



MEETING AGENDA
Monday, June 18, 2012

Southwest Riverside County Association of Realtors®
26529 Jefferson Ave, Murrieta CA 92562

Presiding: Dennis Frank, Chair

2012 Strategic Initiatives

Budget & Tax Reform / Job Creation and Retention / Environmental Reform

Call to Order, Roll Call & Introductions:

Chair Report

Agenda Items

1. Approval of April 2012 Meeting Minutes **Action**
2. Legislative Report #6 **Action**
 1. AB 1745 (Torres) Dual Tracking
 2. AB 1831 (Dickinson) Local government: hiring practices.
 3. AB 1750 (Solorio) Rainwater Capture Act of 2012.
 4. SB 1474 (Hancock) Grand Jury Proceeding: Attorney General: Powers & Duties
 5. SB 1472 (DeSaulnier and Pavley) Real property: blight.
3. SWCLC Bill Tracking: **Information**
4. Regional Legislator, Staff and Stakeholder Updates **Information**

Federal: Senators Feinstein & Boxer. Representatives Issa, Bono-Mack, Calvert & Hunter
State: Governor Brown, Senators Emmerson & Anderson, Assemblymembers Jeffries & Nestande
Local: County, Cities, Utilities, EDC, Healthcare, League of Cities
5. Chamber & Council Member Announcements **Information**
6. Adjourn – Next meeting July 16, 2012

The Southwest California Legislative Council Thanks Our Partners:

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| - Southwest Riverside Country Association of Realtors | - Elsinore Valley Municipal Water District | - Wildomar Chamber of Commerce |
| - Metropolitan Water District of Southern California | - The Gas Company | - Southern California Edison |
| - Near-Cal Corporation | - Abbott Vascular | - Loma Linda University Medical Center |
| - Economic Development Corp of Southwest California | - The Murrieta Temecula Group | - Ace Hardware of Wildomar |
| | - Temecula Valley Chamber of Commerce | - Southwest Healthcare Systems |
| | - Murrieta Chamber of Commerce | |
| | - Lake Elsinore Valley Chamber of Commerce | |

Please consider adding your business to the list. The SWCLC is fully funded by sponsorships from various private organizations and businesses. The SWCLC exists solely because of the contributions of these proactive organizations and businesses located throughout the region. Without their support the actions of the SWCLC would not be possible.



Southwest California Legislative Council

**Murrieta Chamber of Commerce
Temecula Valley Chamber of Commerce
Lake Elsinore Chamber of Commerce
Wildomar Chamber of Commerce**

Meeting Minutes

April 16, 2012

Legislative Consultant: Gene Wunderlich

2012 Chair: Dennis Frank (Present)

Directors Attendance: Steve Amante, Amante & Associates
Alex Braicovich, CR & R, Inc.
Glen Daigle, Oakgrove Equities
Jeff George, Superior Quality Construction
Isaac Lizarraga, Rancho Ford Lincoln
Don Murray, Commerce Bank of Temecula Valley
Karie Reuther, Granite Construction
Joan Sparkman, MSJC and Southwest Healthcare
Gary Thornhill
Roger Ziemer, R.C. Ziemer & Associates

Directors Absent: Nicole Albrecht, Michael Klein, Tony Lopicolo, Tommy Thompson

City Representatives: Ben Benoit, City of Wildomar
Frank Oviedo, City of Wildomar
Tim Walker, City of Wildomar

Council Guests: Andrew Abeles, Coldwell Banker Residential Brokerage
Patti Arlt, MWD of So. California
Nancy Austin, Grubb & Ellis
Danielle Coats, EMWD
Frank Faldmo, Amante & Associates
Jeff Greene, Assemblymember Kevin Jeffries Office
Debbie Lynn Kosum, Century 21 Wright
Jim McLaughlin, CSU San Marcos
Laurie McLaughlin, Mt. San Jacinto College
Jami McNees, Meridian Payroll Group
Morris Myers, EDC of Southwest CA
Ken Rivers, Southwest Healthcare System
Yvonne Ruiz, Wine Country Notary

David Stacy, Innovative Wellness & Injury Solutions
Donna Thompson, Senator Joel Anderson's Office
Marie Waldron, 75th State Assembly Candidate

Staff Present: Alice Sullivan, Laura Turnbow – Temecula Valley Chamber of Commerce
Kay Harrison – Murrieta Chamber of Commerce
Kim Cousins, Lake Elsinore Valley Chamber of Commerce

Meeting called to order at: 12:07 by Chairman Dennis Frank

Chair's Report

Frank stated sixteen letters were drafted and sent related to issues voted on at the March meeting.

1. Approval of Minutes

Directors reviewed the Minutes from the March 19, 2012 meeting. **The motion was made to approve the minutes as written. The motion was seconded and carried by a majority vote. One director abstained from the vote.**

2. Legislative Report #4

[AB 1906 \(Nestande\), "California Global Warming Solutions Act of 2006"](#)

Presentation: Gene Wunderlich

Recommended action: Support

Wunderlich stated Assemblyman Nestande's office called to request this item be pulled pending amendments which would make it acceptable to both parties.

AB 1605 (Garrick): Minimum Annual Tax Exemption

Presentation: Gene Wunderlich

Recommended action: Support

Existing law generally imposes an annual minimum franchise tax of \$800, except as provided, on every corporation incorporated in this state, qualified to transact intrastate business in this state, or doing business in this state, and on every limited partnership, limited liability partnership, and limited liability company registered, qualified to transact business, or doing business in this state, as specified. This bill would reduce that minimum tax, as provided, for the first 10 taxable years of a corporation, limited partnership, limited liability partnership, and limited liability company that is a small business, as defined, and that first commences business operations on or after January 1, 2013, and before January 1, 2018. This bill would take effect immediately as a tax levy.

The motion was made to SUPPORT AB 1605. The motion was seconded and carried by a unanimous vote.

AB 1612 (Lara) Administrative Practices

Presentation: Gene Wunderlich

Recommended action: Support

Existing law:

Governs the procedure for the adoption, amendment, or repeal of regulations by state agencies for the review of those regulatory actions by the OAL, under the Administrative Procedure Act (APA).

Requires state agencies to submit to OAL and make available to the public, a copy of the proposed regulation and an ISOR, as specified, including the effect of the proposed regulatory action on housing costs, if any.

Requires that the ISOR include facts evidence, documents, testimony, or other evidence on which the state agency relies to support an initial determination that the action will not have a significant adverse economic impact on business.

Requires state agencies adopting or proposing adoption of a model code, national standard, or specification to reference the most recent edition of applicable model codes, national

Summary

This bill requires agencies, when submitting an ISOR to OAL to include the estimated cost and benefits of compliance and the related assumptions used in determining that estimate, if a proposed building standard regulation impacts housing.

This bill requires state agencies, when adopting building standard regulations that impact housing, to disclose information on costs and benefits of the regulation used by the state agency to perform the required economic analysis. In addition, this bill exempts model codes from the Health and Safety Code from the requirements of this legislation, unless a request is made to examine specific sections of the code.

The motion was made to SUPPOT AB 1612. The motion was seconded and carried by a unanimous vote.

SB 1161 (Padilla) Communications: Voice over Internet Protocol and Internet Protocol enabled communications service.

Presentation: Gene Wunderlich

Recommended action: Support

Background:

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including telephone corporations, as defined.

Summary

This bill would prohibit the commission from regulating Voice over Internet Protocol (VoIP) and Internet Protocol enabled service (IP enabled service), as defined, providers unless expressly provided otherwise in statute. The bill would prohibit any department, agency, commission, or political subdivision of the state from enacting, adopting, or enforcing any law, rule, regulation, ordinance, standard, order, or other provision having the force or effect of law, that regulates or has the effect of regulating VoIP or other IP enabled service, unless expressly authorized by statute.

The motion was made to SUPPORT SB 1161. The motion was seconded and carried by a unanimous vote.

AB 1844 (Campos) AMENDED : Employer use of social media.

Presentation: Gene Wunderlich

Recommended action: Support

Background:

Existing law generally regulates the conduct of employers in the state.

Existing law imposes various duties on employers. Under existing common law, an employer has a duty to exercise reasonable care in employing a person and is required to use reasonable care to discover whether a potential employee is unfit or incompetent.

Summary

This bill would prohibit an employer from requiring a prospective employee to disclose a user name or account password to access a personal social media account that is exclusively used by the prospective employee.

This bill would state that an employer does not have a duty to search or monitor social media before hiring an employee.

The motion was made to SUPPORT AB 1844. The motion was seconded and carried by a unanimous vote.

Insurance Rate Public Justification and Accountability Act

Presentation: Gene Wunderlich

Recommended action: Oppose

Background: Consumer Watchdog, a consumer advocacy group formed in 1985 to 'expose rip-offs and injustice and confront and prosecute the industries and politicians responsible' (including the US Supreme Court and the Cal Chamber), is attempting to qualify a measure for the November 2012 ballot.

Summary: Requires health insurance rate changes to be approved by Insurance Commissioner before taking effect. Requires sworn statement by health insurer as to accuracy of information submitted to Insurance Commissioner to justify rate changes. Provides for public notice, disclosure and hearing on health insurance rate changes, and subsequent judicial review. Does not apply to employer large group health plans. Prohibits health, auto and homeowners insurers from determining policy eligibility or rates based on lack of prior coverage or credit history. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Increased state administrative costs ranging in the low millions to low tens of millions of dollars annually to regulate health insurance rates, funded with revenues collected from filing fees paid by health insurance companies.

The motion was made to OPPOSE the Insurance Rate Public Justification and Accountability Act and register with the Californians Against Higher Health Care Costs coalition. The motion was seconded and carried by a unanimous vote.

Federal Housing Authority (FHFA) Initiative Pilot Program

Presentation: Gene Wunderlich **Recommended action:** Oppose

Summary: The Federal Housing Finance Agency (FHFA) announced a pilot program to be operated by Fannie Mae to sell nearly 2500 foreclosed properties in six hard hit foreclosure states for the purpose of providing rental housing. We are concerned that deeply discounted bulk sales will work to lower overall property values in locations where they occur. FHFA indicated that they are in agreement with that concern and will not approve sales that would have that effect. Concerns were also expressed about the

lack of sufficient inventory in many areas thus making the REO Initiative unnecessary. Locally, our inventory of homes for sale is at their lowest point in years – less than 2 months. We are selling properties faster than we are replacing them. Demand is strong and this would be devastating to our area.

The motion was made to OPPOSE the FHFA Pilot Program. The motion was seconded and carried by a unanimous vote. A letter will be sent to the FHFA requesting Riverside County be excluded from this program.

3. MWD Presentation: The Delta Project

Patti Arlt, from Metropolitan Water District provided an overview on the services MWD provides. The MWD currently imports approximately 50% of local water. 33% of Southern California's water originates from the Bay area via the delta. The Bay Delta Conservation Plan has been designed to address several issues facing the current delta infrastructure. This proposal addresses dual goals; restore reliability and eco-system restoration. The estimated capitol cost of \$13 billion would be underwritten by public water agencies. It is anticipated this project would create 130,000 jobs.

SB 250 (Rubio) Sacramento-San Joaquin Delta: conveyance facility

Presentation: Patti Arlt - MWD **Recommended action:** Support

Background: Existing law imposes requirements on the Department of Water Resources in connection with the preparation of a Bay Delta Conservation Plan (BDCP). The Sacramento-San Joaquin Delta Reform Act of 2009 requires the Delta Stewardship Council to consider the BDCP for inclusion in a specified Delta Plan, and requires the incorporation of the BDCP into the Delta Plan if the BDCP meets certain requirements, including a requirement that the BDCP include a comprehensive review and analysis of a range of Delta conveyance alternatives, including through-Delta, dual conveyance, and isolated conveyance alternatives and capacity and design options of specified canals and pipelines.

Summary: This bill would require that the department's development of certain Delta conveyance facilities be completed on or before February 15, 2013, and would require that the construction of those facilities be completed by December 31, 2025.

The motion was made to SUPPORT SB 250. The motion was seconded and carried by a unanimous vote.

Brinker Decision

Meal and Rest Period Requirements - Employer's Duty to Provide Meal Periods

The Court resolved the long-running debate as to whether employers are obligated to "ensure" that employees take meal periods required by law. The Court held that employers meet their obligation by providing meal periods during which the employee is relieved of all duty for an uninterrupted 30 minute period. Employers need not ensure that employees in fact take their meal breaks, nor need they monitor employees to ensure that they do no work during the meal period.

4. Legislator and Stakeholder Updates

Senator Joel Anderson

Presented by: Donna Thompson

SB 1368 – State Employee Salaries

Would help curb the state's payroll by capping salaries at the level of the Governor. It also recommends the University of California's Board of Regents adopt the same salary cap.

SB 1514 – Automatic appeals for death penalty cases

SB 1514 aims to streamline the lengthy appeals process for murder with special circumstance cases. It would remove the automatic appeal to the CA Supreme Court and be heard by the CA Court of Appeals.

SB 1499 – CalTrans Cost Overruns

SB 1499 would increase accountability for budget overruns, requiring CTC review and approve support cost overruns.

Assemblyman Kevin Jeffries

Presented by Jeff Greene

Greene stated Assemblyman Jeffries has several bills moving forward, many related to fire services.

Republican legislature endorsed the Governor's pension plan and proposed a no tax budget which preserves funding for education.

Eastern Municipal Water District

Presented by Danielle Coates

SB 1387 – Bill passed through committee related to prohibition of the sale of manhole covers, fire hydrants and backflow devices without an accompanying letter from related utility company. Cal Chamber supports and will testify on this bill.

SB 1045 – Bill will be heard in early May and sample letters are available.

City of Murrieta

Lane reported discussion on budget will be held at tomorrow night's Council meeting. They continue to deal with issues related to the dissolution of RDA funds. The I15 and Cal Oaks interchange improvements will be completed June 2012.

City of Lake Elsinore

Cousins announced the Lake Elsinore City Manager position is available.

Chamber Reports

Lake Elsinore – Report by Kim Cousins – EWDC Luncheon, Thursday, May 19th - Upgrade to Free, utilizing free websites to increase profitability and make life easier.

Temecula – Report by Alice Sullivan – State of the City Address is scheduled for April 26th at Pechanga. The Economic Forecast is set for May 31st at South Coast Winery Resort & Spa. Planning meetings for the 2012 Legislative Summit will start tomorrow.

Murrieta – Report by Kay Harrison – Reception to meet Patrick Ellis, President/CEO of the Murrieta Chamber of Commerce is set for Thursday, May 19th. The Mega Mixer is scheduled for May 17, 2012, Murrieta Spectrum.

Next Meeting – Gene Wunderlich stated conflict with the scheduled meeting date in May. The meeting was scheduled for Wednesday, May 30, 2012.

Motion to Adjourn at 1:30

AB 1745 (Torres) Dual Tracking

Presentation: Gene Wunderlich

Recommended action: SUPPORT

Background:

Among the many foreclosure-related problems highlighted in the recent National Mortgage Settlement is the phenomenon of "dual tracking" – that is, the practice of lenders simultaneously pursuing foreclosure proceedings against homeowners who have requested modification of the loan. This bill seeks to address a related, if less common, version of that problem: the practice of pursuing foreclosure against a borrower for whom the lender has already approved a short sale.

Currently a bank's ability to simultaneously process a short sale and a foreclosure on a single property has resulted in the foreclosure sale of a home which has been approved for a short sale. AB 1745 would prohibit a lender from proceeding to a foreclosure sale against a property IF that property has been approved for a short sale. This measure will still allow the lender to withdraw short sale approval due to a change in conditions under which the approval was granted. The lien holder would be required to provide written notice of at least 3 days prior to withdrawing the approval with an explanation for the reason for the retraction.

Summary

Existing law generally regulates mortgages and deeds of trust, including, among other things, recording mortgages and deeds of trust, disclosures in connection with mortgages and deeds of trust, and foreclosure procedures for mortgages and deeds of trust.

This bill seeks to remedy a problem related to short sale agreements in which a bank withdraws from a short sale agreement and continues the foreclosure process without informing the borrower.

A short sale is simply a situation where a borrower negotiates to sell their property to a subsequent buyer for less than the outstanding balance remaining on the loan. In order for a short sale to work, the holder of the indebtedness must agree to accept less than the remaining loan balance from a second buyer. The advantage for the bank is that a short sale prevents a home from going into the foreclosure and potentially being left vacant for an extended period. Additionally, usually the short sale price for a home exceeds what that same property would get in a foreclosure sale. For the borrower, a short sale allows them to extricate themselves from a home without facing the destructive consequences, both socially and financially, that come from a foreclosure.

While a bank may agree initially to a short sale, many factors can lead to a collapse of the short sale agreement. Many buyers walk away from the deal due to long delays from banks as initial offer acceptance may not always be immediately forthcoming, and subsequent negotiations take weeks and sometimes months. Another factor that complicates short sales is the existence of a second mortgage holder. A large proportion of mortgages originated over the last decade include a second mortgage. In the event of foreclosure the second lien holder is more than likely to face a complete loss of their interest in the property as the value of the property is no longer equal to the total loan outstanding. In the priority of liens, the first lien holder, the primary mortgage holder, gets first take on any proceeds from the foreclosure sale. Due to low property values, a short sale is also likely to eliminate any value for the second lien holder. This creates an additional obstacle as second lien holders can refuse a short sale, and prevent the entire transaction. Some of these refusals on the part of second lien holders have occurred even when the second lien holder is offered some compensation. According to a California Association of Realtors member survey, 60% of short sale offers failed to result in a closed sale in 2011.

The Making Home Affordable (MHA) program, the centerpiece of the federal government's foreclosure response (announced in March of 2009), includes guidelines for eligible mortgages concerning the use of short sales as a loan modification alternative when a borrower does not qualify for a modification. This part of the MHA program is included under the Home Affordable Foreclosure Alternatives (HAFA) program. HAFA attempts to streamline the short sale process for loans serviced on behalf of Fannie Mae and Freddie Mac (Government Sponsored Entities) and in cases when the borrower has already been considered for a loan modification. In spite of efforts to standardize and streamline short sales under the HAFA program, it too has suffered from the same problems plaguing the larger short sale market. In response, the Federal Housing Finance Agency (FHFA), the acting conservator and oversight agency for the Government Sponsored Enterprises (GSEs), recently announced new rules regarding

short sales for GSE serviced loans. These new rules, going into effect June 1, 2012, require lenders to respond to short sale requests within 30 days and make final a decision within 60 days.

On April 6th, a federal judge signed-off on the \$25 billion foreclosure settlement, first announced in February of 2012, between banks (Citi, Wells Fargo, Bank of America, Chase and Ally), federal agencies, and the state attorneys general from 49 states and the District of Columbia. The investigation began in October of 2010 as media stories highlighted widespread allegations regarding the use of "robo-signed" documents used in foreclosure proceedings around the country. The attorneys general formed working groups to investigate the widespread allegations, however, further investigation led to a larger discussion with the five largest mortgage loan servicers regarding various facets of the foreclosure and loan modification process. While conducting their investigation the attorneys general identified deceptive practices regarding loan modifications, foreclosures occurring due to the servicer's failure to properly process paperwork, and the use of incomplete paperwork to process foreclosures in both judicial and non-judicial foreclosure cases.

Supporting

California Association of Realtors (Sponsor)

Opposing

None on file.

Status

Passed from Assembly to Senate on a 76 - 0 vote (Jeffries-Aye, Nestande-Aye) and is scheduled for 3rd hearing in Senate Banking & Finance on June 20.

Legislative Report Item 2	Action Item
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[AB 1831 \(Dickinson\) Local government: hiring practices.](#)

Presentation: Gene Wunderlich

Recommended action: Oppose

Background:

Existing law requires the hiring practices and promotional practices of a city or county, as defined, to conform to the Federal Civil Rights Act of 1964 and prohibits any city or county from, as a part of its hiring practices or promotional practices, employing any educational prerequisites or testing or evaluation methods which are not job-related unless there is no adverse effect.

Summary:

This bill would prohibit a city or county from inquiring into or considering criminal history when screening an applicant for employment, or including any inquiry about criminal history on any initial employment application. This bill is intended to reduce employment discrimination against individuals with past criminal records by prohibiting cities and counties from inquiring into or considering the criminal history of an applicant before determining whether or not the applicant has met the stated initial employment requirements. In doing so, this bill aims to increase employment and reduce criminal recidivism, particularly in areas with disproportionately high numbers of individuals with criminal records.

Arguments in Support

- This bill would prohibit all cities and counties – including charter cities and counties, but not special districts or other forms of local public agencies – from inquiring into or considering the criminal history of an applicant for employment, or including any inquiry about criminal history on any initial employment application.

It should be noted that the provisions of this bill do not apply to special districts (or other local agencies aside from cities and counties). In 2002, California counted more than 3,400 special districts which expend more than \$26 billion per year - agencies that likely account for a substantial share of the public employees at the local level. The author's office has offered no rationale for the exclusion of special districts from the provisions of this bill.

- A local agency would be permitted to inquire into and consider criminal history **only after determining that the applicant otherwise meets the stated minimum employment requirements.**
- The bill exempts from its own provisions any position that is otherwise required by law to conduct a criminal history background check (such as law enforcement and those working with children, the elderly and the disabled), and more broadly, any position within a criminal justice agency (i.e., police and sheriffs' departments, criminal courts and crime labs).
- The bill also makes clear that it does not prevent a local agency from conducting a criminal history background check as long as that local agency is otherwise in compliance with this measure.
- **This bill is part of a larger nationwide effort to "ban the box" – namely, to prohibit public employers from including in initial employment applications a 'check box' or other inquiry requiring an applicant to disclose any prior criminal history.** According to the author, the states of Connecticut, Hawaii, Massachusetts, Minnesota, New Mexico and over 30 U.S. cities and counties have removed the conviction history inquiry from initial job applications in public employment, including Alameda and Santa Clara Counties and the cities of San Francisco, Berkeley, East Palo Alto, Compton, Oakland, Richmond, and San Diego.
- The author notes that "because criminal background checks have a disparate impact on people of color, Title VII of the Civil Rights Act of 1964 prohibits no-hire policies against people with criminal records. An employer's consideration of a conviction history may pass muster under Title VII if an individualized assessment is made taking into account whether the conviction is job-related and the time passed since the conviction. Removing the inquiry about conviction history from the initial job application promotes a case-by-case assessment of the applicant, which is more consistent with Title VII."
- One prominent researcher has found that **a criminal record reduces the likelihood of a job callback** or offer by nearly 50 percent, an effect even more pronounced for African American men than for white men. The stigma of a past criminal record also discourages otherwise qualified individuals from applying for work because of a conviction history inquiry on the job application."
- According to NELP, **"employment of eligible people with a conviction history is key to the success of realignment at the local level, as studies have shown that stable employment significantly lowers recidivism and promotes public safety."** Similarly, the author contends that "research has shown that people who are employed after release from prison are less likely to return. One study found that only 8% of those who were employed for a year committed another crime compared to that state's 54% average recidivism rate. Increased employment and increased wages are also associated with lower crime rates."
- Beginning in March 2007, the Alameda County Human Resource Service Department removed questions about conviction histories from the initial job application and delayed criminal background screening of applicants. According to the Interim Director, the Department "has not found that removing the question about conviction histories from the job application...is a waste of the County resources; in fact...this practice saves the County resources. The County's [modification of the initial application] was a simple process and was not resource-intensive...The County has not had any problems with this policy...In fact, the County has benefitted from hiring dedicated and hardworking County employees because of the policy change."
- The City of Oakland also reports similar results with the same policy, stating "[t]he new processes have not required additional resources and have instead shifted the timing of when background checks are conducted. There are no new costs associated with the change in policy and we have not encountered new problems since changing our practices."

Arguments in Opposition

- The California District Attorneys Association opposes the bill on the grounds that **it would only extend the inevitable:** "...all this bill will do is ensure that local agencies waste public time and resources screening initial applications for minimum eligibility that will almost certainly be rejected once an applicant's criminal history is made known.
- Certainly, there are positions in state and local government for which a criminal background check is not required but into which it is inappropriate to hire a person with specific criminal histories...The only sure outcome is unnecessary delay and increased costs in hiring procedures.
- **At a time when local governments are just as, if not more than, cash-strapped as the state, it seems unwise to guarantee the pointless expenditure of public time and resources toward no discernible public benefit."**
- The California Police Chiefs Association opposes the bill on similar grounds: "
- AB 1831 would seriously add to the yoke of already fiscally overburdened agencies.
- **There are entire classes of employees whose criminal history could cause public harm:** building inspectors, code enforcement officers, records clerks, public utility workers all occupy positions of public trust and the citizens of a jurisdiction are ill-served if the persons occupying those positions have the types of criminal records that could endanger the public." AB 1831
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REGISTERED SUPPORT:

National Employment Law Project [CO-SPONSOR]
American Civil Liberties Union of California [CO-SPONSOR]
Legal Services for Prisoners with Children [CO-SPONSOR]
San Francisco Public Defender Jeff Adachi
Councilmember Dee Andrews, 6th District, City of Long Beach
Councilmember Steven Neal, 9th District, City of Long Beach
Councilmember Nancy Nadel, City of Oakland
Councilmember Jovanka Beckles, City of Richmond
Councilmember Ash Kalra, City of San Jose
Counties of Alameda and Santa Clara
Cities of Oakland and Richmond
A New Way of Life Reentry Project (ANWOL)
Acacia Adult Day Services
Advocacy, Re-entry, Resources, Outreach (A.R.R.O.)
All of Us or None
All of Us or None, Riverside Chapter
American Civil Liberties Union of California
American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO
Asian Communities for Reproductive Justice
Berkeley Organizing Congregations for Action
California Attorneys for Criminal Justice
California Conference Board of the Amalgamated Transit Union
California Drug Counseling, Inc.
California Employment Lawyers Association
Califonia Labor Federation AFL-CIO
California Prison Moratorium Project
California Public Defenders Association
California Rural Legal Assistance Foundation

California Teamsters Public Affairs Council
Californians United for a Responsible Budget
Center for Living and Learning
Center for Training and Careers
Chief Adult Probation Officer Wendy Still, City and County of San Francisco
Chief of Police Chris Magnus, City of Richmond
Chief of Police Ronald Davis, City of East Palo Alto
Community Works
Congregations Organizing for Renewal
Contra Costa Interfaith Supporting Community Organization
Critical Resistance
Crossroad Bible Institute
District Attorney George Gascon, City and County of San Francisco
Drug Policy Alliance
East Bay Community Law Center
Ella Baker Center for Human Rights
Engineers and Scientists of California
Equal Justice Society
Equal Rights Advocates
Fair Chance Coalition to Ban the Box Campaign
Families to Amend California's Three Strikes
Fresh Start Ministries and Community Services, Inc.
Friends Committee on Legislation of California
FYI Trilogy
Gamble Institute
Homeless Outreach Program Integrated Care System
Inner City Law Center
International Longshore & Warehouse Union
Justice Now
LA Voice
Laane
Lawyers' Committee for Civil Rights of the San Francisco Bay Area

Legal Aid Society – Employment Law Center
Los Angeles Alliance for New Economy
Los Angeles Black Worker Center
Los Angeles County Federation of Labor, AFL-CIO
National Association for the Advancement of Colored People, California State Conference
National Association of Social Workers – California Chapter, Women's Council
National Center for Youth Law
National Council of La Raza, California Affiliate Network
National H.I.R.E. Network (Helping Individuals with criminal records Reenter through Employment)
New Start L.A. Reentry Program
Oakland Community Organizations
Pacific Institute
PICO California
PolicyLink
Professional & Technical Engineers, Local 21
Richmond Progressive Alliance
Rubicon Programs
Sacramento Area Congregations Together
Safe Return Project
Sanmina-SCI Corporation
SEIU Local 1000
Sentencing Project, The
South Bay Veterans Employment Committee
Stanford Community Law Clinic
Starting Over, Inc.
The Ripple Effects
Time for Change Foundation
UNITE HERE
UNITE HERE Local 2
United Food and Commercial Workers Union, Western States Council
Watsonville Law Center
Western Center on Law & Poverty
Youth Uprising

Concerns

California State Association of Counties

Opposition

Association of California Cities – Orange County
California District Attorneys Association
California Police Chiefs Association
California State Sheriffs' Association

City of Salinas
City of Visalia
Regional Council of Rural Counties
Solid Waste Association of North America

Status

Passed from Assembly to Senate on a 41 - 34 vote (Jeffries-Nay, Nestande-Nay) and is scheduled for 3rd hearing in Senate Government & Finance.

[AB 1750 \(Solorio\) Rainwater Capture Act of 2012.](#)**Presentation:** Gene Wunderlich**Recommended action:** Support**Background:**

Under existing law, the State Water Resources Control Board (state board) and the California regional water quality control boards prescribe waste discharge requirements for the discharge of stormwater in accordance with the national pollutant discharge elimination system (NPDES) permit program and the Porter-Cologne Water Quality Control Act. Existing law authorizes a city, county, or special district to develop, jointly or individually, stormwater resource plans that meet certain standards.

Existing law, the Contractors' State License Law, creates the Contractors' State License Board within the Department of Consumer Affairs and provides for the licensing and regulation of contractors. Existing law authorizes a landscape contractor working within the classification of his or her license to enter into a prime contract for the construction of a swimming pool, spa, or hot tub, an outdoor cooking center, or an outdoor fireplace, if certain conditions are met. Under existing law, a violation of these provisions and related provisions of existing law is grounds for disciplinary action.

Summary

This bill would enact the Rainwater Capture Act of 2012, which would authorize residential, commercial, and governmental landowners to install, maintain, and operate rain barrel systems, as defined, and rainwater capture systems, as defined, for specified purposes, provided that the systems comply with specified requirements. The bill would require a local agency to provide notification to the operator of a public water system, as defined, if the local agency chooses to adopt a permitting program for rainwater capture systems and approves a permit for a rainwater capture system connected to the public water system. The bill would also require a landowner that installs a rainwater capture system where a permit is not required to notify the operator of the public water system prior to installation, with a specified exception.

This bill would additionally authorize a landscape contractor working within the classification of his or her license to enter into a prime contract for the construction of a rainwater capture system, as defined, if the system is used exclusively for landscape irrigation or as a water supply for a fountain, pond, or similar decorative water feature in a landscaping project. The bill would authorize a landscape contractor holding a specified classification to design and install all exterior components of a rainwater capture system that are not a part of, or attached to, a structure.

Arguments in Support

- According to the Author, "AB 1750 will take important steps toward expanding rainwater capture in California. It clarifies the law by explicitly authorizing landowners to install and use 'rainwater capture systems' on their property, for a range of uses, from simple rain barrels for garden use to more complex systems for use in toilets.
- Capturing rainwater also may allow for gradual infiltration into the groundwater aquifer. These authorizations will empower individuals to take steps to capture and use rainwater.
- The bill also encourages local agencies to adopt programs that promote greater rainwater and stormwater capture by requiring landowners who install rainwater capture systems to comply with the local agency's requirements.
- Finally, authorizing landscape contractors to install rainwater capture systems relating to irrigation will promote greater awareness of the options for rainwater capture, as homeowners consider how to landscape their grounds."

Arguments Against

- Most of the opponents raise concerns that this bill somehow seeks to circumvent the California code adoption process of the Building Standards Commission.
- The City of San Diego is concerned that this bill does not require a specific anti-backflow approach, known as air-gap separation, between any rainwater capture system and a potable water source.

REGISTERED SUPPORT / OPPOSITION :

Support

American Rainwater Catchment Systems Association
California Coastkeeper Alliance
California Landscape Contractors Association
California Park & Recreation Society
City of Santa Monica
East Bay Municipal Utility District
Environment California
Family Winemakers of California
Metropolitan Water District of Southern California
Mosquito and Vector Control Association of California

Municipal Water District of Orange County
Orange County Coastkeeper
San Francisco Public Utilities Commission
Santa Clara Valley Water District
Sierra Club
Southern California Water Committee
TreePeople
Upper San Gabriel Valley Municipal Water District
US Green Building Council California

Opposition

Association of California Water Agencies
California Building Officials
California State Council of Laborers
City of San Diego
International Code Council
Structural Engineers Association of California

Status

Passed out of Assembly on a 73 - 0 vote (Jeffries-Aye, Nestande-Aye). Referred to Senate Rules Committee.

Legislative Report Item 4	Action Item
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[SB 1474 \(Hancock\) Grand Jury Proceeding: Attorney General: Powers & Duties](#)

Presentation: Gene Wunderlich
Recommended action: Support

Background:

Existing law provides that a grand jury is a body of the required number of persons returned from the citizens of the county before the court of competent jurisdiction, and sworn to inquire of public offenses committed or triable within the county. (Penal Code Section 888.)

Summary

In an effort to combat widespread financial abuses that have occurred in the midst of the most severe mortgage crisis in decades, the Attorney General’s Office is engaged in the investigation of significant financial crimes of statewide scope and impact. Unfortunately, existing county grand jury authority to investigate these crimes is ill-suited to the needs of these cases as crimes of a financial nature often occur in multiple jurisdictions, and thus are often beyond the scope of single-county grand juries.

SB 1474 provides the Attorney General’s Office the option of creating a limited Statewide Grand Jury. With a statewide Grand Jury, the AG’s office will be able to investigate multi-jurisdictional financial crimes in an efficient and effective manner not possible under current law, providing protection for Californians at a time they need it most.

Arguments in Support

- This bill provides that a special grand jury convened pursuant to this bill may be impaneled in the counties of Fresno, Los Angeles, Sacramento, San Diego, or San Francisco, at the Attorney General’s discretion.

- This bill provides that for special grand juries impaneled pursuant to this subdivision, the Attorney General may issue subpoenas for documents and witnesses located anywhere in the state in order to obtain evidence to present to the special grand jury.
- This bill provides that the special grand jury may hear all evidence in the form of testimony or physical evidence presented to them, irrespective of the location of the witness or physical evidence prior to the subpoena.
- This bill provides that the special grand jury may indict a person or persons with charges for crimes that occurred in counties other than where the special grand jury is impaneled and that the indictment shall then be submitted to the appropriate court in any of the counties where any of the charges could otherwise have been properly brought.
- This bill provides that the court where the indictment is filed under this subdivision shall have proper jurisdiction over all counts in the indictment.
- This bill provides that notwithstanding Penal Code Section 944, an indictment found by a special grand jury and endorsed as a true bill by the special grand jury foreperson, may be presented to the appropriate court solely by the prosecutor within five days of the endorsement of the indictment. For indictments presented to the court in this manner, the prosecutor shall also file with the court clerk, at the time of the presenting indictment, an affidavit signed by the special grand jury foreperson attesting that all the jurors who voted on the indictment heard all of the evidence presented and the proper of number of jurors voted for the indictment.
- This bill provides that the Attorney General's Office shall be responsible for prosecuting any indictment produced by the grand jury.
- This bill provides that if a defendant makes a timely and successful challenge to the Attorney General's right to convene a special grand jury by clearly demonstrating that the charges brought are not encompassed by this subdivision, the court shall dismiss the indictment without prejudice to the Attorney General, who may bring the same or other charges against the defendant at a later date via another special grand jury properly convened, or by a regular grand jury or by any other procedure available.
- This bill specifies that this special grand jury must comply with the provision requiring the prosecutor to present exculpatory evidence to the grand jury.
- This bill provides that the special grand jury under this provision shall be in addition to any other grand juries authorized.
- This bill provides that the costs charged the Attorney General for the activities related to the grand jury shall be no more than what would be charged to a regularly impaneled grand jury convened by the county, unless an alternative payment arrangement is agreed upon by the county and the Attorney General.
- Existing law provides that when a public offense is committed in part in one jurisdictional territory and in part in another, or the acts or effects thereof constituting or requisite to the consummation of the offense occur in two or more jurisdictional territories, the jurisdiction of such offense is in any competent court with in either jurisdictional territory. (Penal Code Section 781.)
- This bill provides that the special grand jury created by this bill is an exception to the above general rule regarding jurisdiction when an offense occurs in more than one county.

Arguments Against

None on file

REGISTERED SUPPORT / OPPOSITION :

Support

American Federation of State, County and Municipal Employees
 California District Attorneys Association
 California Federation of Labor
 California Nurses Association
 California Professional Firefighters
 Consumer Attorneys of California
 Greenlining Institute
 National Asian American Coalition
 Western Center on Law and Poverty

Opposition

None on file

FISCAL EFFECT:

According to the Senate Appropriations Committee:

- Potential costs in the range of \$100,000 to \$275,000 (General Fund) for multiple week-long special grand juries or one 18-month special grand jury to the Department of Justice to reimburse the county for special grand jury activities, assuming standard grand jury reimbursement rates. Total annual costs would be dependent upon the number, duration and location of special grand juries convened, as well as any alternative agreement between the Attorney General and county.
- Potential cost savings to various counties and courts to the extent fewer grand juries are empaneled in individual counties for financial crimes than otherwise would have been impaneled under existing law.

Status:

Passed from Senate to Assembly on a 38 - 0 vote (Emmerson-Aye, Anderson-Aye). Referred to Assembly Committee on Public Safety.

Legislative Report Item 5	Action Item
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[SB 1472 \(DeSaulnier and Pavley\) Real property: blight.](#)

Presentation: Gene Wunderlich

Recommended action: Support

Background:

California leads the nation with one of the highest rates of foreclosures. According to RealtyTrac, in California, one in every 303 housing units received a foreclosure filing in March 2012, and 48,422 houses received a foreclosure notice in February alone.

Over the past few years, the California Legislature has passed legislation in an effort to respond to the ongoing foreclosure crisis. In 2008, the Legislature passed and the Governor signed SB 1137 (Perata, Corbett, Machado), Chapter 69, Statutes of 2008, an urgency measure intended to, among other things, encourage loan modifications in order to prevent avoidable foreclosures. SB 1137 also included provisions to empower local governments to protect residents from blight caused by foreclosed properties. Those provisions, which sunset January 1, 2013, require a legal owner to maintain vacant residential property, as specified, and allow for the imposition of fines for the failure to maintain that property.

Summary

Neglected, foreclosed properties subject the neighborhood and municipality to drug crimes, prostitution, and vagrants living in the foreclosed properties, vandalism, and a host of other social ills. As foreclosed properties fall deeper into disrepair, the values of the surrounding homes and businesses also deteriorate alarmingly, further adding to the “foreclosure blight” and destruction of whole neighborhoods.

This bill seeks to address blight associated with foreclosures by providing an incentive to potential homebuyers, investors, or developers to purchase blighted properties by preventing code enforcement actions against the new purchaser for 60 days, provided repairs are being made to the property, and by making permanent the Civil Code tools that allow local agencies to combat blight with fines of up to \$1,000 per violation per day.

Arguments in Support

- Existing law, until January 1, 2013, requires a legal owner to maintain vacant residential property purchased at a foreclosure sale or acquired by that owner through foreclosure under a mortgage or deed of trust. Existing law, until January 1, 2013, authorizes a governmental entity to impose civil fines and penalties for failure to maintain that property of up to \$1,000 per day for a violation. Existing law, until January 1, 2013, requires a governmental entity that seeks to impose those fines and penalties to give notice of the claimed violation and an opportunity to correct the violation at least 14 days prior to imposing the fines and penalties, and to allow a hearing for contesting those fines and penalties.
- This bill would delete the repeal clause for these provisions and thus extend the operation of these provisions indefinitely.
- With respect to code enforcement actions under Section 17980 of the Health and Safety Code and except in the case of an immediate threat to the health and safety of the public or occupants, requires an enforcement agency to give a property owner 60 days, as opposed to the normal 30 days, to remedy a violation before commencing any action or proceeding if the property was foreclosed upon after January 1, 2008, the owner has purchased the property, and the owner is in the process of abating the violation.

- The State Housing Law requires the housing or building department or, if there is no building department, the health department, of every city, county, or city and county, or a specified environmental agency, to enforce within its jurisdiction all of the State Housing Law, the building standards published in the State Building Standards Code, and other specified rules and regulations. If there is a violation of these provisions or any order or notice that gives a reasonable time to correct that violation, or if a nuisance exists, an enforcement agency is required, after 30 days' notice to abate the nuisance, to institute any appropriate action or proceeding to prevent, restrain, correct, or abate the violation or nuisance.
- This bill would prohibit an enforcement agency from commencing any action or proceeding until at least 60 days after a person takes title to the property, **unless a shorter period of time is deemed necessary** by the enforcement agency, as specified, if the person has purchased and is in the process of abating any violation at a residential property that had been foreclosed on or after January 1, 2008. This bill would require any entity that releases a lien securing a deed of trust or mortgage on a property for which a notice of pendency of action, as defined, has been recorded against the property, as specified, **to notify the enforcement agency that issued the order or notice within 30 days of releasing the lien.**
- (3)Existing law authorizes, among other things, the enforcement agency to seek and the court to order imposition of specified penalties or the enforcement agency, tenant, or tenant association or organization to seek, and the court to order, the appointment of a receiver for a substandard building, if the owner of the property fails to comply within a reasonable time with the terms of an order or notice.
- This bill would authorize a court **to require the owner of the property to pay all unrecovered costs associated with the receivership** in addition to any other remedy authorized by law.
- Requires any entity releasing a lien securing a deed of trust or mortgage on a property for which a code enforcement agency has recorded a notice of pending action to notify the enforcement agency within 30 days of releasing the lien.
- Allows a receiver for substandard residential property to seek a court order ordering the property owner to pay all unrecovered costs associated with a receivership.
- Deletes the sunset on the Civil Code provisions requiring an owner of a foreclosed, vacant, residential property to maintain the property.

Arguments Against

None on file

REGISTERED SUPPORT / OPPOSITION :

Support

Attorney General Kamala Harris (source)
 California Bankers Association
 California Chamber of Commerce
 California Credit Union League
 California Financial Services Association
 California Independent Bankers
 California Mortgage Association
 California Mortgage Bankers Association
 California Nurses Association
 California Professional Firefighters
 Public Counsel
 United Trustees Association

Opposition

None on file

Status:

Passed from Senate to Assembly on a 36 - 0 vote (Emmerson-Aye, Anderson-NVR).