



STATE CAPITOL  
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Assembly  
California Legislature  
Committee on Rules  
RICHARD S. GORDON  
CHAIR

VICE CHAIR  
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MEMBERS  
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BILL QUIRK  
SEBASTIAN RIDLEY-THOMAS  
MARIE WALDRON  
FRANK BIGELOW (R-ALT.)  
KEN COOLEY (D-ALT.)

Thursday, February 06, 2014  
8:50 AM  
State Capitol, Room 3162

## CONSENT AGENDA

### Bill Referrals

1. Consent Bill Referrals

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### Resolutions

2. ACR 85 (Muratsuchi) Relative to Day of Remembrance.
3. ACR 88 (Linder) Relative to Abraham Lincoln's birthday.
4. HR 28 (Jones-Sawyer) Relative to Black History Month.

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### Request to Add Urgency Clause

5. SB 777 (Hernandez) Relative to Horse racing: workers' compensation.

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## REFERRAL OF BILLS TO COMMITTEE

02/06/2014

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

Assembly Bill No.	Committee:
<a href="#"><u>AB 1454</u></a>	HUM. S.
<a href="#"><u>AB 1456</u></a>	HIGHER ED.
<a href="#"><u>AB 1503</u></a>	A. & A.R.
<a href="#"><u>AB 1503</u></a>	NAT. RES.
<a href="#"><u>AB 1521</u></a>	L. GOV.
<a href="#"><u>AB 1523</u></a>	HUM. S.
<a href="#"><u>AB 1527</u></a>	E.S. & T.M.
<a href="#"><u>AB 1528</u></a>	L. GOV.
<a href="#"><u>AB 1532</u></a>	PUB. S.
<a href="#"><u>AB 1532</u></a>	TRANS.
<a href="#"><u>AB 1543</u></a>	L. & E.
<a href="#"><u>AB 1548</u></a>	HIGHER ED.
<a href="#"><u>AB 1549</u></a>	HIGHER ED.
<a href="#"><u>AB 1550</u></a>	P.E.,R. & S.S.
<a href="#"><u>AB 1551</u></a>	B.,P. & C.P.
<a href="#"><u>AB 1552</u></a>	HEALTH
<a href="#"><u>AB 1552</u></a>	AGING & L.T.C.
<a href="#"><u>AB 1553</u></a>	INS.
<a href="#"><u>AB 1556</u></a>	INS.
<a href="#"><u>AB 1557</u></a>	HIGHER ED.
<a href="#"><u>AB 1558</u></a>	HEALTH
<a href="#"><u>AB 1559</u></a>	HEALTH
<a href="#"><u>AB 1560</u></a>	HEALTH
<a href="#"><u>AB 1561</u></a>	REV. & TAX.
<a href="#"><u>AB 1562</u></a>	L. & E.
<a href="#"><u>AB 1564</u></a>	REV. & TAX.
<a href="#"><u>AB 1564</u></a>	J., E.D. & E.
<a href="#"><u>AB 1565</u></a>	V.A.
<a href="#"><u>AB 1568</u></a>	A. & A.R.
<a href="#"><u>AB 1569</u></a>	REV. & TAX.
<a href="#"><u>AB 1570</u></a>	HUM. S.
<a href="#"><u>AB 1572</u></a>	AGING & L.T.C.
<a href="#"><u>AB 1573</u></a>	ED.
<a href="#"><u>AB 1574</u></a>	A. & A.R.
<a href="#"><u>AB 1575</u></a>	A. & A.R.
<a href="#"><u>AB 1577</u></a>	HEALTH
<a href="#"><u>AB 1578</u></a>	A. & A.R.
<a href="#"><u>AB 1579</u></a>	HUM. S.

[AB 1580](#)  
[AJR 33](#)

V.A.  
V.A.



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# Memo

**To:** Rules Committee Members  
**From:** Mukhtar Ali, Bill Referral Consultant  
**Date:** 2/5/14  
**Re:** Consent Bill Referrals

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Since you received the preliminary list the referral for AB 1556 has changed.



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**Assembly Concurrent Resolution**

**No. 85**

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**Introduced by Assembly Members Muratsuchi and Yamada**  
**(Coauthors: Assembly Members Bonta, Chau, Fong, Pan, Ting,**  
**and Williams)**  
(Coauthors: Senators Lieu, Liu, and Yee)

January 22, 2014

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Assembly Concurrent Resolution No. 85—Relative to a Day of Remembrance.

LEGISLATIVE COUNSEL’S DIGEST

ACR 85, as introduced, Muratsuchi. Day of Remembrance.

This measure would declare February 19, 2014, as a Day of Remembrance in order to increase public awareness of the events surrounding the internment of Americans of Japanese ancestry during World War II.

Fiscal committee: no.

1 WHEREAS, On February 19, 1942, President Franklin D.  
2 Roosevelt signed Executive Order 9066, under which more than  
3 120,000 Americans and resident aliens of Japanese ancestry were  
4 incarcerated in 10 internment camps scattered throughout western  
5 states during World War II; and  
6 WHEREAS, Executive Order 9066 deferred the American dream  
7 for more than 120,000 Americans and resident aliens of Japanese  
8 ancestry by inflicting a great human cost of abandoned homes,  
9 businesses, careers, professional advancements, and disruption to  
10 family life; and

1 WHEREAS, Despite their families being incarcerated behind  
2 barbed wire in the United States, approximately 33,000 veterans  
3 of Japanese ancestry fought bravely for our country during World  
4 War II, serving in the 100th Infantry Battalion, the 442nd  
5 Regimental Combat Team, and the 522nd Field Artillery Battalion;  
6 and

7 WHEREAS, On June 21, 2000, President William Jefferson  
8 Clinton elevated 20 Japanese Americans, who served in the 100th  
9 Infantry Battalion and the 442nd Regimental Combat Team and  
10 who were among 52 individuals who received the nation's second  
11 highest military decoration, the Distinguished Service Cross, to  
12 receive the nation's highest military decoration, the Medal of  
13 Honor, bringing the total number of Japanese Americans who so  
14 received the Medal of Honor to 21; and

15 WHEREAS, In 2010, President Barack Obama granted the  
16 Congressional Gold Medal, collectively, to the 100th Infantry  
17 Battalion, the 442nd Regimental Combat Team, and the Military  
18 Intelligence Service in recognition of their bravery, valor, and  
19 dedication to their country while fighting a two-fronted battle of  
20 discrimination at home and fascism abroad; and

21 WHEREAS, Nearly 6,000 veterans of Japanese ancestry served  
22 with the Military Intelligence Service and have been credited for  
23 shortening the war by two years by translating enemy battle plans,  
24 defense maps, tactical orders, intercepted messages and diaries,  
25 and interrogating enemy prisoners; and

26 WHEREAS, Many Japanese American veterans continued a  
27 life of public service after the war, including Medal of Honor  
28 recipient and United States Senator Daniel Inouye, who passed  
29 away in December 2012 while representing his home state of  
30 Hawaii; and

31 WHEREAS, Nearly 40 years after the United States Supreme  
32 Court decisions upholding the convictions of Fred Korematsu,  
33 Min Yasui, and Gordon Hirabayashi for violations of curfew and  
34 Executive Order 9066, it was discovered that officials from the  
35 United States Department of War and the United States Department  
36 of Justice had altered and destroyed evidence regarding the loyalty  
37 of Americans and resident aliens of Japanese ancestry and withheld  
38 information from the United States Supreme Court; and

39 WHEREAS, Dale Minami, Peggy Nagae, Dennis Hayashi, Rod  
40 Kawakami, and many attorneys and interns contributed

1 innumerable hours to win a reversal of the original convictions of  
2 Korematsu, Yasui, and Hirabayashi in 1983 by filing a petition  
3 for writ of error coram nobis on the grounds that fundamental  
4 errors and injustice occurred; and

5 WHEREAS, On August 10, 1988, President Ronald Wilson  
6 Reagan signed into law the federal Civil Liberties Act of 1988,  
7 finding that Executive Order 9066 was not justified by military  
8 necessity and, hence, was caused by racial prejudice, war hysteria,  
9 and a failure of political leadership; and

10 WHEREAS, The federal Civil Liberties Act of 1988 apologized  
11 on behalf of the people of the United States for the evacuation,  
12 internment, and relocation of Americans and permanent resident  
13 aliens of Japanese ancestry during World War II. The act also  
14 provided for restitution to those individuals of Japanese ancestry  
15 who were interned; and

16 WHEREAS, February 19, 2014, marks 72 years since the signing  
17 of Executive Order 9066 and a policy of grave injustice against  
18 American citizens and resident aliens of Japanese ancestry; now,  
19 therefore, be it

20 *Resolved by the Assembly of the State of California, the Senate*  
21 *thereof concurring*, That the Legislature of the State of California  
22 declares February 19, 2014, as a Day of Remembrance in this state  
23 to increase public awareness of the events surrounding the  
24 internment of Americans of Japanese ancestry during World War  
25 II; and be it further

26 *Resolved*, That the Chief Clerk of the Assembly transmit copies  
27 of this resolution to the Governor, the Superintendent of Public  
28 Instruction, the State Library, and the California State Archives.

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Date of Hearing: February 6, 2014

ASSEMBLY COMMITTEE ON RULES

Richard S. Gordon, Chair

ACR 85 (Muratsuchi/Yamada) – As Introduced: January 22, 2014

SUBJECT: Day of Remembrance.

SUMMARY: Declares February 19, 2014, as a Day of Remembrance in order to increase public awareness of the events surrounding the internment of Americans of Japanese ancestry during World War II. Specifically, this resolution makes the following legislative findings:

- 1) On February 19, 1942, President Franklin D. Roosevelt signed Executive Order 9066, pursuant to which 120,000 Americans and resident aliens of Japanese ancestry were incarcerated in internment camps scattered throughout western states during World War II and inflicted a great human cost of abandoned homes, businesses, careers, professional advancements and disruption of family life.
- 2) Although many of their family members were incarcerated, thousands of Americans of Japanese ancestry volunteered for military service and earned high honors and medals for their bravery; and, in 2010 President Obama granted the Congressional Gold Medal, collectively, to the 100th Infantry Battalion and 442nd Regimental Combat Team in recognition of their dedicated service during World War II.
- 3) On August 10, 1988, President Ronald Reagan signed the Civil Liberties Act of 1988, which found that Executive Order 9066 was not justified by military necessity but rather caused by prejudice and war hysteria; and, the Civil Liberties Act of 1988 apologized for and provided restitution to individuals of Japanese ancestry who were evacuated, interned, and relocated.

FISCAL EFFECT: None

REGISTERED SUPPORT / OPPOSITION:



Support

None on file

Opposition

None on file

Analysis Prepared by: Nicole Willis / RLS. / (916) 319-2800

**Assembly Concurrent Resolution**

**No. 88**

**Introduced by Assembly Member Linder**

January 30, 2014

Assembly Concurrent Resolution No. 88—Relative to Abraham Lincoln’s birthday.

LEGISLATIVE COUNSEL’S DIGEST

ACR 88, as introduced, Linder. Abraham Lincoln’s birthday.

This measure would declare that President Abraham Lincoln be honored on February 12, 2014, the anniversary of his birthday.

Fiscal committee: no.

1 WHEREAS, Abraham Lincoln, the 16th President of the United  
2 States, and one of our nation’s most respected and admired  
3 Americans, rose from humble beginnings to become President of  
4 the United States and courageously led his country during its  
5 darkest time, the Civil War; and

6 WHEREAS, President Lincoln brought a profound honesty and  
7 integrity to the Office of the President, and will always be  
8 remembered as “Honest Abe.” Most of all, he will forever be  
9 associated with saving the Union and with the abolition of slavery;  
10 and

11 WHEREAS, President Abraham Lincoln was born on February  
12 12, 1809, in Kentucky, and spent the first seven years of his life  
13 there; and

14 WHEREAS, In his entire life, President Lincoln was only able  
15 to attend school for a total of one year. This lack of formal  
16 education only made him hungrier for more knowledge, and he

1 mastered the Bible, the works of William Shakespeare, and the  
2 law; and

3 WHEREAS, In 1846, he was elected to the United States  
4 Congress as the only member of the Whig Party in the Illinois  
5 congressional delegation, where he forthrightly articulated his  
6 views against the Mexican War and his vehement opposition to  
7 the extension of slavery, choosing not to run for reelection in 1848;  
8 and

9 WHEREAS, Soon after President Lincoln joined the Republican  
10 Party, a new political party opposed to the extension of slavery,  
11 in 1858 the Republicans nominated him for the United States  
12 Senate. In his nomination acceptance speech, Lincoln stated: “A  
13 house divided against itself cannot stand. I believe this government  
14 cannot endure, permanently, half slave and half free. I do not expect  
15 the Union to be dissolved — I do not expect the house to fall —  
16 but I do expect it will cease to be divided. It will become all one  
17 thing or all the other. Either the opponents of slavery will arrest  
18 the further spread of it, and place it where the public mind shall  
19 rest in the belief that it is in the course of ultimate extinction; or  
20 its advocates will push it forward, till it shall become lawful in all  
21 the States, old as well as new — North as well as South.” He lost  
22 in a close election to Stephen Douglas, the Democratic Party  
23 candidate; and

24 WHEREAS, Just two years later, having won the Republican  
25 party nomination for President of the United States, President  
26 Lincoln won election by a small margin, defeating, among other  
27 candidates, Senator Stephen Douglas; and

28 WHEREAS, Shortly after assuming office, the Civil War began.  
29 As the war continued, President Lincoln expanded the objectives  
30 of the war beyond saving and restoring the Union, but also to  
31 freeing the slaves and abolishing the institution of slavery; and

32 WHEREAS, On September 22, 1862, President Lincoln took  
33 the first major step toward the total abolition of slavery in the  
34 United States by issuing the Emancipation Proclamation, which  
35 took effect on January 1, 1863; and

36 WHEREAS, President Lincoln enunciated the nation’s loftiest  
37 ideals during its darkest moment following the bloodiest battle of  
38 the Civil War. His Gettysburg Address, regarded as one of the  
39 finest speeches in the English language, was delivered by him at  
40 Gettysburg, Pennsylvania, on November 19, 1863, while dedicating

a cemetery for those killed in the Battle of Gettysburg, which took place from July 1 to July 3, 1863, between the Army of the Potomac and the Army of Northern Virginia; and

WHEREAS, In his Gettysburg Address, President Lincoln reaffirmed the nation’s foremost founding principles, declaring the United States to be a nation “conceived in Liberty, and dedicated to the proposition that all men are created equal,” while assuring a nation still consumed by war “that this nation, under God, shall have a new birth of freedom – and that government of the people, by the people, for the people, shall not perish from the earth”; and

WHEREAS, To ensure that the provisions of the Emancipation Proclamation could not be construed as a mere wartime measure, President Lincoln insisted that enactment of a constitutional amendment abolishing slavery be included in the 1864 Republican Party platform; and

WHEREAS, Upon reelection to a second term as President in 1864, President Lincoln actively supported the passage in Congress of what became the 13th Amendment to the United States Constitution, the copy of the joint resolution referring the 13th Amendment to the states for ratification, which to this day is housed in the National Archives, actually bears President Lincoln’s signature, even though the President has no formal constitutional role in the amendment process, and joint resolutions do not go to the White House for either signature or approval; and

WHEREAS, President Lincoln ultimately reunified the nation and brought about a successful conclusion to our nation’s bloodiest war, as the Civil War ended on April 9, 1865, with the surrender of General Robert E. Lee and the Army of Northern Virginia to the Union General, Ulysses S. Grant, at Appomattox Court House; and

WHEREAS, Only five days later, on April 14, 1865, President Lincoln was shot while viewing a performance of “Our American Cousin” at Ford’s Theater in Washington, D.C., and died the next day, not living to see his dreams of the formal abolition of slavery and the restoration of the Union realized; and

WHEREAS, President Lincoln’s accomplishments and legacy as the “Great Emancipator” and “Preserver of Our Union” are perhaps unsurpassed in the history of our nation, and it is particularly appropriate to recognize President Lincoln, a portrait

1 of whom hangs in a place of honor in the Assembly Chambers;  
2 now, therefore, be it  
3 *Resolved by the Assembly of the State of California, the Senate*  
4 *thereof concurring*, That the Legislature hereby declares that  
5 President Abraham Lincoln be honored on February 12, 2014, the  
6 anniversary of his birthday, not only in recognition of his numerous  
7 accomplishments and contributions to our nation, but also as the  
8 virtual symbol of the American dream, whereby an ordinary person  
9 from the most humble beginnings can reach the pinnacle of  
10 American society to be elected President, and to serve his country  
11 with honor and courage; and be it further  
12 *Resolved*, That the Chief Clerk of the Assembly transmit copies  
13 of this resolution to the author for appropriate distribution.

O

Date of Hearing: February 6, 2014

ASSEMBLY COMMITTEE ON RULES

Richard S. Gordon, Chair

ACR 88 (Linder) – As Introduced: January 30, 2014

SUBJECT: Abraham Lincoln's birthday.

SUMMARY: Honors President Abraham Lincoln on the anniversary of his birthday, February 12, 2014. Specifically, this resolution makes the following legislative findings:

- 1) President Abraham Lincoln was born on February 12, 1809, in Kentucky, where he rose from humble beginnings to become the 16<sup>th</sup> President of the United States; and his legacy includes the issuance of the Emancipation Proclamation and the Gettysburg Address; which is regarded as one of the finest speeches in the English language.
- 2) President Lincoln was shot on April 14, 1865, while viewing a performance of "Our American Cousin" in Washington, D.C., and died the next day never to see his dreams of the formal abolition of slavery and the restoration of the Union realized.
- 3) President Lincoln will be honored on February 12, 2014, the anniversary of his birthday, not only in recognition of his numerous accomplishments and contributions to our nation, but also as the virtual symbol of the American dream.

FISCAL EFFECT: None

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

Analysis Prepared by: Nicole Willis / RLS. / (916) 319-2800

**House Resolution**

**No. 28**

**Introduced by Assembly Member Jones-Sawyer**

January 28, 2014

House Resolution No. 28—Relative to Black History Month.

1 WHEREAS, Dr. Carter Godwin Woodson, distinguished African  
2 American author, editor, publisher, and historian, who is known  
3 as the “Father of Black History,” founded Negro History Week in  
4 1926, which became Black History Month in 1976, intended to  
5 encourage further research and publishing regarding the untold  
6 stories of African American heritage; and

7 WHEREAS, The history of African Americans here in the  
8 United States, as well as throughout the ages, is indeed unique and  
9 vibrant, and it is appropriate to celebrate this history during the  
10 month of February 2014, which has been proclaimed as Black  
11 History Month; and

12 WHEREAS, There is even greater cause for a reverent  
13 celebration in 2014 as Americans reflect on the significance of the  
14 50th anniversary of the Civil Rights Act, and the 60th anniversary  
15 of the landmark United States Supreme Court case of Brown versus  
16 the Board of Education; and

17 WHEREAS, The history of the United States is rich with  
18 inspirational stories of great men and noble women whose actions,  
19 words, and achievements have united Americans and contributed  
20 to the success and prosperity of the United States; and

21 WHEREAS, The slave trade was a tragic episode in African  
22 history and began before August 1619 when the first slaves arrived  
23 in Jamestown, Virginia. During the course of the slave trade, an  
24 estimated 50 million African men, women, and children were lost



1 to their native continent, though only about 15 million arrived  
2 safely to a new home. The others lost their lives on African soil  
3 or along the Guinea coast, or finally in holds on the ships during  
4 the dreaded Middle Passage across the Atlantic Ocean; and

5 WHEREAS, The first American to shed blood in the revolution  
6 that freed America from British rule was Crispus Attucks, an  
7 African American seaman and slave killed on March 5, 1770, in  
8 the Boston Massacre. African Americans also fought in wars  
9 including the Battles of Lexington and Concord in April 1775,  
10 Ticonderoga, White Plains, Bennington, Brandywine, Saratoga,  
11 Savannah, Yorktown, Bunker Hill, the Battle of Rhode Island on  
12 August 29, 1775, and other revolutionary war battles, the War of  
13 1812, including, the Battle of New Orleans, the Civil War, the  
14 Spanish-American War, World Wars I and II, Korea, and Vietnam;  
15 and

16 WHEREAS, In spite of the African slave trade, many Africans  
17 and African Americans continued to move forward in society;  
18 during the Reconstruction period, two African Americans served  
19 in the United States Senate and 14 served in the United States  
20 House of Representatives; and

21 WHEREAS, From the earliest days of the United States, the  
22 course of its history has been greatly influenced by Black heroes  
23 and pioneers in many diverse areas, from science, medicine,  
24 business, and education to government, industry, and social  
25 leadership; and

26 WHEREAS, Africans and African Americans have also been  
27 great inventors, inventing and improving things such as the  
28 air-conditioning unit, almanac, automatic gearshift, blood plasma  
29 bag, clothes dryer, doorknob, doorstop, electric lamp bulb, elevator,  
30 fire escape ladder, fountain pen, gas mask, golf tee, horseshoe,  
31 lantern, lawnmower, lawn sprinkler, lock, lubricating cup,  
32 refrigerating apparatus, spark plug, stethoscope, telephone  
33 transmitter, thermostat control, traffic signal, and typewriter; and

34 WHEREAS, A number of these brave and accomplished  
35 individuals, such as Booker T. Washington, George Washington  
36 Carver, Matthew Hensen, Daniel Hale Williams, Dr. Charles Drew,  
37 Jackie Robinson, Jesse Owens, Curt Flood, Medgar Evers, and,  
38 of course, Dr. Martin Luther King, Jr., are noted prominently in  
39 the history books of students nationwide, thus enabling students

1 to learn about the important and lasting contributions of these  
2 individuals; and

3 WHEREAS, Among those Americans who have enriched our  
4 society are the members of the African American  
5 community—individuals who have been steadfast in their  
6 commitment to promoting brotherhood, equality, and justice for  
7 all; now, therefore, be it

8 *Resolved by the Assembly of the State of California*, That the  
9 Assembly takes great pleasure in recognizing February 2014 as  
10 Black History Month, urges all citizens to join in celebrating the  
11 accomplishments of African Americans during Black History  
12 Month, and encourages the people of California to recognize the  
13 many talents, achievements, and contributions that African  
14 Americans make to their communities; and be it further

15 *Resolved*, That the Chief Clerk of the Assembly transmit copies  
16 of this resolution to the author for appropriate distribution.

O

Date of Hearing: February 6, 2014

ASSEMBLY COMMITTEE ON RULES

Richard S. Gordon, Chair

HR 28 (Jones-Sawyer) – As Introduced: January 28, 2014

SUBJECT: Black History Month.

SUMMARY: Recognizes February 2014 as Black History Month, urges all residents to join in celebrating the accomplishments of African Americans during Black History Month, and encourages Californians to recognize the talents, achievements, and contributions that African Americans make to their communities. Specifically, this resolution makes the following legislative findings:

- 1) Dr. Carter Godwin Woodson, distinguished African American author, editor, publisher, and historian founded what is now known as Black History Month; and he intended to encourage further research and publishing regarding the untold stories of African American heritage.
- 2) Although the institutions of slavery and racial segregation forced early African American culture to develop independently of mainstream American culture, today African American culture has become a significant part of this county's culture; and African American art has made vital contributions to the art history of the United States.
- 3) The history of the United States is rich with inspirational stories of great men and women who have contributed to the success and prosperity of the United States; and, among those Americans are members of the African American community-individuals who have been steadfast in their commitment to promoting brotherhood, equality, and justice for all.
- 4) It is appropriate to celebrate the unique and vibrant history of African Americans during the month of February 2014, which has been proclaimed as Black History Month; and 2014 marks the 50th anniversary of the Civil Rights Act and the 60th anniversary of the landmark United States Supreme Court case of Brown versus the Board of Education.

FISCAL EFFECT: None

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

Analysis Prepared by: Nicole Willis / RLS. / (916) 319-2800

AMENDED IN ASSEMBLY FEBRUARY 4, 2014

AMENDED IN SENATE MAY 29, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE MAY 15, 2013

AMENDED IN SENATE MAY 7, 2013

AMENDED IN SENATE APRIL 23, 2013

AMENDED IN SENATE APRIL 15, 2013

## SENATE BILL

**No. 777**

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**Introduced by Senator ~~Calderon~~ Hernandez**  
**(Coauthors: Senators Calderon, Cannella, Correa, Evans, Galgiani,**  
**Hancock, and Vidak)**  
**(Coauthor: Assembly Member Chesbro)**

February 22, 2013

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~~An act to amend Sections 12556 and 12726 of, to add Sections 12599.5 and 12635.5 to, and to add Chapter 3.5 (commencing with Section 12559) to Part 2 of Division 11 of, the Health and Safety Code, and to amend Section 15301 of the Vehicle Code, relating to public safety. An act to amend Section 19605.75 of, and to add Sections 19605.76, 19605.77, and 19605.78 to, the Business and Professions Code, relating to horse racing.~~

### LEGISLATIVE COUNSEL'S DIGEST

SB 777, as amended, ~~Calderon Hernandez. Public safety: fireworks. Horse racing: workers' compensation.~~

*Until January 1, 2014, the provisions of the Horse Racing Law required a thoroughbred racing association and fair that conducts a*

*racine meeting to deduct a percentage of the total amount handled in exotic parimutuel pools of thoroughbred racing, to be distributed to a specified organization for the purpose of defraying costs of workers' compensation insurance in connection with thoroughbred horse racing. Until January 1, 2014, provisions of the Horse Racing Law authorized similar deductions from the total amount handled for races for quarter horses and other breeds, and for harness races, to be distributed to specified organizations for defraying workers' compensation for trainers and owners in connection with those races.*

*This bill would reestablish those provisions requiring the deduction specified above to be made by a thoroughbred racing association, and would reestablish those provisions authorizing the deductions to be made for races for quarter horses and other breeds, and for harness races. Because a violation of the Horse Racing Law is generally a misdemeanor, the bill would create new crimes, thereby imposing a state-mandated local program.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that no reimbursement is required by this act for a specified reason.*

~~Existing law authorizes the retail sale of safe and sane fireworks from June 28 to July 6, annually, pursuant to a license issued by the State Fire Marshal, unless otherwise prohibited or regulated by law or ordinance. Existing law requires various entities, including the State Fire Marshal, to seize certain prohibited fireworks. Existing law requires an authority that seizes fireworks to notify the State Fire Marshal of the seizure and provide specified information. Existing law requires the State Fire Marshal to dispose of the fireworks and requires dangerous fireworks to be disposed of according to specified procedures. Existing law requires the State Fire Marshal to acquire and use statewide mobile dangerous fireworks destruction units to collect and destroy dangerous fireworks from local and state agencies.~~

~~This bill would require the State Fire Marshal, by January 1, 2015, to establish and have operational regional collection centers for the purpose of receiving seized safe and sane and federally approved fireworks. The bill would authorize the State Fire Marshal to permit a state licensed fireworks importer and exporter or wholesaler to purchase any fireworks the State Fire Marshal, the Department of Toxic~~

Substances Control, and a recognized 3rd-party testing entity, as defined, deem to be commercially viable, from the State Fire Marshal. The bill would require any revenue received from the sale to belong to the seizing local authority and would authorize the State Fire Marshal to enter into a revenue sharing agreement with that local authority, as provided. The bill would require the fireworks stored at the regional collection facility to be subject to certain requirements, including that they be stored for a period of not more than 90 days. The bill would require the Department of Toxic Substances Control to develop and publish guidelines for the implementation of these provisions, as provided.

This bill would authorize, beginning January 1, 2015, the sale of certified safe and sane fireworks from 9 a.m. on December 26 to 11:59 p.m. on January 1 of the following year pursuant to a license issued by the State Fire Marshal, if authorized by a charter city, city, county, fire protection district, or city and county ordinance or resolution that may also restrict the hours of use of those fireworks. Since a violation of this provision or other existing related provisions in connection with the sale of those fireworks would be a misdemeanor, the bill would impose a state-mandated local program by creating new crimes.

The bill would also authorize a charter city, city, county, fire protection district, or city and county that adopts an ordinance or resolution authorizing the sale of safe and sane fireworks to require each applicant receiving a permit to pay a fee to the charter city, city, county, fire protection district, or city and county of a pro rata portion of the actual and reasonable costs incurred by the charter city, city, county, fire protection district, or city and county for, among other things, processing and issuing fireworks permits, inspection of fireworks stands, public awareness and education campaigns regarding the safe and responsible use of safe and sane fireworks, and related fire operation and suppression efforts, as specified. The bill would specify that the pro rata portion of those costs shall be based on a percentage of the permittee's sales and use tax return for the applicable permit period, not to exceed 7% of the gross sales of the fireworks sold in the charter city, city, county, fire protection district, or city and county, except that a cost recovery ordinance or resolution in effect on or before January 1, 2015, would be authorized to supersede that provision.

Existing law provides that if dangerous fireworks are seized pursuant to a local ordinance that provides for administrative fines or penalties and these fines or penalties are collected, the local government entity collecting the fines or penalties shall forward 65% of the collected

moneys to the Controller for deposit in the State Fire Marshal Fireworks Enforcement and Disposal Fund.

~~This bill would delete this provision.~~

~~The bill would require, not later than January 1, 2015, the State Fire Marshal to collect and analyze data relating to fires, damages, seizures, arrests, administrative citations, and fireworks disposal issues caused by the sale and use of both dangerous illegal fireworks and safe and sane fireworks, as provided.~~

~~Existing law requires the Department of Motor Vehicles to suspend the commercial license of a person transporting dangerous fireworks, as specified.~~

~~This bill would clarify that those provisions do not apply to a person with a valid license under the State Fireworks Law, as specified.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

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

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

1     SECTION 1. Section 19605.75 of the Business and Professions  
2     Code is amended to read:

3     19605.75. (a) The Legislature finds and declares that the  
4     existence of high caliber thoroughbred racing in California is  
5     important to this state's agricultural economy. The California horse  
6     racing industry is being threatened by the escalating costs of doing  
7     business in California, including, but not limited to, workers'  
8     compensation insurance costs, in that these costs are not only  
9     causing thoroughbred horses and trainers to leave this state, but  
10    are also discouraging owners and trainers from bringing horses  
11    into this state to compete. It is the intent of the Legislature to  
12    provide some relief from these escalating costs through the  
13    redistribution of the parimutuel handle on exotic wagers.

14    (b) Notwithstanding Section 19610, every thoroughbred  
15    association and fair that conducts a racing meet shall deduct an  
16    additional 0.5 percent of the total amount handled in exotic  
17    parimutuel pools of thoroughbred races.



1 (c) The funds collected pursuant to subdivision (b) from exotic  
2 parimutuel pools on thoroughbred races within the inclosure of a  
3 thoroughbred association or fair conducting a race meeting, at  
4 satellite wagering facilities within this state, and through advance  
5 deposit wagering by residents of this state, shall be distributed to  
6 the organization described in subdivision (f) to be used in  
7 accordance with subdivision (e).

8 (d) Any thoroughbred association or fair that authorizes a betting  
9 system located outside of this state to accept exotic wagers on its  
10 races and to combine those wagers in the association's or fair's  
11 exotic parimutuel pools, including, but not limited to, a  
12 multijurisdictional wagering hub as to exotic wagers made by  
13 residents other than those of this state, shall deduct the amount  
14 specified in subdivision (b) in addition to any other applicable  
15 deductions specified in law. The amount deducted pursuant to this  
16 subdivision shall be distributed to the organization described in  
17 subdivision (f) to be used in accordance with subdivision (e). This  
18 additional deduction shall not be included in the amount on which  
19 license fees are determined pursuant to Section 19602.

20 (e) The amounts distributed to the organization described in  
21 subdivision (f) shall be deposited by that organization in a separate  
22 account to defray the costs of workers' compensation insurance  
23 incurred in connection with thoroughbred horses that race in this  
24 state at thoroughbred associations and racing fairs through the  
25 payment of supplemental premiums that reduce rates, payment to  
26 or for the benefit of trainers and owners of such thoroughbreds,  
27 based on the number of such thoroughbreds they start, in order to  
28 reimburse them for the costs of workers' compensation insurance  
29 directly or indirectly incurred by them, and other appropriate  
30 payments. Any funds that are not used for the purposes set forth  
31 in this subdivision shall, after an affirmative vote of at least 25 of  
32 the voting interests of the organization described in subdivision  
33 (f), either be carried forward to the subsequent year, or be used to  
34 reimburse racing associations for the actual cost of health and  
35 safety programs, research or safety equipment, or making capital  
36 improvements that are designed to prevent workplace accidents  
37 and increase the safety of jockeys, exercise riders, backstretch  
38 employees, and other racetrack personnel. Those capital  
39 improvements shall include, but not be limited to, safety  
40 improvements to racing and training surfaces. All requests for

1 reimbursements shall be approved by the board. In developing  
2 proposals for approval by the board, the association shall confer  
3 with their horsemen's organizations and all affected labor  
4 organizations or associations.

5 (f) The thoroughbred racing associations and the owners'  
6 organization described in subdivision (b) of Section 19613 shall  
7 form an organization to which funds shall be distributed pursuant  
8 to subdivisions (c) and (d). This organization shall have a total of  
9 34 voting interests, of which 16 shall be allocated to the  
10 organization representing thoroughbred owners pursuant to Section  
11 19613, one shall be allocated to the official registering agency for  
12 thoroughbreds in California, and one shall be allocated to the  
13 organization representing thoroughbred trainers pursuant to Section  
14 19613. The remaining 16 votes shall be allocated among the  
15 licensed racing associations and racing fairs in the state. Each  
16 racing association and fair shall receive the portion of these  
17 remaining votes represented by the sum of exotic wagering on its  
18 races divided by the statewide total of exotic wagering in the  
19 preceding calendar year, excluding ~~Breeders~~ *Breeders'* Cup races.  
20 Fractional voting shall be permitted. Any decision of this  
21 organization with respect to the allocation of funds pursuant to  
22 subdivisions (c) and (d) shall require the affirmative vote of 25 of  
23 these voting interests. In the event that the required number of  
24 affirmative votes cannot be obtained, the matter shall be submitted  
25 to the board for a decision consistent with subdivision (e), and the  
26 decision of the board shall be final.

27 (g) ~~(4)~~—The organization formed pursuant to this section shall  
28 account annually to the board with respect to the expenditure and  
29 distribution of funds received by the organization pursuant to  
30 subdivisions (c) and (d), and shall obtain an independent audit of  
31 fund generation and distribution. A copy of the completed audit  
32 shall be forwarded to the board within 45 days of its receipt by the  
33 organization.

34 ~~(2) No earlier than 18 months and no later than two years~~  
35 ~~following the effective date of this section, the organization~~  
36 ~~described in subdivision (f) shall commission an independent~~  
37 ~~evaluation of the effectiveness of the distributions under this~~  
38 ~~section along with recommendations for any improvements or~~  
39 ~~modifications regarding the program created in this section. A~~  
40 ~~copy of that evaluation along with a report detailing the~~

organization's response to the evaluation shall be filed with the board within 30 days of the receipt of the final evaluation.

(h) ~~Between January 1, 2014, and July 1, 2014, any unexpended funds collected under this section shall be distributed to organizations formed and operated pursuant to Sections 19607 and 19607.2 based upon the total thoroughbred handle in their respective zones in the year 2013.~~

(i) ~~Except for subdivision (h), this section shall become inoperative on January 1, 2014, and as of January 1, 2015, this entire section is repealed, unless a later enacted statute, that is enacted before January 1, 2015, deletes or extends that date.~~

SEC. 2. *Section 19605.76 is added to the Business and Professions Code, to read:*

19605.76. (a) *Notwithstanding Section 19610, a quarter horse racing association may deduct an additional 0.5 percent of the total amount handled in its exotic parimutuel pools. This additional deduction shall only be permitted with the approval of the organization representing quarter horsemen and horsewomen at the applicable racing association meet.*

(b) *Any funds collected pursuant to subdivision (a) from exotic parimutuel pools on races within the inclosure of a racetrack, at satellite wagering facilities within this state, and through advance deposit wagering by residents of this state, shall be distributed to the organization described in subdivision (e) to be used in accordance with subdivision (d).*

(c) *Any quarter horse racing association that authorizes a betting system located outside of this state to accept exotic wagers on its races and to combine those wagers in the association's exotic parimutuel pools, including, but not limited to, a multijurisdictional wagering hub as to exotic wagers made by residents other than those of this state, may deduct the amount specified in subdivision (a) in addition to any other applicable deductions specified in law. Any amount deducted pursuant to this subdivision shall be distributed to the organization described in subdivision (e) to be used in accordance with the provisions of subdivision (d). This additional deduction shall not be included in the amount on which license fees are determined pursuant to Section 19602.*

(d) *The amounts distributed to the organization described in subdivision (e) shall be deposited by that organization in a separate account to defray workers' compensation insurance costs for*

1 *trainers and owners who are racing horses at the applicable*  
2 *quarter horse racing association meet. Any funds not expended*  
3 *for this purpose in the calendar year in which they are collected*  
4 *may either be used for the following year's workers' compensation*  
5 *costs, as specified above, or to benefit the purse pools at the track*  
6 *where the funds are generated. Funds to benefit purse pools shall*  
7 *be allocated by breed, in the same proportions as each breed*  
8 *generated in deductions under this section at the track in the year*  
9 *the funds were collected.*

10 *(e) The quarter horse racing association and the organization*  
11 *representing quarter horsemen and horsewomen shall form an*  
12 *organization to which any funds deducted pursuant to subdivisions*  
13 *(b) and (c) shall be distributed. The quarter horse associations*  
14 *collectively shall have representation equal to that of the*  
15 *organization representing quarter horsemen and horsewomen on*  
16 *the governing board of the organization formed pursuant to this*  
17 *subdivision.*

18 *(f) If the quarter horse racing association and the organization*  
19 *representing quarter horsemen and horsewomen cannot agree on*  
20 *the manner for distributing these funds to defray the costs of*  
21 *workers' compensation insurance, the matter shall be submitted*  
22 *to the board for a decision consistent with subdivision (d), and the*  
23 *decision of the board shall be final.*

24 *SEC. 3. Section 19605.77 is added to the Business and*  
25 *Professions Code, to read:*

26 *19605.77. (a) Notwithstanding Section 19610, a harness racing*  
27 *association may deduct an additional 1 percent of the total amount*  
28 *handled in conventional parimutuel pools of harness races. This*  
29 *additional deduction shall only be permitted with the approval of*  
30 *the organization representing harness horsemen and horsewomen*  
31 *at the applicable racing association meeting.*

32 *(b) Any funds collected pursuant to subdivision (a) from*  
33 *conventional parimutuel pools on harness races within the*  
34 *inclosure of a racetrack, at satellite wagering facilities within this*  
35 *state, and through advance deposit wagering by residents of this*  
36 *state, shall be distributed to the organization described in*  
37 *subdivision (e) to be used in accordance with subdivision (d).*

38 *(c) Any harness racing association that authorizes a betting*  
39 *system located outside of this state to accept conventional wagers*  
40 *on its races and to combine those wagers in the association's*

1 conventional parimutuel pools, including, but not limited to, a  
2 multijurisdictional wagering hub as to conventional wagers made  
3 by residents other than those of this state, may deduct the amount  
4 specified in subdivision (a) in addition to any other applicable  
5 deductions specified in law. Any amount deducted pursuant to this  
6 subdivision shall be distributed to the organization described in  
7 subdivision (e) to be used in accordance with the provisions of  
8 subdivision (d). This additional deduction shall not be included  
9 in the amount on which license fees are determined pursuant to  
10 Section 19602.

11 (d) The amounts distributed to the organization described in  
12 subdivision (e) shall be deposited by that organization in a separate  
13 account and used to reduce the workers' compensation insurance  
14 costs for trainers who are racing horses at the applicable harness  
15 racing association meet. Any funds not expended for this purpose  
16 in the calendar year in which they are collected may either be used  
17 for the following year's workers' compensation costs, as specified  
18 above, or to benefit the harness purse pool at the track where the  
19 funds are generated.

20 (e) The harness racing association and the organization  
21 representing harness horsemen and horsewomen shall form an  
22 organization to which any funds deducted pursuant to subdivisions  
23 (b) and (c) shall be distributed. The harness associations  
24 collectively shall have representation equal to that of the  
25 organization representing harness horsemen and horsewomen on  
26 the governing board of the organization formed pursuant to this  
27 subdivision.

28 (f) If the harness racing association and the organization  
29 representing harness horsemen and horsewomen cannot agree on  
30 the manner for distributing these funds to defray the costs of  
31 workers' compensation insurance, the matter shall be submitted  
32 to the board for a decision consistent with subdivision (d), and the  
33 decision of the board shall be final.

34 SEC. 4. Section 19605.78 is added to the Business and  
35 Professions Code, to read:

36 19605.78. (a) Notwithstanding Section 19610 and in addition  
37 to the deduction specified in subdivision (b) of Section 19605.75,  
38 a fair may deduct an additional 0.5 percent of the total amount  
39 handled in exotic parimutuel pools of races for any breed, other  
40 than races solely for thoroughbreds. This additional deduction

1 *shall only be permitted for a breed's races with the approval of*  
2 *the organization representing the horsemen and horsewomen of*  
3 *that breed at the fair.*

4 *(b) Any funds collected pursuant to subdivision (a) from exotic*  
5 *parimutuel pools on races within the inclosure of a racetrack, at*  
6 *satellite wagering facilities within this state, and through advance*  
7 *deposit wagering by residents of this state, shall be distributed to*  
8 *the organization described in subdivision (e) to be used in*  
9 *accordance with subdivision (d).*

10 *(c) Any fair that authorizes a betting system located outside of*  
11 *this state to accept exotic wagers on its races and to combine those*  
12 *wagers in the association's exotic parimutuel pools, including,*  
13 *but not limited to, a multijurisdictional wagering hub as to exotic*  
14 *wagers made by residents other than those of this state, may deduct*  
15 *the amount specified in subdivision (a) in addition to any other*  
16 *applicable deductions specified in law. Any amount deducted*  
17 *pursuant to this subdivision shall be distributed to the organization*  
18 *described in subdivision (e) to be used in accordance with the*  
19 *provisions of subdivision (d). This additional deduction shall not*  
20 *be included in the amount on which license fees are determined*  
21 *pursuant to Section 19602.*

22 *(d) The amounts distributed to the organization described in*  
23 *subdivision (e) shall be deposited by that organization in a separate*  
24 *account to defray workers' compensation insurance costs for*  
25 *trainers and owners who are racing breeds other than*  
26 *thoroughbreds at the applicable fair. Any funds not expended for*  
27 *this purpose in the calendar year in which they are collected may*  
28 *either be used for the following year's workers' compensation*  
29 *costs, as specified above, or to benefit the purse pool of each breed*  
30 *at the particular fair where the funds are generated in the same*  
31 *proportions as each breed generated at that fair in the year the*  
32 *funds are collected.*

33 *(e) The fairs and the organizations representing the horsemen*  
34 *and horsewomen of each breed for which deductions have been*  
35 *approved under subdivision (a) shall form an organization to*  
36 *which any funds deducted pursuant to subdivisions (b) and (c)*  
37 *shall be distributed. The fairs collectively shall have representation*  
38 *equal to the collective representation of the organizations*  
39 *representing horsemen and horsewomen on the governing board*  
40 *of the organization formed pursuant to this subdivision.*

1     (f) *If the fairs and the organizations representing horsemen and*  
2 *horsewomen cannot agree on the manner for distributing these*  
3 *funds to defray the costs of workers' compensation insurance, the*  
4 *matter shall be submitted to the board for a decision consistent*  
5 *with subdivision (d), and the decision of the board shall be final.*

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

15     ~~SECTION 1. Section 12556 of the Health and Safety Code is~~  
16 ~~amended to read:~~

17     ~~12556. (a) In addition to the obligations described in Section~~  
18 ~~13110.5, on or before July 1, 2008, the State Fire Marshal shall~~  
19 ~~identify and evaluate methods to capture more detailed data relating~~  
20 ~~to fires, damages, and injuries caused by both dangerous fireworks~~  
21 ~~and safe and sane fireworks. These evaluation methods shall~~  
22 ~~include a cost analysis related to capturing and reporting the data~~  
23 ~~and shall meet or exceed the specificity, detail, and reliability of~~  
24 ~~the data captured under the former California Fire Incident~~  
25 ~~Reporting System (CFIRS). The State Fire Marshal shall furnish~~  
26 ~~a copy of these evaluation methods to any interested person upon~~  
27 ~~request.~~

28     ~~(b) Not later than January 1, 2015, the State Fire Marshal shall~~  
29 ~~collect and analyze data relating to fires, damages, seizures, arrests,~~  
30 ~~administrative citations, and fireworks disposal issues caused by~~  
31 ~~the sale and use of both dangerous illegal fireworks and safe and~~  
32 ~~sane fireworks. The State Fire Marshal shall collect data pursuant~~  
33 ~~to a methodology developed in consultation with the State Fire~~  
34 ~~Marshal's General Fireworks Advisory Committee, which consists~~  
35 ~~of representatives from local fire service and law enforcement~~  
36 ~~agencies and the fireworks industry.~~

37     ~~SEC. 2. Chapter 3.5 (commencing with Section 12559) is added~~  
38 ~~to Part 2 of Division 11 of the Health and Safety Code, to read:~~

1           ~~CHAPTER 3.5. FIREWORKS SELL-BACK PROGRAM~~

2  
3       ~~12559. (a) By January 1, 2015, the State Fire Marshal shall~~  
4 ~~establish and have operational regional collection centers for~~  
5 ~~purposes of receiving safe and sane fireworks and federally~~  
6 ~~approved consumer fireworks seized by local authorities.~~

7       ~~(b) The regional collection centers shall be located throughout~~  
8 ~~the state in an amount and in locations determined by the State~~  
9 ~~Fire Marshal.~~

10       ~~12559.1. (a) Notwithstanding Section 12723, and upon~~  
11 ~~compliance with Section 12726, a local authority or the State Fire~~  
12 ~~Marshal may transfer seized safe and sane fireworks and federally~~  
13 ~~approved fireworks to a regional collection center. Any fireworks~~  
14 ~~transferred pursuant to this subdivision shall remain under the~~  
15 ~~ownership of the seizing local authority.~~

16       ~~(b) Safe and sane or federally approved fireworks transferred~~  
17 ~~to a regional collection center shall be deemed “hazardous material”~~  
18 ~~until the State Fire Marshal, Department of Toxic Substances~~  
19 ~~Control, and a recognized third-party testing entity make the~~  
20 ~~determination pursuant to subdivision (c).~~

21       ~~(c) (1) The State Fire Marshal is authorized to permit a~~  
22 ~~recognized third-party testing entity to enter the regional collection~~  
23 ~~center for purposes of making a determination with the State Fire~~  
24 ~~Marshal and the Department of Toxic Substances Control as to~~  
25 ~~whether any seized fireworks are either commercially viable or~~  
26 ~~hazardous waste.~~

27       ~~(2) Any firework deemed commercially viable may be~~  
28 ~~repackaged by the State Fire Marshal or the State Fire Marshal’s~~  
29 ~~designee, including, but not limited to, a state licensed fireworks~~  
30 ~~importer and exporter, a wholesaler purchasing the product~~  
31 ~~pursuant to subdivision (d), the recognized third-party testing~~  
32 ~~authority, or a licensed hazardous materials or hazardous waste~~  
33 ~~hauler.~~

34       ~~(3) Any product deemed not commercially viable by the State~~  
35 ~~Fire Marshal, the Department of Toxic Substances Control, and~~  
36 ~~the third-party testing authority shall be removed from the regional~~  
37 ~~collection center by the State Fire Marshal or the State Fire~~  
38 ~~Marshal’s designee and transported and disposed of within 72~~  
39 ~~hours of the determination in accordance with all federal and state~~  
40 ~~hazardous waste laws and regulations.~~



1 ~~(d) (1) The State Fire Marshal shall authorize a state-licensed~~  
2 ~~fireworks importer and exporter or wholesaler to purchase any~~  
3 ~~fireworks deemed to be commercially viable pursuant to~~  
4 ~~subdivision (e) from the State Fire Marshal. Revenue received~~  
5 ~~from the sale shall belong to the seizing local authority.~~

6 ~~(2) The State Fire Marshal may enter into an agreement with a~~  
7 ~~local authority for purposes of sharing revenue from the sale of~~  
8 ~~fireworks pursuant to paragraph (1). The agreement shall allocate~~  
9 ~~no less than 65 percent of the revenues to that local authority with~~  
10 ~~the balance going to the state.~~

11 ~~(e) For purposes of this section, “recognized third-party testing~~  
12 ~~entity” means an independent third-party testing entity recognized~~  
13 ~~by the federal Consumer Product Safety Commission as an~~  
14 ~~acceptable testing entity for consumer fireworks.~~

15 ~~(f) Upon the purchase of fireworks, pursuant to this chapter, a~~  
16 ~~state-licensed fireworks importer and exporter or wholesaler shall~~  
17 ~~accept full liability for any damage done by the fireworks and the~~  
18 ~~State of California shall be indemnified.~~

19 ~~12559.2.— Any fireworks stored at a regional collection center~~  
20 ~~shall be subject to the requirements of Article 8 (commencing with~~  
21 ~~Section 989) of Chapter 6 of Title 19 of the California Code of~~  
22 ~~Regulations and to the requirements of the National Fire Protection~~  
23 ~~Association (NFPA) 1124: Code for the Manufacture,~~  
24 ~~Transportation, Storage, and Retail Sales of Fireworks and~~  
25 ~~Pyrotechnic Articles of 2013, and may be stored for a period not~~  
26 ~~to exceed 90 days. The regional collection centers shall not be~~  
27 ~~considered a storage facility for purposes of subdivision (b) of~~  
28 ~~Section 25123.3.~~

29 ~~12559.3.— (a) The State Fire Marshal and the Department of~~  
30 ~~Toxic Substances Control shall train local fire and law enforcement~~  
31 ~~personnel on the requirements of this chapter.~~

32 ~~(b) The State Fire Marshal shall, in consultation with relevant~~  
33 ~~state and local public agencies, the fireworks industry, and other~~  
34 ~~relevant stakeholders, develop, publish, and provide necessary~~  
35 ~~guidance and training to local agencies that seize, collect, transport,~~  
36 ~~store, and treat seized fireworks. This training and education may~~  
37 ~~include, but is not limited to, the following specific areas:~~

38 ~~(1) Standards for the transportation, storage, and handling of~~  
39 ~~fireworks and pyrotechnic articles in accordance with Chapter 6~~  
40 ~~(commencing with Section 975) of Division 1 of Title 19 of the~~

~~California Code of Regulations and the National Fire Protection Association (NFPA) 1124: Code for the Manufacture, Transportation, Storage, and Retail Sales of Fireworks and Pyrotechnic Articles of 2013.~~

~~(2) Recognition of explosive materials and isolation procedures in accordance with Chapter 10 (commencing with Section 1550) of Division 1 of Title 19 of the California Code of Regulations and the National Fire Protection Association (NFPA) 495: Explosive Materials Code of 2013.~~

~~(3) Recognition of commercial, consumer, and illegal fireworks in accordance with Chapter 6 (commencing with Section 975) of Division 1 of Title 19 of the California Code of Regulations and the National Fire Protection Association (NFPA) 1124: Code for the Manufacture, Transportation, Storage, and Retail Sales of Fireworks and Pyrotechnic Articles of 2013.~~

~~12559.4. The Department of Toxic Substances Control shall develop and publish guidelines for the implementation of this chapter that includes, but is not limited to, the following specific areas:~~

~~(a) Standards for the proper handling, transport, and storage of fireworks that are hazardous materials for the purposes of this chapter.~~

~~(b) Standards for the proper handling, transport, and disposal of fireworks that are hazardous waste.~~

~~(c) A determination of the type of facility that qualifies as a regional collection center.~~

~~(d) A definition of “commercially viable” for the purposes of this chapter that ensures that fireworks that should be disposed of as waste are not resold.~~

~~SEC. 3. Section 12599.5 is added to the Health and Safety Code, to read:~~

~~12599.5. (a) Notwithstanding Sections 12599 and 12672, the State Fire Marshal shall issue separate one-time retail licenses pursuant to this section that shall authorize the retail sale of safe and sane fireworks within this state only from 9 a.m. on December 26 to 11:59 p.m. on January 1 of the following year, inclusive. A license issued pursuant to this section shall be valid for only one seven-day period and shall expire at the end of the period for which it is valid. All fireworks sold pursuant to a license issued pursuant to this section shall have been certified as safe and sane by the~~

1 State Fire Marshal on or before June 15 of the year in which the  
2 validity of the license commences. No other license issued pursuant  
3 to this chapter shall authorize the sale of fireworks during that  
4 period.

5 (b) A retail license shall not be issued for the license period  
6 authorized by this section unless the charter city, city, county, fire  
7 district, or city and county having jurisdiction over the fixed  
8 location where the fireworks would be sold adopts an ordinance  
9 or resolution allowing that sale, and the application for that license  
10 is received by the State Fire Marshal on or before December 15  
11 of the year in which the validity of the license is to commence.  
12 The ordinance or resolution authorizing the sale of those fireworks  
13 may limit the period of use of those fireworks to specified days  
14 and hours within the period during which the sale is authorized by  
15 this section.

16 (c) This section shall become operative on January 1, 2015.

17 SEC. 4. Section 12635.5 is added to the Health and Safety  
18 Code, to read:

19 12635.5. (a) A charter city, city, county, fire protection district,  
20 or city and county that adopts an ordinance or resolution pursuant  
21 to Section 12599 or 12599.5 may, through adoption of an ordinance  
22 or resolution by the governing body, require each applicant  
23 receiving a permit to pay a fee to the charter city, city, county, fire  
24 district, or city and county of a pro rata portion of the actual and  
25 reasonable costs the charter city, city, county, fire protection  
26 district, or city and county incurs that is related to any of the  
27 following:

28 (1) Processing and issuing permits.

29 (2) Inspection of fireworks stands.

30 (3) Public education and awareness campaigns regarding the  
31 safe and responsible use of safe and sane fireworks, and the dangers  
32 and risks posed by the use of illegal fireworks.

33 (4) Enforcing the provisions of the code of the charter city, city,  
34 county, fire protection district, or city and county with respect to  
35 the sale and use of safe and sane fireworks, including extra  
36 personnel time and cleanup of the fireworks trash and debris. "Extra  
37 personnel time" means employee or contracted employee time that  
38 the charter city, city, county, fire protection district, or city and  
39 county would not otherwise incur but for the sale and use of safe  
40 and sane fireworks.

~~(5) Fire operation and suppression efforts that are directly related to safe and sane fireworks.~~

~~(b) The pro rata share of the costs shall be specified in the ordinance or resolution and calculated using gross sales as shown on each permittee's sales and use tax return for the applicable period. The pro rata share of costs shall not exceed 7 percent of the gross sales of the fireworks sold in the charter city, city, county, fire protection district, or city and county during the applicable period. A cost recovery ordinance or resolution in effect on or before January 1, 2015, may supersede this subdivision.~~

~~SEC. 5. Section 12726 of the Health and Safety Code is amended to read:~~

~~12726. (a) The dangerous fireworks seized pursuant to this part shall be disposed of by the State Fire Marshal in the manner prescribed by the State Fire Marshal at any time after the final determination of proceedings under Section 12724, or upon final termination of proceedings under Section 12593, whichever is later. If no proceedings are commenced pursuant to Section 12724, the State Fire Marshal may dispose of the fireworks after all of the following requirements are satisfied:~~

~~(1) A random sampling of the dangerous fireworks has been taken, as defined by regulations adopted by the State Fire Marshal pursuant to Section 12552.~~

~~(2) The analysis of the random sampling has been completed.~~

~~(3) Photographs have been taken of the dangerous fireworks to be destroyed.~~

~~(4) The State Fire Marshal has given written approval for the destruction of the dangerous fireworks. This approval shall specify the total weight of the dangerous fireworks seized, the total weight of the dangerous fireworks to be destroyed, and the total weight of the dangerous fireworks not to be destroyed.~~

~~(b) To carry out the purposes of this section, the State Fire Marshal shall acquire and use statewide mobile dangerous fireworks destruction units to collect and destroy seized dangerous fireworks from local and state agencies.~~

~~SEC. 6. Section 15301 of the Vehicle Code is amended to read:~~

~~15301. (a) The Department of Motor Vehicles, in conjunction with the State Fire Marshal, shall develop regulations and procedures to temporarily suspend the commercial motor vehicle license of a person who is operating a commercial motor vehicle~~

1 while transporting dangerous fireworks having a gross weight of  
2 10,000 pounds or more.

3 (b) A driver of a commercial motor vehicle shall not operate a  
4 commercial motor vehicle for three years if the driver is convicted  
5 of transporting dangerous fireworks having a gross weight of  
6 10,000 pounds or more.

7 (c) This section shall not apply to a person who holds and is  
8 operating within the scope of a valid license as described in Section  
9 12516 of the Health and Safety Code or valid permit as described  
10 in Section 12522 of the Health and Safety Code.

11 SEC. 7. The provisions of this act are severable. If any  
12 provision of this act or its application is held invalid pursuant to  
13 the federal Resource Conservation and Recovery Act, that  
14 invalidity shall not affect other provisions or applications that can  
15 be given effect without the invalid provision or application.

16 SEC. 8. No reimbursement is required by this act pursuant to  
17 Section 6 of Article XIII B of the California Constitution because  
18 the only costs that may be incurred by a local agency or school  
19 district will be incurred because this act creates a new crime or  
20 infraction, eliminates a crime or infraction, or changes the penalty  
21 for a crime or infraction, within the meaning of Section 17556 of  
22 the Government Code, or changes the definition of a crime within  
23 the meaning of Section 6 of Article XIII B of the California  
24 Constitution.

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## California State Senate

SENATOR  
ED HERNANDEZ, O.D.

TWENTY-FOURTH SENATE DISTRICT

100 S. VINCENT AVENUE  
SUITE 401  
WEST COVINA, CA 91790  
TEL (626) 430-2499  
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Dear Chairman Gordon,

This request is to seek permission from the Assembly Rules Committee to add an urgency clause to SB 777. In order to ensure that trainers and owners of certain horse racing breeds receive assistance in defraying workers' compensation insurance costs, it is necessary that this bill take immediate effect, thus the reason for this request.

Should you have any questions about this request, please contact Ronald Berdugo at (916) 651-4024 or email at [ronald.berdugo@sen.ca.gov](mailto:ronald.berdugo@sen.ca.gov)

Sincerely,

A handwritten signature in blue ink, appearing to be "Ed Hernandez", written over a horizontal line.

Senator Hernandez  
24<sup>th</sup> Senate District

