons with disabilities.
- (i) Assist departments within the Resources Agency in developing, rehabilitating, and restoring parklands, recreational facilities, and historical resources; restoring salmon and steelhead spawning, nursery, and rearing habitat; restoring and preserving wildlife habitat; and enhancing reforestation in both urban and rural areas.
- SEC. 100. Section 14302 of the Public Resources Code is amended to read:
- 14302. Young—women and men adults shall be selected for participation in the corps program on the basis of motivation for hard work, personal development, and public service, and without regard to their prior employment or educational background. Participation shall be for a period of one year, which may be extended.
- The corps, in conjunction with the Employment Development Department, shall place an emphasis on developing and executing plans to assist corpsmembers in obtaining employment following their participation in the corps program.
- 37 SEC. 101. Section 14304 of the Public Resources Code is 38 amended to read:
- 39 14304. Projects shall be directed toward providing opportunities 40 to the public for their education or the use of these natural resources

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and environmentally important public lands and waters, while at the same time providing young—men and women adults with an opportunity for personal development in a variety of basic skills. Projects shall be undertaken in both urban and rural areas and shall be selected on the basis of the environmental and natural resource benefits each offers, the opportunities for public education or use each offers, and the on-the-job training value of each.

- SEC. 102. Section 14507.5 of the Public Resources Code is amended to read:
- 14507.5. (a) "Community Conservation Corps" means a nonprofit public benefit corporation formed or operating pursuant to Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code, or an agency operated by a city, county, or city and county, that is certified by the California Conservation Corps as meeting all of the following criteria:
- (1) The corps is organized in the form of supervised work crews and selects young men and women adults for participation on the basis of motivation for hard work, personal development, and public service, without regard to their prior employment or educational background, and consistent with Section 14402. Participation shall be for a period of one year, and may be extended.
- (2) The corps' program is based upon a highly disciplined work experience, includes an educational component, and is designed to develop corpsmembers' character and civic consciousness through rigorous work on public projects. The educational component of the corps' program includes enrollment in a vocational education program, public or charter high school, or postsecondary community college.
- (3) The corps compensates corpsmembers at not less than the federal minimum wage, and provides corpsmembers assistance in obtaining permanent employment following their participation in the corps program.
- (4) The corps engages in recycling and litter abatement projects as well as projects that accomplish the conservationist and other purposes described in subdivisions (a) to (h), inclusive, of Section 14300, and that assist agencies of local government and other nonprofit community organizations in developing, rehabilitating, and restoring parklands, recreational facilities, and other community resources.

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1 (5) The corps consists of an average annual enrollment of not less than 50 corpsmembers between 18 and 25 26 years of age. In determining the average annual enrollment of a community conservation corps for the purposes of Section 14581.1, the California Conservation Corps shall not include special corpsmembers, as described in Section 14303, who are employed by a community conservation corps.

(b) The California Conservation Corps shall evaluate a community conservation corps for the purpose of determining its eligibility for certification, pursuant to this section, after it has completed 12 months of continuous operation, and annually thereafter.

### SECTION 1.

SEC. 103. Section 2107 of the Vehicle Code is amended to read:

2107. The department is under the control of a civil executive officer, known as the Commissioner of the California Highway Patrol. The commissioner shall be appointed by the Governor with the advice and consent of the Senate to serve at the pleasure of the Governor, and shall have resided within the state continuously for at least five years immediately preceding appointment.

SEC. 2.

SEC. 104. Section 2259.5 of the Vehicle Code is amended to read:

2259.5. The commissioner shall make certified bulletproof vests available to members of the California Highway Patrol while engaged in enforcement activities. The commissioner may make the equipment available to the remainder of the personnel of the California Highway Patrol. The equipment shall remain the property of the Department of the California Highway Patrol and shall be returned upon request of the commissioner. This section shall not be construed to require that the commissioner provide one certified bulletproof vest for each member of the California Highway Patrol. It is the intent of this section that a sufficient number of vests be available for the use of members of the California Highway Patrol while engaged in enforcement activities. The vests may be passed from one shift to another in the interests of economy.

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1 SEC. 3.

SEC. 105. Section 2262 of the Vehicle Code is amended to read:

2262. The commissioner shall establish a school for the training and education of the members of the California Highway Patrol, and for other employees of the department deemed necessary, in traffic regulation, in the performance of their duties, and in the proper enforcement of this code and laws respecting use of the highways. The commissioner may contract with any county, city, district, or other subdivision of the state for the use of school facilities in the training of enforcement officers.

SEC. 4.

SEC. 106. Section 2403 of the Vehicle Code is amended to read:

2403. The commissioner may create highway patrol districts for the efficient administration and enforcement of this code and the laws respecting the use of highways. The commissioner may establish branch offices where necessary.

SEC. 5.

20 SEC. 107. Section 2404 of the Vehicle Code is amended to 21 read:

2404. The commissioner shall establish, in counties having charters, except in counties of the first or second class, headquarters or substations for the efficient performance of the duties of the department, and may establish, in other localities deemed most suitable, headquarters or substations.

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STATE CAPITOL SACRAMENTO, CA 95814 (916) 651-4001

# California State Senate

SENATOR
BRIAN DAHLE
FIRST SENATE DISTRICT



June 21, 2020

The Honorable Assembly Member Ken Cooley Chair, Assembly Rules Committee California State Capitol, Room 3016 Sacramento, CA, 95811

**SUBJECT: Senate Bill 709 Urgency Clause Request** 

Dear Chair Cooley,

I am writing to request an urgency clause for Senate Bill 709: Timber Harvest Plan Extensions. This bill would authorize a one-time, two-year extension of THPs that are set to expire in 2021 and 2022.

While the maximum 7-year validity of a THP typically provides landowners sufficient time to complete approved timber operations, the unprecedented wildfires that have occurred in California over the past few years has resulted in commercial timber companies shifting to salvage logging – the removal of dead or dying trees in wildfire affected areas – rather than harvesting green trees under approved THPs.

The economic losses resulting from expiring THPs, coupled with the cost and time necessary to get new THPs approved, will delay operations designed to reduce forest fuels in unburned areas. These delays will reduce the pace and scale of projects that the state desperately needs in order to prevent and mitigate future wildfires. To ensure that landowners can focus on this important recovery work, without losing the ability to shift their operations back to projects approved under existing THPs. This urgency clause will aid salvage loggers in implementing their THP's in a timely manner and alleviate pressure on landowners to manage their property appropriately.

Thank you for your consideration of this request. If you have any questions, please feel free to contact my Legislative Director, Ryan Hanretty or Policy Analyst, Casey Dunn at 916-651-4001.

Sincerely,

**BRIAN DAHLE** Senator, 1st District

Dahle

No. 709

## **Introduced by Senator Dahle**

February 19, 2021

An act to amend Section 4590 of the Public Resources Code, relating to forestry.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 709, as amended, Dahle. Z'Berg-Nejedly Forest Practice Act of 1973: timber harvesting plans: extensions.

The Z'Berg-Nejedly Forest Practice Act of 1973 prohibits a person from conducting timber operations, as defined, unless a timber harvesting plan prepared by a registered professional forester has been submitted to, and is approved by, the Department of Forestry and Fire Protection. Existing law requires a timber harvesting plan that is approved by the department on or after July 1, 2012, to be effective for a period of not more than 5 years, unless extended for 2 years, as provided. Existing law allows for a timber harvesting plan that is approved by the department from January 1, 2010, to August 31, 2012, inclusive, to be extended for 2 years, and up to a total of 4 years, if certain conditions are met.

This bill would eliminate extensions for timber harvesting plans approved by the department from January 1, 2010, to August 31, 2021, 2012, inclusive, and instead allow for a timber harvesting plan that is approved by the department from January 1, 2014, to December 31, 2016, 2015, inclusive, to be extended for an additional 2 years if certain conditions are met. The bill would make other nonsubstantive changes to these provisions.

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Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 4590 of the Public Resources Code is amended to read:
  - 4590. (a) (1) A timber harvesting plan approved by the department on or after July 1, 2012, is effective for a period of not more than five years, unless extended pursuant to paragraph (2).
  - (2) A timber harvesting plan, pursuant to which timber operations have commenced, but have not been completed, may be extended by amendment for two years in order to complete the timber operations, if both of the following conditions are met:
    - (A) Good cause is shown.

- (B) All timber operations are in conformance with the timber harvesting plan, this chapter, and all applicable rules and regulations, upon the filing of the notice of extension as required by this section.
- (b) The extension shall apply to any area covered by the timber harvesting plan for which a report has not been submitted under Section 4585. The notice of extension shall be provided to the department not sooner than 140 days, but at least 10 days, prior to the expiration date of the timber harvesting plan. The notice shall include the circumstances that prevented a timely completion of the timber operations under the timber harvesting plan and, consistent with Section 4583, an agreement to comply with this chapter and the rules and regulations of the board as these exist on the date the extension notice is filed.
- (c) Stocking work may continue for more than the effective period of a timber harvesting plan under subdivision (a), but shall be completed within five years after the conclusion of other work.
- (d) In addition to the extension authorized by paragraph (2) of subdivision (a), a timber harvesting plan that is approved by the department from January 1, 2014, to December 31, 2015, inclusive, may be extended by amendment for an additional two years in order to complete the timber operations, if the timber harvesting plan complies with subparagraphs (A) and (B) of paragraph (2) of subdivision (a) and the notice of extension, pursuant to subdivision (b), includes written certification by a

-3- SB 709

registered professional forester that neither of the conditions in subdivision (e) has occurred.

- (e) The department shall not approve an extension of a timber harvesting plan pursuant to subdivision (a) or (d) if either of the following has occurred:
- (1) Listed species, as defined in Article 1 (commencing with Section 2050) of Chapter 1.5 of Division 3 of the Fish and Game Code or the federal Endangered Species Act (16 U.S.C. Sec. 1531 et seq.), have been discovered in the logging area of the timber harvesting plan since approval of the plan.
- (2) Significant physical changes to the harvest area or adjacent areas have occurred since the timber harvesting plan's cumulative impacts were originally assessed.
- (f) An extension of a timber harvesting plan for which either of the conditions in subdivision (e) has occurred may be obtained only pursuant to Section 1039 of Title 14 of the California Code of Regulations.

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## Senate Committee on Natural Resources and Mater HENRY STERN

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June 28, 2021

The Honorable Ken Cooley, Chair Assembly Committee on Rules State Capitol, Room Sacramento, CA 95814

Dear Assemblymember Cooley,

I write to request that the Rules Committee consider and approve adding an urgency clause to SB 821. The urgency is needed to retain the service of nationally and internationally renowned scientists that serve on the Delta Independent Science Board (DISB). The members of the DISB received a significant pay reduction in summer 2020 (from roughly \$200/hour to \$100 per diem) due to the Newsom Administration's interpretation that members are state employees rather than independent consultants per the intent of the Delta Reform Act of 2009 [SBx7 1 (Simitian)] that established the DISB.

As the state faces extreme drought conditions and state agencies are considering emergency actions to relax water quality standards in the Delta and elsewhere, the DISB is more important than ever. DISB can provide an impartial analysis to inform decisions and to independently review the outcomes of decisions state agencies must make this summer.

For the above reasons, I respectfully request that the Rules Committee approve my request to add an urgency clause to SB 821. Please do not hesitate to contact me should you have any questions regarding this request.

Thank you for your consideration.

Sincerely,

Henry Stern

Chair, Senate Natural Resources and Water Committee

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## AMENDED IN ASSEMBLY JUNE 8, 2021 AMENDED IN SENATE APRIL 5, 2021

SENATE BILL

No. 821

Introduced by Committee on Natural Resources and Water (Senators Stern (Chair), Allen, Eggman, Grove, Hertzberg, Hueso, Jones, Laird, and Limón)

March 9, 2021

An act to amend Section Sections 85213 and 85280 of the Water Code, relating to the water.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 821, as amended, Committee on Natural Resources and Water. Sacramento-San Joaquin Delta: Delta Independent Science Board.

Existing law establishes the Delta Stewardship Council. Existing law authorizes the council to contract for consultant services and architectural and engineering services to assist with preparation of the Delta Plan and performance of certain responsibilities of the council. Existing law exempts contracts for consultant services from specified provisions of law governing public contracting. Existing law requires the council to establish procedures for contracting for consultant services and architectural and engineering services.

Existing law establishes the Delta Independent Science Board and sets forth the composition of the board, including requiring the board to consist of no more than 10 members appointed by the—Delta Stewardship Council. Existing law requires the board to provide oversight of the scientific research, monitoring, and assessment programs that support adaptive management of the Sacramento-San Joaquin Delta through periodic reviews of each of those programs, as specified. Existing law requires the board to submit to the council a report on the

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results of each review, including recommendations for any changes in the programs reviewed by the board.

This bill would require the council to contract for the services of the members of the board, as specified. The bill would exempt these contracts from specified provisions of law governing public contracting. The bill would require the council to establish procedures for contracting for the services that are subject to these contracts.

This bill would provide that members of the Delta Independent Science Board board are not employees of the Delta Stewardship Council council and would require the members of the board to exercise their scientific judgment and perform their functions independently from the council.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 85213 of the Water Code is amended to 2 read:
- 3 85213. (a) The council may contract for consultant services 4 and architectural and engineering services to assist the council 5 with all of the following functions:
- 6 (1) Preparation of the Delta Plan and associated environmental review.
- 8 (2) Performance of the council's responsibilities, or the 9 responsibilities of the Delta Independent Science Board, with 10 respect to the Bay Delta Conservation Plan.
  - (3) Determination of the consistency of state and local public agency actions with the Delta Plan.
  - (4) Performance of scientific review to inform water and environmental decisionmaking in the Delta.
  - (b) The council shall contract for the services of the members of the Delta Independent Science Board established pursuant to Section 85280, at an hourly rate equivalent to that of a Research Specialist V (Class Code 7858) as described in the Department of Human Resources Pay Scale document.
- 20 <del>(b)</del>

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21 (c) (1) Contracts entered into pursuant to subdivision (a) this 22 section for consultant services shall be exempt from Article 4 23 (commencing with Section 19130) of Chapter 5 of Part 2 of -3- SB 821

1 Division 5 of Title 2 of the Government Code, Part 2 (commencing

- 2 with Section 10100) of Division 2 of the Public Contract Code,
- 3 and any rules or regulations adopted pursuant to those laws.
- 4 Contracts entered into pursuant to subdivision (a) for architectural
- 5 and engineering services shall be entered into pursuant to Chapter
- 6 10 (commencing with Section 4525) of Division 5 of Title 1 of
- 7 the Government Code, but are exempt from the requirement in
- 8 Section 4526 of the Government Code to adopt regulations prior to contracting.
  - (2) The council shall not enter into a contract pursuant to subdivision (a) for consultant services unless at least three bids or proposals to do the work have been evaluated by a competitive process.
  - (3) The council shall establish procedures for contracting for services pursuant to subdivision (a), this section, consistent with paragraphs (1) and (2). The procedures shall be exempt from Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

#### SECTION 1.

- SEC. 2. Section 85280 of the Water Code is amended to read: 85280. (a) The Delta Independent Science Board is hereby established in state government.
- (1) The Delta Independent Science Board shall consist of no more than 10 members appointed by the council. The term of office for members of the Delta Independent Science Board shall be five years. A member may serve no more than two terms.
- (2) Members of the Delta Independent Science Board shall be nationally or internationally prominent scientists with appropriate expertise to evaluate the broad range of scientific programs that support adaptive management of the Delta. The members shall not be directly affiliated with a program or agency subject to the review activities of the Delta Independent Science Board.
- (3) The Delta Independent Science Board shall provide oversight of the scientific research, monitoring, and assessment programs that support adaptive management of the Delta through periodic reviews of each of those programs that shall be scheduled to ensure that all Delta scientific research, monitoring, and assessment programs are reviewed at least once every four years.
- (4) Notwithstanding being appointed and administered by the council, members of the Delta Independent Science Board shall

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not be employees of the Delta Stewardship Council and shall exercise their scientific judgment and perform the functions set forth in this section independently from the council.

- (5) The Delta Independent Science Board shall submit to the council a report on the results of each review, including recommendations for any changes in the programs reviewed by the board.
- (b) After consultation with the Delta Independent Science Board, the council shall appoint a lead scientist for the Delta Science Program.
- (1) The lead scientist shall meet all of the following qualifications:
- (A) Hold an advanced degree in a field related to water or ecosystem management.
- (B) Have a strong record of scientific research and publication in peer-reviewed scientific journals in a field related to water or ecosystem management.
- (C) Have experience advising high-level managers in science-based decisionmaking in the areas of water management and ecosystem restoration.
- (D) Have the capability to guide the application of an adaptive management process to resource management policy decisions in the Delta.
- (2) The term of office for the lead scientist shall be no more than three years. The lead scientist may serve no more than two terms.
- (3) The lead scientist shall oversee the implementation of the Delta Science Program. In carrying out that responsibility, the lead scientist shall regularly consult with the agencies participating in the program.
- (4) The mission of the Delta Science Program shall be to provide the best possible unbiased scientific information to inform water and environmental decisionmaking in the Delta. That mission shall be carried out through funding research, synthesizing and communicating scientific information to policymakers and decisionmakers, promoting independent scientific peer review, and coordinating with Delta agencies to promote science-based adaptive management. The Delta Science Program shall assist with development and periodic updates of the Delta Plan's adaptive management program.

\_5\_ **SB 821** 

- 1 (c) The Delta Science Program shall function as a replacement 2 for, and successor to, the CALFED Science Program and the Delta 3 Independent Science Board shall replace the CALFED Independent

- 4 Science Board.

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