

SWCLC

Southwest California Legislative Council

A coalition of the
Temecula Valley, Murrieta, Lake Elsinore Valley, Wildomar & Menifee
Chambers of Commerce

MEETING AGENDA
Monday, June 16, 2014

Realtor House, 26529 Jefferson Avenue, Murrieta CA

Presiding: Alex Braicovich, Chair

2014 Strategic Initiatives

Budget & Tax Reform / Job Creation and Retention / Healthcare / Infrastructure & The Environment

Call to Order, Roll Call & Introductions: 12:00 p.m.

Chair Report

Agenda Items

1. Approval of May 2014 Meeting Minutes Action
2. Legislative Report #6 Action
 1. [AB 1383 \(R Hernandez-D\): District-based municipal elections.](#)
 2. [AB 2494 \(Cooley-D\): Courts: frivolous actions or proceedings.](#)
 3. [SB 1262 \(Correa-D\): Medical marijuana: regulation of physicians, dispensaries, and cultivation sites.](#)
 4. [AB 2430 \(Maienschein-D\): CID Documentation](#)
 5. [SB 1249 \(Hill-D\): Hazardous waste: shredder waste.](#)
3. 2014 Bill Tracker Information
4. Murrieta Creek Update Brian Ambrose - City of Murrieta Information
5. Legislator, Staff and Stakeholder Updates Information

Federal: Senators Feinstein & Boxer. Representatives Calvert & Hunter
State: Governor Brown, Senators Anderson & Roth, Assemblymembers Melendez, Waldron & Jones
Local: County, Cities, Utilities, EDC, Healthcare, League of Cities
6. Chamber & Council Member Announcements Information
7. Today's lunch sponsored by:  Thank you

Adjourn – Next meeting July 21, 2014.

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**Southwest California Legislative Council
Menifee Valley Chamber of Commerce
Murrieta Chamber of Commerce
Temecula Valley Chamber of Commerce
Lake Elsinore Chamber of Commerce
Wildomar Chamber of Commerce
Meeting Minutes
May 19, 2014**

Legislative Consultant: Gene Wunderlich

2014 Chair: Alex Braicovich

Directors Attendance:

Steve Amante, Amante & Associates

Tony Amatulli, Amatulli Auto Parts

Pietro Canestrelli, Reid & Hellyer APC

Glen Daigle, Oakgrove Equities

Judy Guglielmana, Town & Country Realty, EVWMD

Jason Hope, JD Promotions

Greg Morrison, EVMWD

Don Murray, Commerce Bank of Temecula Valley

Brad Neet, Southwest Healthcare Systems

Shaura Olsen, Walmart

Joan Sparkman, Southwest Healthcare Systems

Gary Thornhill, Tierra Verde

Directors Absent:

Kim Cousins, Lake Elsinore Valley Chamber of Commerce; Patrick Ellis, Murrieta Chamber of Commerce; Dennis Frank, D.R. & Associates; Jeff George, Superior Quality Construction; Tony LoPiccolo, LoPiccolo Consultants; Gino Patrizio, Inland Valley Medical Center; Alice Sullivan, Temecula Valley Chamber of Commerce; Laura Turnbow, Temecula Valley Chamber of Commerce.

Council Guests:

Andrew Abeles, Coldwell Banker Residential Brokerage

Brian Ambrose, City of Murrieta

Patty Arlt, MWD

Jeff Bott, TCA-The Toll Roads

Matt Buck, CAA-AAGIE

Glenn Cunningham, GC Asset Management

Brenda Dennstedt, Congressman Ken Calvert

Jeremy Goldman, SCE

Gina Gonzalez, City of Menifee

Jeff Green, Supervisor Kevin Jeffries

Kristin Harrison, DIY Divorce

Linda Hoffstatter, Home Smart

Deni Horne, Assemblywoman Melendez

Betsy Lowrey, City of Temecula

David Madsen, SC AQMD

Michelle Nash-Hoff, ElectroFab

Jami McNees, Temecula Ins.

Adam A. Ruiz, 1st Action Real Estate

Margaret Sluyk, American Heart Association

Tom Stinson, Assemblywoman Waldron

Balfev S. Vij, Singma Investments

Walter Wilson, SRCAR Board President

Jeff Wyman, City of Menifee

Roger Ziemer, RCWD

Staff: Wendy Mitchell- Wildomar Chamber of Commerce
Dorothy Wolons – Menifee Chamber of Commerce

Meeting called to order at: 12:12 by Chairman Alex Braicovich

1. Approval of Minutes Action
Directors reviewed the minutes from the April 21, 2014 meeting. **The motion was made to approve the minutes. The motion was seconded and carried by a unanimous vote.**

2. Legislative Report #5 Action

AB 2372 Ammiano (D) – Property taxation: change in ownership. **Following discussion the motion was made to OPPOSE AB 2372. The motion was seconded and carried by a unanimous vote.**

AB 2604 Brown (D) – Workers’ compensation: proceedings: payment delay. **Following discussion the motion was made to OPPOSE AB 2604. The motion was seconded and carried by a unanimous vote.**

SB 1188 Jackson (D) – Consumers Legal Remedies Act: facts. **Following discussion the motion was made to OPPOSE SB 1188. The motion was seconded and carried by a unanimous vote.**

SB 1372 DeSaulnier (D) – Corporation taxes: tax rates: publicly held corporations. In suspense file. **Following discussion the motion was made to OPPOSE SB 1372 if it comes out of the suspense file. The motion was seconded and carried by a unanimous vote.**

SB 994 Monning (D) – Vehicles: vehicle information: privacy. **Following discussion the motion was made to TABLE until more information could be researched.**

AB 1531 Chau (D) – Charter schools: operating as or by a nonprofit public benefit corporation. In suspense file. **Following discussion the motion was made to OPPOSE AB 1531 if it comes out of the suspense file. The motion was seconded and carried by a unanimous vote.**

SB 1446 DeSaulnier (D) – Healthcare coverage: small employer market. **Following discussion the motion was made to SUPPORT SB 1446. The motion was seconded and carried by a unanimous vote.**

3. Manufacturing in the Golden State Michele Nash-Hoff Information

California is ranked #1 in the US for manufacturing jobs, firms and output. For every one job created in manufacturing, at least two to three jobs are created to support the sector. Manufacturing firms create regional wealth by producing a product that is exported to other states and countries. California manufacturing generates \$229.9 billion, more than any other state. Manufacturing is California’s most export-intensive activity contributing significantly to California’s \$159 billion in exports in 2011. Since January 2001, the manufacturing sector lost 33% of its job base. In 2010, the manufacturing sector began adding employment, regaining 7,900 jobs. California exports have also increased – up from \$104 billion of manufactured goods in 2009 to \$124 billion in 2010. California manufacturing is declining 11% more than US from 2001-2012. A 2011 report by the Center for Applied Competitive Technologies and the Center Of Excellence states “With exception of food manufacturing, biotechnology, dental equipment, and petroleum, nearly every manufacturing cluster in California has shed jobs over the last five years (2006-2011). Building materials lost the most jobs with a decline of 32%, followed by printing (22%), and computers/electronics (10%)”. It also states that the “manufacturing sector must address a variety of challenges, from navigation a complex regulatory environment to developing strategies to compete with low cost economics. There are a number of factors that have inhibited the manufacturing sector’s ability to compete locally and internationally.” Competition from low-cost economies, such as China, India, Singapore, South Korea, Thailand, and Vietnam, is one of the major challenges face by the manufacturing sector. In the last few years many countries have started to raise their prices to adjust for increases in wages and higher transportation/fuel expenses. I suggest that we lower taxes, restore the capital equipment investment tax credit, reform workers’ compensation to address the issues of fraudulent claims and frivolous lawsuits and reduce workers’ compensation rates, and eliminate burdensome regulations on small businesses. We need to make some drastic changes in California’s business climate so that we can eliminate barriers to success and create incentives for production in California, encourage growth, and maintain as much as possible of our manufacturing base in California. If business and government would work together, we could restore California to the Golden State that it once was.

4. Legislator, Staff and Stakeholder Updates Information

Congressman Ken Calvert

Report by Brenda Dennstedt

They had their 22nd annual Academy Night for incoming seniors that want an appointment letter to a military academy. They have one entering West Point in August this year. Congressman Calvert was in the District last week for appointments and fund raisers. National Defense Authorization Act is in the House for consideration this week. This bill authorizes programs and funding for our military. It provides for \$521.3 billion in spending on national defense and an additional \$79.4 billion in overseas contingency operations. Provides for 1.8 increase for the troops opposed to the president's 1% pay raise. Rejects the president's proposed cuts on the healthcare for our troops. The congressman was able to insert language into the bill that would designate the Distinguished Flying Cross memorial at the March Field Museum a national memorial. Watching HR 3080 – Water Resources Reform Development Act. Department of Veteran Affairs Management Accountability Act of 2014 – topics of discussion this week in Washington.

Assemblywoman Melissa Melendez

Report by Deni Horne

Assemblywoman had her 4th bill signed into law – AB 579- It ensures convicted criminals who are released early from jail into mandatory supervision will begin supervision immediately upon release. Two bills that were defeated in committee, AB 2456 and AB 2495. AB 1775 did move forward. It would protect California's children from the increase of sexual exploitation through internet child pornography by updating the code to reflect modern technology. AB 2065 – Approved by the Assembly Judiciary Committee– Prevents government corruption by providing protection under the California Whistleblower Protection Act to employees of the California Legislature who report improper governmental activity.

Assemblywoman Marie Waldron

Report by Tom Stinson

May revised was introduced last week. We have 2.4 billion more in revenues than last year, but most of that is going to cover the cost of the Affordable Care Act because it is costing more that was thought it would. Was going to give \$3 million to education, but most of that is going to go shore up the safety of the retirement system. Assuming the voters pass it, we are going to have a \$1.6 billion reserve, rainy day fund and will increase each year. Starting in 2015, half of what is in that fund will go to start paying down the states debt which is estimated around \$340 billion. If all goes as planned that debt will get paid down in the next 30 years. That's \$8500 for every man, woman and child in the state. There is also money in there for draught expenses, firefighting, water management and other items. The three cities in our district are Temecula, San Marcos and Escondido and the last 2 were hit hard by the recent fires. We spent lots of time last week to get our hands on disaster relief funds.

Supervisor Kevin Jeffries

Report by Jeff Green

Passed out newsletter. Tune in on Tuesdays to get all the information from their board meetings at www.supervisorjeffries.org, .com, or .net. June 3rd will be discussing the budget and new developer fees. Working closely with local water district trying to help Wildomar with water problem. We should have a solution by the end of the year. Working on the Butterfield Trail from Lake Elsinore to Corona eventually tied to the Murrieta Creek Trail and then all the way to the Santa Ana River Trail. Got a national park service grant. Someday it will connect all the way from California to Missouri.

City of Murrieta

Report by Brian

Many council members are in Las Vegas for the ICSC to try to bring new business or retain existing businesses. City Council is having an opening in June. AB 2714 Hernandez, mandate district based elections for any cities of 100,000. It is in appropriations right now.

City of Meniffee

Report by Gina Gonzalez

City officials are also at ICSC. SB 69/AB 1521 – in appropriation. Cocorian theater coming to Meniffee, there will be a sports bar, bowling and a movie theater.

City of Temecula

Report by Betsy Lowrey

City officials are also at ICSC. City of Temecula is at 5.6% unemployment. Openings on infrastructure projects, the Main Street bridge is beautiful. Gateway to Murrieta, new French Valley parkway exit. Butterfield stage will go from south end to past Murrieta. They are monitoring the same bills as last meeting.

Metropolitan Water District

Report by Patty Arlt

Bay Delta Conservation Plan – we are coming to closer on public comment. We would love individual cities or businesses to submit a public comment letter, deadline is June 13th. Water Bond – many different pieces. MWD has a list of priorities and they are monitoring to see which bond will represent those priorities and then will make a decision which to support. They have doubled their budget for water use efficiency programs. They have new conservation programs and rebates available. Go to www.bewaterwise.com. We also have a public sector program that is available for cities.

Southern California Edison

Report by Jeremy Goldman

The Edison Community Grant Cycle begins on June 1st for nonprofit grants.

Southcoast Air Quality Management District

Report by Dave Madsen

AB 1330- dead

There is an old lawnmower trade program. You can trade your gasoline powered lawn mover for an electric lawn mower for a reduced price. 80% of air pollution comes from mobile sources. They are working on clean transportation.

5. Chamber & Council Member Announcements

Information

Menifee Chamber of Commerce

Report by Dorothy Wolons

June 19th – State of the City

Wildomar Chamber of Commerce

Report by Wendy Mitchell

June 4th – Cpt. Leonard Hollingsworth at the Wake Up Wildomar Breakfast at the Landing Zone Grill.

Murrieta Chamber of Commerce

Report by Don Murray

Mixer - June 5th – 25220 Hancock Ave. Sponsored by Commerce Bank of Temecula.

5. Lunch Sponsor EVMWD

Alex

Braicovich thanked EVMWD for sponsoring lunch today.

Motion to Adjourn at 1:31 p.m.

AB 1383 (R Hernandez - D): District-based municipal elections.**Recommended action: OPPOSE****Presentation: Gene Wunderlich****Bill Summary:**

AMENDED IN SENATE MAY 28, 2014

AB 1383, as amended, Roger Hernández. ~~Hazardous waste: permitting.~~ *District-based municipal elections.*

Existing law provides for political subdivisions that encompass areas of representation within the state. With respect to these areas, public officials are generally elected by all of the voters of the political subdivision (at-large) or from districts formed within the political subdivision (district-based). Existing law, the California Voting Rights Act of 2001, prohibits an at-large method of election to be imposed or applied in a manner that impairs the ability of a protected class to elect candidates of its choice or its ability to influence the outcome of an election, as a result of the dilution or the abridgment of the rights of voters who are members of a protected class, as defined.

Existing law authorizes the legislative body of a city to submit to voters at any municipal or special election an ordinance providing for the election of members of the legislative body by districts, from districts, by districts with an elective mayor, or from districts with an elective mayor. Under existing law, "by district" means election of members of the legislative body by voters of the district alone and "from district" means election of members of the legislative body who are residents of the district from which they are elected by the voters of the entire city. Existing law prescribes the procedures for the electors to change from the election of these members by district to election from districts or vice versa.

This bill would permit the legislative body of a city to provide by ordinance, without submitting the ordinance to the voters of the city for approval, for the election of members of the legislative body by district if the voters of the city previously rejected such an ordinance, as specified. This provision would be repealed on December 31, 2016.

The bill would, commencing January 1, 2017, require the legislative body of a city with a population of 100,000 or more, as determined by the most recent federal decennial census, to provide by ordinance, without submitting the ordinance to the voters of the city for approval, for the election of members of the legislative body by district. The bill would, commencing January 1, 2017, permit the legislative body of any other city to provide by ordinance, without submitting the ordinance to the voters of the city for approval, for the election of members of the legislative body by district.

The bill would require that the boundary lines of each district be adjusted in accordance with specified provisions of law.

By requiring cities to conduct elections for members of their legislative bodies in a specified manner, this bill would impose 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, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Status:

Re-referred to Com. on RLS for assignment.

AB 2494 (Cooley-D): Courts: frivolous actions or proceedings.**Recommended action: SUPPORT****Presentation: Gene Wunderlich****Bill Summary:**

Bad Faith Litigation. Reenacts a prior statute that authorizes the award of attorney's fees for bad faith actions that are frivolous and intended to cause unnecessary delay. Provides an additional tool for sanctions of bad faith actions and tactics.

Existing law

Existing law authorizes a trial court to order a party, the party's attorney, or both to pay reasonable expenses, including attorney's fees, incurred by another party as a result of bad-faith actions or tactics that are frivolous or solely intended to cause unnecessary delay, if the actions or tactics arise from a complaint filed, or a proceeding initiated, on or before December 31, 1994. In addition to the reasonable expenses award, existing law authorizes the court to assess punitive damages against the plaintiff on a determination that the plaintiff's action was maintained by a person convicted of a felony against the person's victim for injuries arising from the acts for which the person was convicted, and that the plaintiff is guilty of fraud, oppression, or malice in maintaining the action.

Existing law also requires every pleading, petition, written notice of motion, or other similar paper to be signed by the attorney of record, or if a party is unrepresented, by the party, thereby certifying to the best of the person's knowledge, information, and belief that it is not being presented primarily for an improper purpose, as specified, and that the claims, defenses, and legal and factual contentions are warranted, as specified. Existing law authorizes a trial court to impose sanctions upon an attorney, law firm, or party that violates these provisions in a complaint, petition, or other paper filed on or after January 1, 1995.

This bill would delete the December 31, 1994, date limitation on a trial court's authorization to award reasonable expenses incurred as a result of bad-faith actions or tactics that are frivolous or solely intended to cause unnecessary delay, thus making both of the provisions described above applicable commencing January 1, 2015. The bill would include in the definition of "actions or tactics" the filing and serving of an answer or other responsive pleading, and would exclude from that definition disclosures and discovery requests, responses, objections, and motions. The bill would require certain standards, conditions, and procedures to apply to sanctions imposed pursuant to its provisions.

Provides that this bill shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

Provides that on or before June 30, 2018, the Judicial Council shall submit a report to the Legislature examining the impact and effect of this act.

Argument in Favor:

The author explains the reason for the bill as follows:

Existing law until 1995 provided that litigants subject to bad-faith and unmeritorious tactics could seek sanctions in the form of attorney's fees (CCP 128.5). Many thought the bar to use this provision was too high because the statute had been interpreted to require both an objective standard that the act was without merit and a subjective bad-faith motive, which was difficult to prove. Thus, in 1995 CCP 128.7 was enacted. This also brought California into alignment with federal law (FRCP's rule 11) and imposed a lower threshold for sanctions against an attorney by only requiring the attorney's conduct be objectively unreasonable. Unfortunately, it stopped the applicability of CCP 128.5 as applied to bad-faith tactics outside the scope of filing frivolous pleadings.

Unfortunately, bad-faith disobedience and tactics by either side are needlessly employed in litigation. It can result in clogging our courts and wasting precious judicial resources. Courts routinely give litigants the benefit of the doubt, but they have lost an important tool used to ensure bad faith actions that can materially harm the other party or the fairness of a trial are discouraged. Under existing law a court can compel obedience with a court order, but financially the most a court can do if a party violates one is find them in contempt with penalty of up to \$1500. Moreover, if a case ends in a mistrial or in the release of protected documents it is difficult to undo the waste of judicial resources or harm done to the litigant who was not at fault.

Similarly, supporters note that the effect of the bill would be to allow for sanctions for violation of a court order.

There is no opposition on file.

Status:

In Senate. Read first time. To Com. on RLS. for assignment

Votes:

AYE - Melendez, Jones, Waldron, Linder, Nestande

Legislative Report Item 3

Action Item

[SB 1262 \(Correa-D\): Medical marijuana: regulation of physicians, dispensaries, and cultivation sites.](#)

Recommended action: SUPPORT
Presentation: Gene Wunderlich

Bill Summary:

This bill makes it unlawful for a physician to recommend medical marijuana (MM) to a patient if the physician or their family have a financial interest in the dispensing facility; requires MM dispensaries and cultivation facilities to be licensed by the Department of Consumer Affairs (DCA); and **specifies that licensees are subject to local government restrictions.**

Background:

Since the approval of the CUA by voters in 1996, commonly known as Proposition 215, state law has allowed Californians access to marijuana for medical purposes, and prohibited punitive action against physicians for making MM recommendations. SB 420 (Vasconcellos, Chapter 875, Statutes of 2003) allowed patients and primary caregivers to cultivate marijuana for personal use and established, in the DPH, an MM card program for patients to use on a voluntary basis.

In the intervening 11 years, although there have been several legislative attempts, no broader, feasible regulatory structure has been established, and the implementation of the CUA has been marked by conflicting authorities, regulatory issues, intermittent federal enforcement action, and a series of lawsuits which have tested the limits of the CUA, and focused on the extent of the authority of local government.

The author's office indicates that most attempts at MM legislation in California have been geared toward state pre-emption, and unsympathetic to the authority of local government. None have been health-based, despite the medical rationale that spawned the CUA. None have sought to impose any health and safety standards, despite the fact that the regulatory structure they tried to establish would have exercised oversight over what is known to be a psychotropic substance. And finally, no legislation has squarely addressed the many public safety concerns triggered by such a regulatory scheme, according to the author's office.

Local control of MM dispensaries. In 2013, the California Supreme Court in **City of Riverside v. Inland Empire Patients**, upheld that local governments have inherent zoning power. The issue in this case was whether California's MM statutes preempt a local ban on facilities that distribute MM. The Court concluded they do not and upheld the City of Riverside's implementation of a ban on MM dispensaries and on any facility that is prohibited by federal or state law.

Existing law:

1. Licenses and regulates physicians and surgeons under the Medical Practice Act (MPA) by the Medical Board of California (MBC). Requires MBC to take action against a physician who is charged with unprofessional conduct, as specified. Requires MBC to prioritize its investigative and prosecutorial resources to ensure that physicians representing the greatest threat of harm are identified and disciplined expeditiously and including those with repeated acts of excessive prescribing, furnishing, or administering of controlled substances, or repeated acts of prescribing, dispensing, or furnishing of controlled substances without a good faith prior examination of the patient and medical reason.

2. Prohibits prosecution, under the Compassionate Use Act of 1996 (CUA), for the possession or cultivation of marijuana of a patient or a patient's primary caregiver who possesses or cultivates marijuana for the personal medical purposes of the patient upon the written or oral recommendation or approval of a physician.

3. Declares that the purposes of the CUA are:

A. To ensure that seriously ill Californians have the right to obtain and use marijuana for medical purposes where that medical use is deemed appropriate and has been recommended by a physician who has determined that the person's health would benefit from the use of marijuana in the treatment of cancer, anorexia, AIDS, chronic pain, spasticity, glaucoma, arthritis, migraine, or any other illness for which marijuana provides relief.

B. To ensure that patients and their primary caregivers, who obtain and use marijuana for medical purposes upon the recommendation of a physician, are not subject to criminal prosecution or sanction.

C. To encourage the federal and state governments to implement a plan to provide for the safe and affordable distribution of marijuana to all patients in medical need of marijuana.

4. States that nothing in the CUA shall be construed to supersede legislation prohibiting persons from engaging in conduct that endangers others, or to condone the diversion of marijuana for non-medical purposes.

5. Provides that, notwithstanding any other provision of law, no physician in California shall be punished, or denied any right or privilege, for having recommended marijuana to a patient for medical purposes.

6. States Health and Safety Code (HSC) Sections 11357 and 11358, relating to the possession and the cultivation of marijuana, shall not apply to a patient, or to a patient's primary caregiver, who possesses or cultivates marijuana for the personal medical purposes of the patient upon the written or oral recommendation or approval of a physician.

7. Defines "primary caregiver" for purposes of the CUA as the individual designated by a patient who has consistently assumed responsibility for the housing, health, or safety of that person.

8. Requires the Department of Public Health to establish and maintain a voluntary Medical Marijuana Program (MMP) for qualified patients to apply for identification cards, and county health departments to issue identification cards to qualified patients and their caregivers.

9. Provides that qualified patients, persons with valid identification cards, and the designated primary caregivers of qualified patients and persons with identification cards who associate within the state in order to cultivate marijuana for medical purposes, collectively or cooperatively, shall not, solely on that basis, be subject to state criminal sanctions for the possession, sale, transport, or other proscribed acts relating to marijuana.

10. Makes it a misdemeanor offense to, among other things, fraudulently represent a medical condition or provide any material misinformation to a physician, health department designee, or to law enforcement, for the purpose or falsely obtaining an identification card; fraudulently use any person's identification card in order to acquire, possess, cultivate, transport, use, produce, or distribute marijuana; counterfeit, tamper with, or fraudulently produce an identification card; or breach any confidentiality requirements pertaining to an identification card program.

11. Prohibits state or local law enforcement officers from refusing to accept an identification card unless the officer has reasonable cause to believe that the card is being used fraudulently or its information is false or fraudulent.

12. Provides that qualified patients, persons with valid identification cards, and their designated primary caregivers who associate in order to collectively or cooperatively to cultivate marijuana are not subject to criminal liability on that basis.

13. Prohibits MM dispensaries that possess, cultivate, or distribute MM from being located within a 600-foot radius of a school, and authorizes cities and counties to further restrict the locations of MM collectives.

14. Lists marijuana as a hallucinogenic substance in Schedule I of the California Uniform Controlled Substances Act.

This bill:

1. Makes a legislative declaration that the police power, as specified, **allows each city and county to determine whether or not an MM facility may operate within its borders** and that, when there are MM facilities, there is a need for the state to license them and, among other things, prevent the potential diversion of MM for recreational use.

2. Makes it unlawful for a physician who recommends marijuana to a patient for a medical purpose to accept, solicit or offer any form of remuneration from or to a licensed facility if the physician or his/her immediate family has a financial interest, as specified.

3. Requires MBC to consult with the California Marijuana Research Program (Center for Medicinal Cannabis Research) on developing and adopting medical guidelines for the appropriate administration and use of marijuana.
4. Prohibits a person from selling or providing marijuana other than at a licensed dispensing facility.
5. Prohibits a person from growing or processing marijuana other than at a licensed cultivation site.
6. Defines the following terms:
 - A. "Licensed cultivation site" means a facility that grows or grows and processes marijuana for medical use and that is licensed, as specified.
 - B. "Licensed dispensing facility" means a dispensary, mobile dispensary, marijuana processing facility, or other facility that provides marijuana for medical use that is licensed, as specified.
7. Requires DCA, prior to issuing a license to a dispensing facility or a cultivation site, to obtain from each proposed facility:
 - A. The name of the owner(s) and the address and telephone number of the proposed facility.
 - B. A description of the scope of the proposed business.
 - C. A certified copy of the local jurisdiction's approval to operate within its borders.
 - D. A completed application, as required by DCA.
 - E. Payment of a fee, in an amount determined by DCA, sufficient to cover but not exceed the actual costs of the administration of the licensing provisions.
 - F. An applicant's fingerprint images and related information required by the Department of Justice (DOJ) to obtain information as to the existence and content of a record of state and federal convictions and arrests, as specified:
 - (1) Requires DOJ to forward the fingerprint images and related information received to the Federal Bureau of Investigation (FBI) and request a federal summary of criminal information.
 - (2) Requires DOJ to review the information returned from the FBI and compile and disseminate a response to DCA.
 - (3) Requires DOJ to charge a fee sufficient to cover the reasonable cost of processing the requests described.
 - (4) Allows DCA to deny a license based on a past criminal conviction if the crime is substantially related to the qualifications, functions, or duties of the business for which the license will be issued.
 - G. Any other information, as required by DCA.
8. Imposes certain requirements and prohibitions upon a licensed dispensing facility, including:
 - A. Prohibiting acquiring, possessing, cultivating, delivering, transferring, transporting, or dispensing marijuana for any purpose other than those authorized by the MMP.
 - B. Prohibiting the acquisition of marijuana plants or products except through the cultivation of marijuana by that facility, if the facility is a licensed cultivation site, or another licensed cultivation site.
9. Prohibits the distribution of any form of advertising for physician recommendation of MM unless the advertisement bears a notice to consumers indicating that the CUA ensures access to MM when the use is deemed appropriate and in accordance with accepted standards of medical responsibility.
10. Requires any advertising for physician recommendation for MM to meet the advertising requirements of the MPA, and specifically prohibits fraudulent, deceitful, or misleading statements, including statements or advertisements of bait, discounts, premiums, gifts, or any statements of a similar nature.
11. Requires implementing sufficient security measures to deter and prevent unauthorized entrance into areas containing marijuana and theft of marijuana at those facilities. The security measures shall include, but not be limited to, (a) limiting access to the facility to only qualifying patients, the patient's primary caregiver, and facility agents; (b) preventing unauthorized individuals from remaining on the premises; (c) establishing limited access areas accessible only to authorized facility personnel; and (d) storing marijuana in a secure, locked safe or vault to prevent diversion, theft, and loss.
12. Requires a licensed facility to notify law enforcement within 24 hours after discovering discrepancies during the inventory, diversion, theft, loss, or any criminal activity involving the facility or a facility agent, any loss or unauthorized alteration of facility records, and any breach of security.

13. Requires a licensed cultivation site to weigh, inventory, and video, all MM to be transported prior to its leaving its origination location. Requires a licensed dispensing facility, within eight hours after arrival at the destination, to reweigh, reinventory, and video, all transported marijuana.

Local Government Provisions

14. Makes a facility license subject to the restrictions of the local jurisdiction in which the facility operates or proposes to operate. Specifies that even if a license has been granted by DCA, a facility shall not operate in a local jurisdiction that prohibits the establishment of that type of business.

15. Makes violation of the licensing provisions punishable by a civil fine of up to \$35,000 for each individual violation.

16. Specifies that nothing shall prevent a city or other local governing body from taking action as specified in HSC Section 11362.83 relating to MM cooperatives or collectives.

ARGUMENTS IN SUPPORT:

A sponsor of the bill, the California Police Chiefs Association, writes that the policy underlying this bill is the need for inclusive and substantial reform of the CUA, which has had troublesome issues, including the ability of virtually anyone to obtain a recommendation for MM. The other sponsor, the League of California Cities, writes that the state had been unable to enact a regulatory structure that both ensures patient access to MM while recognizing laws that authorize local regulations and address safety concerns. A coalition of other supporters argues that the CUA lacked a responsible, health-based regulatory scheme that upholds local control and includes important health and safety requirements. Supporters also argue that local governments should have a prominent role in any regulatory process for MM.

ARGUMENTS IN OPPOSITION:

Law Enforcement Against Prohibition states that patients need dispensaries and a safe place to access MM instead of forcing them to go to other cities to find it, which benefits the criminal element and threatens patient safety.

SUPPORT:

California Police Chiefs Association (co-source)
League of California Cities (co-source)
Americans for Safe Access
Association for Los Angeles Deputy Sheriffs
Association of Orange County Deputy Sheriffs
California Association of Code Enforcement Officers
California Fraternal Order of Police
Cities Association of Santa Clara County
Cities of Adelanto; Beaumont, Calimesa, Canyon Lake, Chowchilla, Colton, Concord, Covina, Del Mar, Dublin, Encinitas, Etna, Fortuna, Garden Grove, Gardena, Glendora, Hemet, Highland, Indio, La Palma, Lathrop, Lodi, Merced, Modesto, Montclair, Norwalk, Patterson, Rancho Cordova, Rancho Cucamonga, Rancho Mirage, Rosemead, Sacramento, San Carlos, San Luis Obispo, San Ramon, Tulare, and Woodland
Colma Police Department
Covina Police Department

El Cerrito Police Department
El Monte/South El Monte Chamber of Commerce
Encouraging Faith Ministries
Greater Merced Chamber of Commerce
International Faith Based Coalition
Long Beach Police Officers Association
Los Angeles County Police Professional Peace Officers Association
Los Angeles Police Protective League
Mammoth Lakes Police Department
Patient Advocacy Network
Riverside Sheriffs Association
Sacramento County Deputy Sheriffs' Association
San Diego County District Attorney
Santa Ana Police Officers Association
Smart Approaches to Marijuana (Project SAM)
Town of Colma Police Department
Town of Danville

County of San Bernardino
Drug Policy Alliance
Health Officers Association of California
Imperial County Board of Supervisors
Law Enforcement Against Prohibition
Urban Counties Caucus
Yolo County Board of Supervisors

OPPOSITION:

American Academy of Cannabinoid Medicine
Butte County Board of Supervisors
California Medical Association
County Health Executives Association of California

Status:

In Assembly. Read first time. Held at Desk.

Votes:

Anderson - AYE, Roth NVR

AB 2430 (Maienschein - D): CID Documentation**Recommended action: SUPPORT****Presentation: Gene Wunderlich****Bill Summary:**

This bill is follow-up legislation to AB 771 (Butler) Ch. 206, Stats. 2011, which prohibited the "bundling" of CID document fees with fees for other escrow-related services and documents in an attempt to eliminate the practice of over-charging for the CID documents. That bill was in response to third party vendors charging CID purchasers excessive fees for documents Home Owners Associations (HOAs) are required to provide under the Davis-Stirling Act. Despite AB 771, third party vendors are continuing to "bundle" unrelated document fees with the Davis-Stirling document fees. Among other things, this bill: (1) requires the fee for each document provided to the seller for the purpose of transmission to the prospective purchaser by the seller to be individually itemized in the statement required to be given to the prospective purchaser; and (2) requires a seller to provide a prospective purchaser current copies of any disclosure documents that are in the seller's possession at no cost. **This measure will provide more specific document delivery and disclosure standards and tighten the anti-bundling provisions in connection with condominium sales and HOA document delivery requirements.**

General Background of CIDs: There are **over 50,000 common interest developments** (CIDs) in California that vary in size and structure, but that are generally multi-unit communities characterized by the following: (1) separate ownership of individual residential units coupled with an undivided interest in common property; (2) covenants, conditions, and restrictions (CC&Rs) that limit the use of both separate interests and common property; and (3) management of common property and enforcement of restrictions by a home owner's association (HOA).

CIDs make up over 4.9 million housing units, which represents approximately one quarter of the state's housing stock. CIDs include condominiums, community apartment projects, housing cooperatives, and planned unit developments. CIDs are governed by the Davis Stirling Act, as well as the governing documents of the association, including its bylaws, declaration, and operating rules.

Background:**EXISTING LAW:**

1) Requires the seller of a separate interest in a CID, as soon as practicable before the transfer of title or the execution of a real property sales contract, to provide specified documents to a prospective purchaser of that interest, including but not limited to:

- a) A copy of all the governing documents of the CID;
- b) Restrictions on occupancy based on age;
- c) Copies of documents required as part of the pro forma budget;
- d) A statement of the current and special assessments;
- e) A summary of any alleged violations that are unresolved against the owner of the separate interest;
- f) A list of any construction defects;
- g) Any pending special assessments that have been approved by the board of directors but have not been made due;
- h) Any prohibition in the governing documents on renting or leasing a separate unit. (Civil Code Section 4525. All further references are to this code unless otherwise stated.)

2) Requires the HOA, within 10 days of written request, to provide the owner of the separate interest with a copy of the documents specified above. (Section 4530(a).)

3) Permits the HOA to collect a reasonable fee based upon its actual cost for the procurement, preparation, reproduction, and delivery of the above requested documents, and prohibits the charge of additional fees by the HOA for the electronic delivery of the documents. (Section 4530(b)(1).)

THIS BILL:

- 1) Requires the fee for each document provided to the seller for the purpose of transmission to the prospective purchaser by the seller to be individually itemized in the statement required to be given to the prospective purchaser. Additionally, updates the statutory form to reflect this new fee itemization requirement.
- 2) Clarifies that any documents that a seller is not required to provide to a prospective purchaser of a separate interest shall not be included with the required CID disclosure documents.
- 3) Prohibits the "bundling" of required disclosure documents with other documents that are not required as part of the disclosure requirements.
- 4) Clarifies that an HOA must collect the fee for procuring, preparing, reproducing, and delivering documents from the seller (emphasis added).
- 5) Clarifies that fees for any CID disclosure documents shall be distinguished from, separately stated, and separately billed from, all other fees, fines, or assessments billed as part of the transfer or sales transaction.
- 6) Requires a seller to provide a prospective purchaser current copies of any disclosure documents that are in the seller's possession at no cost.
- 7) States that it is the seller of a separate interest's responsibility to compensate the HOA, person, or entity that provides the required disclosure documents

Arguments in favor:

The bill's sponsor, California Association of Realtors, believes that this measure will provide greater transparency and ensure that companies employed by an HOA do not circumvent legal requirements prohibiting bundling of fees and requiring the seller to compensate the document provider, rather than the prospective purchaser.

Our members who specialize in CID transactions have complained that several "abuses" continue to be experienced in the exchange of documents required in a transaction involving the sale of a unit in a CID. Such abuses include third party agents of the seller continuing to "bundle" fees for documents not related to the Davis-Stirling Act requirements with the Davis-Stirling fees, and third-party agents of the seller requiring a prospective purchaser to pay for required disclosure documents that are currently statutorily required to be provided by sellers. This bill will tighten up the CID transaction requirements initially enacted by AB 771 and eliminate any and all bundling of other transaction and escrow fees with the Davis-Stirling Act fees.

The bill has no known opposition.

Status:

In Senate, Referred to Com. on JUD.

Votes:

AYE - Melendez, Jones, Waldron, Linder, Nestande

[SB 1249 \(Hill-D\): Hazardous waste: shredder waste.](#)

Recommended action: **OPPOSE** unless amended.

Presentation: Gene Wunderlich

Background:

This bill authorizes the Department of Toxic Substances Control (DTSC), in consultation with the Department of Resources Recycling and Recovery (CalRecycle) and the State Water Resources Control Board (Board), to **adopt regulations on management standards** for metal shredding facilities, metal shredder residue, or treated metal shredder residue. Authorizes DTSC to establish a fee that is sufficient to reimburse specified costs.

Existing Law:

1. Under the federal Resource Conservation and Recovery Act (RCRA) of 1976, governs the disposal of hazardous waste:
 - A. Through regulation, sets standards for the treatment, storage, transport, tracking and disposal of hazardous waste in the United States.
 - B. Authorizes states to carry out many of the functions of the federal law through their own hazardous waste laws if such programs have been approved by the United States Environmental Protection Agency (US EPA).
2. Under the California Hazardous Waste Control Act (HWCA) of 1972:
 - A. Establishes the Hazardous Waste Control program.
 - B. Regulates the appropriate handling, processing and disposal of hazardous and extremely hazardous waste to protect the public, livestock, and wildlife from hazards to health and safety.
 - C. Implements federal tracking requirements for the handling and transportation of hazardous waste from the point of waste generation to the point of ultimate disposition.
 - D. Establishes a system of fees to cover the costs of operating the hazardous waste management program.
 - E. Authorizes the DTSC to enforce federal law and regulations under the RCRA.
 - F. Requires the DTSC to grant and review permits and enforce the HWCA requirements for hazardous waste treatment, storage and disposal facilities.
3. Under the Integrated Waste Management Act, requires materials that require special handling, as defined, to be removed from major appliances and vehicles in which they are contained before crushing for transport or transferring to a baler or shredder for recycling.

Bill Summary:

1. Requires the DTSC to conduct a preliminary analysis and a final analysis evaluating the hazardous waste management activities of metal shredding facilities.
2. Authorizes the DTSC, in consultation with CalRecycle and the Board, to adopt regulations establishing alternative management standards for a metal shredding facility, including activities conducted within the boundaries of a metal shredding facility, and for the generation, storage, transportation, and disposal of metal shredder residue and treated metal shredder residue, as defined, that will apply in lieu of the hazardous waste management standards if the DTSC performs specified actions.
3. Provides that if the management standards adopted by the DTSC result in metal shredder residue or treated metal shredder residue being classified as nonhazardous waste, the material may be used as alternative daily cover or for beneficial reuse.
4. Requires the DTSC to provide notice that it proposes to adopt alternative management standards.
5. Prohibits the DTSC from adopting management standards that are less stringent than applicable standards under federal law and will require metal shredder residue and treated metal shredder residue to be disposed of in a specified manner.

subsequent regulatory action before January 1, 2017, and makes all hazardous waste determinations and policies, procedures, or guidance issued by the DTSC before January 1, 2014, relating to metal shredder residue or treated metal shredder residue inoperative once the DTSC has taken regulatory action.

7. Authorizes the DTSC to collect an annual fee from metal shredding facilities at a rate sufficient to cover the costs of the DTSC to implement these provisions.

ARGUMENTS IN SUPPORT:

According to the author's office, metal and recycling facilities operating in California pose a distinct risk to public health and the environment and the hazards associated with these operations are not adequately regulated. Many of these facilities are located in highly populated areas and have been found to have contaminated air and water surrounding their facilities.

ARGUMENTS IN SUPPORT:

The author states that six fires have broken out at metal shredding and recycling facilities in the Bay Area since 2007, five of them at facilities owned by Sims Metal Management LTD. Three occurred at the company's facility in Redwood City, causing plumes of smoke to billow over the city impacting the health of the residents of Redwood City. The Counties of San Mateo, Alameda and Santa Clara had to issue health advisories because of the smoke and school districts were forced to keep students inside because of the poor air quality.

The author asserts that after the last two fires in November and December of 2013, Redwood City leaders called on regulators to do more to help protect residents from future incidents.

ARGUMENTS IN OPPOSITION:

The West Coast Chapter of the Institute of Scrap Recycling Industries strongly opposes this bill, as currently drafted, stating that "the bill **in its current form** would threaten the economic viability of large, well-established metal shredding facilities in California. These facilities have provided safe and environmentally responsible recycling services to the citizens of the State of California for over four decades and are responsible for thousands of good jobs across the state. **Without the ability to safely and effectively recycle the huge quantities of scrap metal that are produced by our society on a daily basis, our landfills, roadsides, back yards, alley ways and open space would be littered with discarded automobiles, household appliances and the endless variety of other discarded metal products that are recycled by metal shredding facilities.** The Legislature must consider the impact of proposed legislation on this vital industry."

The industry and its friends, including labor unions, environmental justice groups and community leaders object to this bill because it will:

- Add unnecessary regulatory burdens
- Cause adverse unintended consequences harmful to the environment
- Drive jobs out of California

Efforts to negotiate with the author have been unsuccessful, so we seek your support for a legislative remedy now. The bill has cleared the Senate and is scheduled to be considered in the Assembly this month.

Specifically, SB 1249 seeks to treat shredded scrap metal as hazardous waste – California would be the only state to do so. The bill would require special handling of shredder residue (ASR), consisting largely of dirt, rubber, plastic and upholstery leftover after the shredding and metal recovery process. Also, the bill would mandate that the state Department of Toxic Substances Control (DTSC) regulate shredding facilities fence-line-to-fence-line, adding unnecessary and duplicative regulations. Currently, the seven big shredding facilities in California are regulated by cities, counties, fire departments, local air districts, regional water boards, Cal/OSHA and more.

In addition, SB 1249 would:

- Lead to elimination of ASR as landfill cover, affecting the environment and landfill operations
- Exacerbate pollution and theft by black market metal recyclers
- Hurt working-class people and low-income communities due to lost jobs
- Result in millions of dollars in lost taxes due to job loss and lost business

California's metal recycling industry is an original green business. We safely and efficiently recycle autos, appliances and other scrap metal for use in new products. We help keep communities clean, support local businesses and sponsor local charities and community services. Scrap metal recycling is at the core of many communities providing a source income for many families. SA Recycling has been in business for decades and provides more than 1,000 good jobs at 45 locations in Central and Southern California.

We provide an essential service by ensuring millions of scrap cars and appliances get recycled. We want to remain in California for a long time, so we need your help in amending SB 1249 so it doesn't scrap our business.

SUPPORT: (Verified 5/27/14)

OPPOSITION: (Verified 5/27/14)

California League of Conservation Voters
Coalition for Clean Air
Environmental Working Group
Natural Resources Defense Council

Waste Management
Republic Services
West Coast Chapter of the Institute of Scrap Recycling Industries

Status:

To Assembly, Committee on Environmental Safety and Toxic Materials

Votes: Anderson NO, Roth NVR

Southwest California Legislative Council 2014 Bill Tracker

Month	Bill #	Author	Party	Intent	Position	Status	Senate		Assembly				Gov
							Anderson	Roth	Melendez	Waldron	Jones	Linder	Brown
2	AB 1513	Fox	D	Squatters	S	To Sen			Y	Y	Y	Y	
2	AB 1521	Fox	D	VLF	S	To Sen			Y	Y	Y	Y	
2	ACA 8	Blumenfield	D	Tax threshold	O	To Sen			N	N	N	N	
2	HR 2097	Calvert	R	REBUILD Act	S								
2				Trade Promotions Act	S								
2	HR 3309			Patent Reform/trolls	S								
3	AB 1522	Gonzalez	D	Paid Sick Days	O	To Sen			N	N	N	N	
3	AB 1521	Pan	D	Online database	O	To Sen			N	N	N	N	
3	AB 1634	Skinner	D	OSHA Violations	O	To Sen			N	N	N	N	
3	AB 1698	Wagner	R	Fraudulent Deeds	O/A	To Sen			Y	Y	Y	Y	
3	AB 1764	Olsen	R	Education	S	To Sen			Y	Y	Y	Y	
3	AB 1839	Gatto	D	Film Credits	S	To Sen			Y	Y	Y	Y	
3	AB 2095	Wagner	R	Frivolous lawsuits	S	FC							
3	AB 2353	Waldron	R	CEQA water	S	DC							
3	AB 2361	Jones	R	Prop 65 enforcement	S	DC							
3	AB 2495	Melendez	R	Franchise Tax	S	DC							
3	AB 2688	Brown	D	Good faith defense	S	DC							
3				FHA Loan Limits	S								
3				CARB Diesel Reg's									
3	HR 29	Gomez	D	Outsourcing	O	To Sen			N	NV	N	N	
3	SB 69	Roth	D	VLF	S	To Asm	Y	Y					
3	SB 747	DeSaulnier	D	Public Health	O	DC							
3	SB 834	Huff	R	MFG Facilities	S	DC							
3	SB 935	Leno	D	Minimum Wage	O	To Asm	N	NV					
3	SB 1017	Evans	D	Oil severance	O	Susp							
3	SB 1021	Wolk	D	School districts: parcel taxes	O	To Asm	N	NV					
3	SB 1200	Padilla	D	Education	S	To Asm	Y	Y					
3	SB 1381	Evans	D	GMO foods	O	Fail	N	NV					
4	AB 1792	Gomez	D	Reports	O	To Sen			N	N	N	N	
4	AB 1897	Hernandez	D	Labor	O	To Sen			N	N	N	N	
4	AB 2140	Bloom	D	Orca	O	DC							
4	AB 2617	Weber	D	Civil Rights	O	To Sen			N	N	N	N	
4	AB 2670	Medina	D	SBDC	S	HELD							
4	AB 2723	Medina	D	Regulations	S	To Sen			NV	Y	Y	Y	
4				MWD fees	S								
4	SB 1021	Wolk	D	Parcel Taxes	O	To Asm	N	NV					
4	SB 1451	Hill	R	CEQA	S	DC							

4	AB 2079	Grove	R	Lawsuits	S	DC								
4	AB 2686	Perea	D	Clean Water	S	DC								
4	SB 1250	Hueso	D	Clean Water	S	DC								
4	AB 2493	Bloom	D	Redevlopment	S	To Sen			Y	Y	Y	Y		
4	AB 777	Muratsuchi	D	Space Flight	S	CHAPT	Y	Y	Y	Y	Y	Y	Y	Y
4	AB 2030	Campos	D	Time off	O	DC								
4	AB 2420	Nazarian	D	Fracking	O	FC								
4	AB 1132	Mitchell	D	Fracking	O	FAIL	N	NV						
4	AB 1961	Eggman	D	Sustainable farmland	O	HELD								
4	AB 2416	Stone	D	Liens	O	To Sen			N	N	N	N		
4	AB 2448	Jones	R	Flex time	S	DC								
4	AB 2095	Wagner	R	Itemized statements	S	FC								
5	AB 1522	Gonzalez	D	Sick Days	O	To Sen								
5	AB 1897	Hernandez	D	Labor	O	To Sen								
5	AB 2372	Ammiano	D	Split tax roll	O/AA	To Sen			NV	NV	N	NV		
5	AB 2604	Brown	D	Workers comp	O	DC								
5	SB 1188	Jackson	D	legal remedies	O	To Asm	N	Y						
5	SB 1270	Pavley	D	Surface mining	O	HELD								
5	SB 1351	Hill	D	Payment Cards	O	FC								
5	SB 1372	DeSaulnier	D	Tax Rates	O	FAIL								
5	SB 1446	DeSaulnier	D	Health Care	S	To Asm	Y	Y						
6	AB 2153	Gray	D	Postsecondary ed	O	To Sen								

Total bills: 51
Crossover: 26
Supported: 12
Opposed: 14
Failed: 25
Supported: 14
Opposed: 11