2020 Cal SB 1371

Chaptered, September 30, 2020

Reporter
2020 Cal ALS 370; 2020 Cal SB 1371; 2020 Cal Stats. ch. 370

CALIFORNIA ADVANCE LEGISLATIVE SERVICE > 2020 Regular Session > CHAPTER 370 > Senate Bill No. 1371

Notice

Added: Text highlighted in green
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Digest

LEGISLATIVE COUNSEL'S DIGEST

SB 1371, Committee on Judiciary. Maintenance of the codes.

Existing law directs the Legislative Counsel to advise the Legislature from time to time as to legislation necessary to maintain the codes.

This bill would make nonsubstantive changes in various provisions of law to effectuate the recommendations made by the Legislative Counsel to the Legislature.

Synopsis

An act to amend Sections 107, 152, 740, 805.8, 4052.02, 5552.1, 5616, 6400, 6787, 7071.17, 7169, 8030.6, 9882.6, 11267, 19912, 19914, 24045.78, 25503.32, 25622, 25668, and 26001 of the Business and Professions Code, to amend Sections 52.6, 53.5, 1102.2, 1102.6, 1102.6f, 1103.1, 1459.5, 1798.82, 1798.140, 1798.145, and 1946.2 of the Civil Code, to amend Sections 336a, 430.10, 699.520, and 1002.5 of, and to amend and renumber Section 349¾ of, the Code of Civil Procedure, to amend Sections 7211, 9211, 12351, and 15911.21 of the Corporations Code, to amend Sections 212.1, 215.5, 231.6, 8280, 8280.1, 8430.5, 8434.6, 8439.5, 8801, 14002, 17070.15, 17070.51, 17219, 38134, 41207.47, 41580, 42238.02, 44212, 44253.10, 44328, 44468, 45113, 45500, 46600, 47604.33, 47605, 47605.1, 47605.3, 47605.7, 47606, 47606.5, 47607, 47607.3, 47607.8, 47611.5, 47612.7, 48600, 48850, 49414.1, 51220, 51226.7, 51747.3, 52064, 52064.5 52065, 56836.40, 56477, 60630, 60641, 66014.2, 66022.5, 66025.9, 66281.7, 68120, 69617, 76004, 78042, 78300, 78401, 79020, 84750.4, 87489, and 94801.5 of the Education Code, to amend Sections 2170, 3019, 3019.5, 6000.2, 6360, 6581, 6781, and 15620 of the Elections Code, to amend Sections 1010.5 and 1038.2 of the Evidence Code, to amend Sections 3011 and 17306.1 of the Family Code, to amend Section 18027 of the Financial Code, to amend Section 2210 of the Fish and Game Code, to amend Sections 4101.3, 6046, 9221, and 29302 of the Food and Agricultural Code, to amend Sections 6253.21, 6254.35, 6259, 7603, 8586.7, 8592.20, 8654.2, 8654.3, 8654.5, 8654.7, 8654.9, 8654.10, 8669.3, 12832, 12835, 12926, 12950.1, 13070.5, 13293.5, 13957, 14463, 15600, 15820.926, 15820.946, 17581.6, 17581.7, 20683.9, 20683.91, 20825.15, 22874.9, 22944.5, 27361.4, 31631.5, 54221, 54230.5, 54237, 64502, 64623, 64625, 64626, 64636, 64650, 64652, 65039, 65302, 65583.1, 65583.2, 65584.08, 65585, 65651, 65852.2, 65913.4, 66000.5, 66013, 66300, 66452.26, 66452.27, 68085, 68651, 69614.3, 100002, 100046, 100509, and to amend the heading of Article 7 (commencing with Section 12580) of Chapter 6 of Part 2 of Division 3 of Title 2 of,

and to amend and renumber the heading of Article 12 (commencing with Section 53170) of Chapter 1 of Part 1 of Division 2 of Title 5, and to amend and renumber the heading of Title 7.9 (commencing with Section 68055) of, the Government Code, to amend Sections 1206, 1348.95, 1358.92, 1368.015, 1385.045, 1502.35, 1596.86, 1797.223, 25160, 25205.15, 39037.5, 39960, 40100.6.5, 50406, 50515.02, 50675.14, 50952, 53594, 116378, 116765, 116770, 120372, 120372.05, and 124241 of the Health and Safety Code, to amend Sections 1067.11, 1192, 10127.19, 10176.11, 10181.3, 10192.92, and 10235.45 of the Insurance Code, to amend Sections 220, 1197.1, 2750.3, 6709, and 9040 of the Labor Code, to amend Sections 55 and 412.5 of the Military and Veterans Code, to amend Sections 647, 4011.3, and 6102 of the Penal Code, to amend Section 15004 of the Probate Code, to amend Section 3502 of the Public Contract Code, to amend Sections 3201, 3202, 3205.7, 4592.5, 4630.1, 21080.27, 25402, 26011.8, 42971, 71205.3, and 75241 of the Public Resources Code, to amend Sections 216, 365.3, 387, 399.13, 399.19, 454.5, 714, 783, 854, 2892.1, 2898, 8386, 8386.3, and 105020 of the Public Utilities Code, to amend Sections 214, 4675, and 41137 of, and to amend and renumber the heading of Article 25 (commencing with Section 18910) of Chapter 3 of Part 10.2 of Division 2 of, the Revenue and Taxation Code, to amend Section 1095 of the Unemployment Insurance Code, to amend Sections 2810.1, 3065.2, 11202, and 34500 of the Vehicle Code, to amend Section 13177.5 of the Water Code, to amend Sections 148.2, 5555, 5886, 11004, 11374, 11450, 11462.015, 11462.04, 11463, 12304.4, 12306.1, 12306.16, 12309.1, 13279, 13280, 14005.18, 14182.17, 14197.7, 14413, 15204.35, 16521.8, 17600.50, 18285, and 18951 of the Welfare and Institutions Code, to amend Section 5.7 of the San Diego Unified Port District Act (Chapter 67 of the Statutes of 1962, First Extraordinary Session), to amend Section 8 of the Santa Clarita Valley Water Agency Act (Chapter 833 of the Statutes of 2017), to amend Section 69 of Chapter 51 of the Statutes of 2019, to amend Section 2 of Chapter 193 of the Statutes of 2019, to amend Section 2 of Chapter 194 of the Statutes of 2019, to amend Sections 5, 7, 8, 9, and 11 of Chapter 752 of the Statutes of 2019, and to amend Section 1 of Chapter 819 of the Statutes of 2019, relating to the maintenance of the codes.

[Approved by Governor September 30, 2020. Filed with Secretary of State September 30, 2020.]

Text

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

SECTION 1. Section 107 of the Business and Professions Code is amended to read:

107.

Pursuant to subdivision (e) of Section 4 of Article VII of the California Constitution, each board may appoint a person exempt from civil service, who shall be designated as an executive officer unless the licensing act of the particular board designates the person as a registrar, and may fix that person's salary, with the approval of the Department of Human Resources pursuant to Section 19825 of the Government Code~~, who shall be designated as an executive officer unless the licensing act of the particular board designates the person as a registrar~~.

SEC. 2. Section 152 of the Business and Professions Code is amended to read:

152.

For the purpose of administration, the reregistration and clerical work of the department is organized by the director, subject to the approval of the Governor, in such manner as the director deems necessary ~~properly~~ to properly segregate and conduct the work of the department.

SEC. 3. Section 740 of the Business and Professions Code is amended to read:

740.

For purposes of this article, the following definitions apply:

(a) "Administer" means the direct application of a drug or device to the body of a patient by injection, inhalation, ingestion, or other means.

(b) "Order" means an order entered on the chart or medical record of a patient registered in an inpatient health facility by or on the order of a prescriber.

(c) "Prescriber" means a person licensed, certified, registered, or otherwise subject to regulation pursuant to this division, or an initiative act referred to in this division, who is authorized to prescribe prescription drugs. "Prescriber" does not include ~~an~~a person licensed under the Veterinary Medicine Practice Act (Chapter 11 (commencing with Section 4800)).

SEC. 4. Section 805.8 of the Business and Professions Code is amended to read:

805.8.

(a) As used in this section, the following terms shall have the following meanings:

(1) "Agency" means the relevant state licensing agency with regulatory jurisdiction over a healing arts licensee listed in paragraph (2).

(2) "Healing arts licensee" or "licensee" means a licensee licensed under Division 2 (commencing with Section 500) or any initiative act referred to in that division. "Healing arts licensee" or "licensee" also includes a person authorized to practice medicine pursuant to Sections 2064.5, 2113, and 2168.

(3) "Health care facility" means a clinic or health facility licensed or exempt from licensure pursuant to Division 2 (commencing with Section 1200) of the Health and Safety Code.

(4) "Other entity" includes, but is not limited to, a postsecondary educational institution as defined in Section 66261.5 of the Education Code.

(5) "Sexual misconduct" means inappropriate contact or communication of a sexual nature.

(b) A health care facility or other entity that makes any arrangement under which a healing arts licensee is allowed to practice or provide care for patients shall file a report of any allegation of sexual abuse or sexual misconduct made against a healing arts licensee by a patient, if the patient or the patient's representative makes the allegation, in writing, to the agency within 15 days of receiving the written allegation of sexual abuse or sexual misconduct. An arrangement under which a licensee is allowed to practice or provide care for patients includes, but is not limited to, full staff privileges, active staff privileges, limited staff privileges, auxiliary staff privileges, provisional staff privileges, temporary staff privileges, courtesy staff privileges, locum tenens arrangements, and contractual arrangements to provide professional services, including, but not limited to, arrangements to provide outpatient services.

(c) The report provided pursuant to subdivision (b) shall be kept confidential and shall not be subject to discovery, except that the information may be reviewed as provided in subdivision (c) of Section 800 and may be disclosed in any subsequent disciplinary hearing conducted pursuant to the Administrative Procedure Act (Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code).

(d) A willful failure to file the report described in subdivision (b) shall be punishable by a fine, not to exceed one hundred thousand dollars ($100,000) per violation, that shall be paid by the health care facility or other entity subject to subdivision (b). The fine may be imposed in any civil or administrative action or proceeding brought by or on behalf of any agency having regulatory jurisdiction over the licensee regarding whom the report was or should have been filed. If the person who is designated or otherwise required to file the report under this section is a licensed physician and surgeon, the action or proceeding shall be brought by the Medical Board of California. If the person who is designated or otherwise required to file the report required under this section is a licensed doctor of podiatric medicine, the action or proceeding shall be brought by the Podiatric Medical Board of California. The fine shall be paid to that agency, but not expended until appropriated by the Legislature. A violation of

this subdivision may constitute unprofessional conduct by the licensee. A person who is alleged to have violated this subdivision may assert any defense available at law. As used in this subdivision, "willful" means a voluntary and intentional violation of a known legal duty.

(e) Except as provided in subdivision (c), any failure to file the report described in subdivision (b) ~~shall be~~is punishable by a fine, not to exceed fifty thousand dollars ($50,000) per violation, that shall be paid by the health care facility or other entity subject to subdivision (b). The fine may be imposed in any civil or administrative action or proceeding brought by or on behalf of any agency having regulatory jurisdiction over the person regarding whom the report was or should have been filed. If the person who is designated or otherwise required to file the report required under this section is a licensed physician and surgeon, the action or proceeding shall be brought by the Medical Board of California. If the person who is designated or otherwise required to file the report required under this section is a licensed doctor of podiatric medicine, the action or proceeding shall be brought by the Podiatric Medical Board of California. The fine shall be paid to that agency, but not expended until appropriated by the Legislature. The amount of the fine imposed, not exceeding fifty thousand dollars ($50,000) per violation, shall be proportional to the severity of the failure to report and shall differ based upon written findings, including whether the failure to file caused harm to a patient or created a risk to patient safety; whether any person who is designated or otherwise required by law to file the report required under this section exercised due diligence despite the failure to file or whether the person knew or should have known that a report required under this section would not be filed; whether there has been a prior failure to file a report required under this section; and whether a report was filed with another state agency or law enforcement. The amount of the fine imposed may also differ based on whether a health care facility is a small or rural hospital, as defined in Section 124840 of the Health and Safety Code.

(f) A person, including an employee or individual contracted or subcontracted to provide health care services, a health care facility, or other entity shall not incur any civil or criminal liability as a result of making a report required by this section.

(g) The agency shall investigate the circumstances underlying a report received pursuant to this section.

SEC. 5. Section 4052.02 of the Business and Professions Code is amended to read:

4052.02.

(a) Notwithstanding any other law, a pharmacist may initiate and furnish HIV preexposure prophylaxis in accordance with this section.

(b) For purposes of this section, "preexposure prophylaxis" means a fixed-dose combination of tenofovir disoproxil fumarate (TDF) (300 mg) with emtricitabine (FTC) (200 mg), or another drug or drug combination determined by the board to meet the same clinical eligibility recommendations provided in CDC guidelines.

(c) For purposes of this section, "CDC guidelines" means the "2017 Preexposure Prophylaxis for the Prevention of HIV Infection in the United States-2017 Update: A Clinical Practice Guideline," or any subsequent guidelines, published by the federal Centers for Disease Control and Prevention.

(d) Before furnishing preexposure prophylaxis to a patient, a pharmacist shall complete a training program approved by the board, in consultation with the Medical Board of California, on the use of preexposure prophylaxis and postexposure prophylaxis. The training shall include information about financial assistance programs for preexposure prophylaxis and postexposure prophylaxis, including the HIV prevention program described in Section 120972 of the Health and Safety Code. The board shall consult with the Medical Board of California as well as relevant stakeholders, including, but not limited to, the Office of AIDS, within the State Department of Public Health, on training programs that are appropriate to meet the requirements of this subdivision.

(e) A pharmacist shall furnish at least a 30-day supply, and up to a 60-day supply, of preexposure prophylaxis if all of the following conditions are met:

(1) The patient is HIV negative, as documented by a negative HIV test result obtained within the previous seven days from an HIV antigen/antibody test or antibody-only test or from a rapid, point-of-care fingerstick blood test approved by the federal Food and Drug Administration. If the patient does not provide evidence of a negative HIV test in accordance with this paragraph, the pharmacist shall order an HIV test. If the test results are not transmitted directly to the pharmacist, the pharmacist shall verify the test results to the pharmacist's satisfaction. If the patient tests positive for HIV infection, the pharmacist or person administering the test shall direct the patient to a primary care provider and provide a list of providers and clinics in the region.

(2) The patient does not report any signs or symptoms of acute HIV infection on a self-reported checklist of acute HIV infection signs and symptoms.

(3) The patient does not report taking any contraindicated medications.

(4) The pharmacist provides counseling to the patient on the ongoing use of preexposure prophylaxis, which may include education about side effects, safety during pregnancy and breastfeeding, adherence to recommended dosing, and the importance of timely testing and treatment, as applicable, for HIV, renal function, hepatitis B, hepatitis C, sexually transmitted diseases, and pregnancy for individuals of ~~child-bearing~~childbearing capacity. The pharmacist shall notify the patient that the patient must be seen by a primary care provider to receive subsequent prescriptions for preexposure prophylaxis and that a pharmacist may not furnish a 60-day supply of preexposure prophylaxis to a single patient more than once every two years.

(5) The pharmacist documents, to the extent possible, the services provided by the pharmacist in the patient's record in the record system maintained by the pharmacy. The pharmacist shall maintain records of preexposure prophylaxis furnished to each patient.

(6) The pharmacist does not furnish more than a 60-day supply of preexposure prophylaxis to a single patient more than once every two years, unless directed otherwise by a prescriber.

(7) The pharmacist notifies the patient's primary care provider that the pharmacist completed the requirements specified in this subdivision. If the patient does not have a primary care provider, or refuses consent to notify the patient's primary care provider, the pharmacist shall provide the patient a list of physicians and surgeons, clinics, or other health care service providers to contact regarding ongoing care for preexposure prophylaxis.

(f) A pharmacist initiating or furnishing preexposure prophylaxis shall not permit the person to whom the drug is furnished to waive the consultation required by the board.

(g) The board, by July 1, 2020, shall adopt emergency regulations to implement this section in accordance with CDC guidelines. The adoption of regulations pursuant to this subdivision shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. The board shall consult with the Medical Board of California in developing regulations pursuant to this subdivision.

SEC. 6. Section 5552.1 of the Business and Professions Code is amended to read:

5552.1.

(a) Pursuant to Section 144, beginning January 1, 2021, the board has the authority to obtain and receive criminal history information. The information obtained as a result of the fingerprinting shall be used in accordance with Section 11105 of the Penal Code and to determine whether the applicant is subject to denial of a license pursuant to Division 1.5 (commencing with Section 475) or Sections 5560 and 5577.

(b) As a condition of application for a license, each applicant shall furnish to the Department of Justice a full set of fingerprints for the purpose of conducting a criminal history record check and to undergo a state and federal level criminal offender record information search conducted through the Department of Justice.

(c) The board shall request from the Department of Justice subsequent arrest notification service, pursuant to Section 11105 of the Penal Code.

(d) The applicant shall pay for the reasonable regulatory costs for furnishing the fingerprints and conducting the searches.

(e) The applicant shall certify, under penalty of perjury, when applying for a license, whether the applicant's fingerprints have been furnished to the Department of Justice in compliance with this section.

(f) Failure to comply with the requirements of this section renders the application for a license incomplete, and the application shall not be considered until the applicant demonstrates compliance with all of the requirements of this section.

(g) Notwithstanding any other law, the results of any criminal offender record information request by either state or federal law enforcement authorities shall not be released by the board except in accordance with state and federal requirements.

(h) This section ~~shall apply~~applies to all applicants subject to this chapter and subdivision (i).

(i) As used in this section, the term "applicant" ~~shall be~~is limited to an initial applicant who has never been registered or licensed by the board or to an applicant for a new licensure or registration category.

(j) As a condition of petitioning the board for reinstatement of a revoked or surrendered license, an applicant shall comply with subdivision (a).

SEC. 7. Section 5616 of the Business and Professions Code is amended to read:

5616.

(a) A landscape architect shall use a written contract when contracting to provide professional services to a client pursuant to this chapter. The written contract shall be executed by the landscape architect and the client, or their representatives, prior to the landscape architect commencing work, unless the client knowingly states in writing that work may be commenced before the contract is executed. The written contract shall include, but not be limited to, all of the following:

(1) A description of the project for which the client is seeking services.

(2) A description of the services to be provided by the landscape architect to the client.

(3) A description of any basis of compensation applicable to the contract, including the total price that is required to complete the contract, and the method of payment agreed upon by both parties.

(4) A statement in at least 12-point type that reads:

> "Landscape architects are licensed by the Landscape Architects Technical Committee located at 2420 Del Paso Road, Suite 105, Sacramento, CA 95834."

(5) The name, address, and license number of the landscape architect, the name and address of the client, and project address.

(6) A description of the procedure that the landscape architect and client will use to accommodate additional services.

(7) A description of the procedure to be used by either party to terminate the contract.

(8) A description of the procedure that the landscape architect and the client will use to accommodate contract changes, including, but not limited to, changes in the description of the project, in the description of the services, or in the description of the compensation, total price, and method of payment.

(9) A statement identifying the ownership and use of instruments of service prepared by the landscape architect.

(b) This section ~~shall~~does not apply to any of the following:

(1) Professional services rendered by a landscape architect for which the client will not pay compensation.

(2) An arrangement as to the basis for compensation and manner of providing professional services implied by the fact that the landscape architect's services are of the same general kind that the landscape architect has previously rendered to, and received payment ~~for~~ from, the same client.

(3) If the client states in writing after full disclosure of this section that a written contract is not required.

(4) Professional services rendered by a landscape architect to any of the following:

(A) A landscape architect licensed under this chapter.

(B) An architect licensed under Chapter 3 (commencing with Section 5500).

(C) A professional engineer licensed under Chapter 7 (commencing with Section 6700).

(D) A contractor licensed under Chapter 9 (commencing with Section 7000).

(E) A geologist or geophysicist licensed under Chapter 12.5 (commencing with Section 7800).

(F) A professional land surveyor licensed under Chapter 15 (commencing with Section 8700).

(G) A manufacturing, mining, public utility, research and development, or other industrial corporation, if the services are provided in connection with, or incidental to, the products, systems, or services of that corporation or its affiliates.

(H) A public agency when using that public agency's written contract.

(c) As used in this section, "written contract" includes a contract that is in electronic form.

SEC. 8. Section 6400 of the Business and Professions Code is amended to read:

6400.

(a) "Unlawful detainer assistant" means any individual who for compensation renders assistance or advice in the prosecution or defense of an unlawful detainer claim or action, including any bankruptcy petition that may affect the unlawful detainer claim or action.

(b) "Unlawful detainer claim" means a proceeding, filing, or action affecting rights or liabilities of any person that arises under Chapter 4 (commencing with Section 1159) of Title 3 of Part 3 of the Code of Civil Procedure and that contemplates an adjudication by a court.

(c) "Legal document assistant" means:

(1) Any person who is not exempted under Section 6401 and who provides, or assists in providing, or offers to provide, or offers to assist in providing, for compensation, any self-help service to a member of the public who is representing themselves in a legal matter, or who holds themselves out as someone who offers that service or has that authority. This paragraph does not apply to any individual whose assistance consists merely of secretarial or receptionist services.

(2) A corporation, partnership, association, or other entity that employs or contracts with any person not exempted under Section 6401 who, as part of their responsibilities, provides, or assists in providing, or offers to provide, or offers to assist in providing, for compensation, any self-help service to a member of the public who is representing themselves in a legal matter or holds themselves out as someone who offers that service or has that authority. This paragraph does not apply to an individual whose assistance consists merely of secretarial or receptionist services.

(d) "Self-help service" means all of the following:

(1) Completing legal documents in a ministerial manner, selected by a person who is representing themselves in a legal matter, by typing or otherwise completing the documents at the person's specific direction.

(2) Providing general published factual information that has been written or approved by an attorney, pertaining to legal procedures, rights, or obligations to a person who is representing themselves in a legal matter, to assist the person in representing themselves. This service, in and of itself, ~~shall~~does not require registration as a legal document assistant.

(3) Making published legal documents available to a person who is representing themselves in a legal matter.

(4) Filing and serving legal forms and documents at the specific direction of a person who is representing themselves in a legal matter.

(e) "Compensation" means money, property, or anything else of value.

(f) A legal document assistant, including any legal document assistant employed by a partnership or corporation, shall not provide any self-help service for compensation, unless the legal document assistant is registered pursuant to Section 6402.

(g) A legal document assistant may not provide any kind of advice, explanation, opinion, or recommendation to a consumer about possible legal rights, remedies, defenses, options, selection of forms, or strategies. A legal document assistant shall complete documents only in the manner prescribed by paragraph (1) of subdivision (d).

SEC. 9. Section 6787 of the Business and Professions Code is amended to read:

6787.

A person who does any of the following is guilty of a misdemeanor:

(a) Unless the person is exempt from licensure under this chapter, practice or offer to practice civil, electrical, or mechanical engineering in this state according to the provisions of this chapter without legal authorization.

(b) Present or attempt to file as the person's own the certificate of licensure of a licensed professional engineer unless they are the person named on the certificate of licensure.

(c) Give false evidence of any kind to the board, or to any board member, in obtaining a certificate of licensure.

(d) Impersonate or use the seal, signature, or license number of a licensed professional engineer or use a false license number.

(e) Use an expired, suspended, surrendered, or revoked license.

(f) Represent themselves as, or uses the title of, a licensed or registered civil, electrical, or mechanical engineer, or any other title whereby that person could be considered as practicing or offering to practice civil, electrical, or mechanical engineering in any of its branches, unless they are correspondingly qualified by licensure as a civil, electrical, or mechanical engineer under this chapter.

(g) Unless appropriately licensed, manage, or conduct as manager, proprietor, or agent, any place of business from which civil, electrical, or mechanical engineering work is solicited, performed, or practiced, except as authorized pursuant to subdivision (e) of Section 6738 and Section 8726.1.

(h) Use the title, or any combination of that title, of "professional engineer," "licensed engineer," "registered engineer," or the branch titles specified in Section 6732, or the authority titles specified in Sections 6736 and 6736.1, or "engineer-in-training," or use any abbreviation of that title that might lead to the belief that the person is a licensed engineer, is authorized to use the titles

specified in Section 6736 or 6736.1, or holds a certificate as an engineer-in-training, without being licensed, authorized, or certified as required by this chapter.

(i) Use the title “consulting engineer” without being licensed as required by this chapter or without being authorized to use that title pursuant to legislation enacted at the 1963, 1965, or 1968 Regular Session.

(j) Violate any provision of this chapter.

SEC. 10. Section 7071.17 of the Business and Professions Code is amended to read:

7071.17.

(a) Notwithstanding any other provision of law, the board shall require, as a condition precedent to accepting an application for licensure, renewal, reinstatement, or to change officers or other personnel of record, that an applicant, previously found to have failed or refused to pay a contractor, subcontractor, consumer, materials supplier, or employee based on an unsatisfied final judgment, file or have on file with the board a bond sufficient to guarantee payment of an amount equal to the unsatisfied final judgment or judgments. The applicant shall have 90 days from the date of notification by the board to file the bond or the application shall become void and the applicant shall reapply for issuance, reinstatement, or reactivation of a license. The board may not issue, reinstate, or reactivate a license until the bond is filed with the board. The bond required by this section is in addition to the contractor’s bond. The bond shall be on file for a minimum of one year, after which the bond may be removed by submitting proof of satisfaction of all debts. The applicant may provide the board with a notarized copy of any accord, reached with any individual holding an unsatisfied final judgment, to satisfy a debt in lieu of filing the bond. The board shall include on the license application for issuance, reinstatement, or reactivation, a statement, to be made under penalty of perjury, as to whether there are any unsatisfied judgments against the applicant on behalf of contractors, subcontractors, consumers, materials suppliers, or the applicant’s employees. Notwithstanding any other provision of law, if it is found that the applicant falsified the statement then the license will be retroactively suspended to the date of issuance and the license will stay suspended until the bond, satisfaction of judgment, or notarized copy of any accord applicable under this section is filed.

(b)

(1) Notwithstanding any other provision of law, all licensees shall notify the registrar in writing of any unsatisfied final judgment imposed on the licensee. If the licensee fails to notify the registrar in writing within 90 days, the license shall be automatically suspended on the date that the registrar is informed, or is made aware of the unsatisfied final judgment.

(2) The suspension shall not be removed until proof of satisfaction of the judgment, or in lieu thereof, a notarized copy of an accord is submitted to the registrar.

(3) If the licensee notifies the registrar in writing within 90 days of the imposition of any unsatisfied final judgment, the licensee shall, as a condition to the continual maintenance of the license, file or have on file with the board a bond sufficient to guarantee payment of an amount equal to all unsatisfied judgments applicable under this section.

(4) The licensee has 90 days from the date of notification by the board to file the bond or at the end of the 90 days the license shall be automatically suspended. In lieu of filing the bond required by this section, the licensee may provide the board with a notarized copy of any accord reached with any individual holding an unsatisfied final judgment.

(c) By operation of law, failure to maintain the bond or failure to abide by the accord shall result in the automatic suspension of any license to which this section applies.

(d) A license that is suspended for failure to comply with the provisions of this section can only be reinstated when proof of satisfaction of all debts is made, or when a notarized copy of an accord has been filed as set forth under this section.

(e) This section applies only with respect to an unsatisfied final judgment that is substantially related to the construction activities of a licensee licensed under this chapter, or to the qualifications, functions, or duties of the license.

(f) Except as otherwise provided, this section ~~shall~~does not apply to an applicant or licensee when the financial obligation covered by this section has been discharged in a bankruptcy proceeding.

(g) Except as otherwise provided, the bond shall remain in full force in the amount posted until the entire debt is satisfied. If, at the time of renewal, the licensee submits proof of partial satisfaction of the financial obligations covered by this section, the board may authorize the bond to be reduced to the amount of the unsatisfied portion of the outstanding judgment. When the licensee submits proof of satisfaction of all debts, the bond requirement may be removed.

(h) The board shall take the actions required by this section upon notification by any party having knowledge of the outstanding judgment upon a showing of proof of the judgment.

(i) For the purposes of this section, the term “judgment” also includes any final arbitration award where the time to file a petition for a trial de novo or a petition to vacate or correct the arbitration award has expired, and no petition is pending.

(j)

(1) If a judgment is entered against a licensee or any personnel of record of a licensee, then a qualifying person or personnel of record of the licensee at the time of the activities on which the judgment is based shall be automatically prohibited from serving as a qualifying individual or other personnel of record on any license until the judgment is satisfied.

(2) The prohibition described in paragraph (1) shall cause the license of any other existing renewable licensed entity with any of the same personnel of record as the judgment debtor licensee or with any of the same judgment debtor personnel to be suspended until the license of the judgment debtor is reinstated, the judgment is satisfied, or until those same personnel of record disassociate themselves from the renewable licensed entity.

(k) For purposes of this section, lawful money or cashier’s check deposited pursuant to paragraph (1) of subdivision (a) of Section 995.710 of the Code of Civil Procedure, may be submitted in lieu of the bond.

(l) Notwithstanding subdivision (f), the failure of a licensee to notify the registrar of an unsatisfied final judgment in accordance with this section is cause for disciplinary action.

SEC. 11. Section 7169 of the Business and Professions Code is amended to read:

7169.

(a) The board, in collaboration with the Public Utilities Commission, shall develop and make available a “solar energy system disclosure document” or documents that provide a consumer, at a minimum, accurate, clear, and concise information regarding the installation of a solar energy system, total costs of installation, anticipated savings, the assumptions and inputs used to estimate the savings, and the implications of various financing options.

(b) On or before July 1, 2018, the board, in collaboration with the Public Utilities Commission, shall develop, and make available on its internet website the disclosure document described in subdivision (a) that a solar energy system company shall provide to a consumer prior to completion of a sale, financing, or lease of a solar energy system. The “solar energy system disclosure document” shall be printed on the front page or cover page of every solar energy contract. The “solar energy system disclosure document” shall be printed in boldface 16-point type and include the following types of primary information:

(1) The total cost and payments for the system, including financing costs.

(2) Information on how and to whom customers may provide complaints.

(3) The consumer's right to a cooling off period of three days pursuant to Section 7159 of the Business and Professions Code.

(c) At the board's discretion, other types of supporting information the board and the commission deem appropriate or useful in furthering the directive described in subdivision (a) may be included in the solar energy disclosure document following the front page or cover page, including, but not limited to:

(1) The amounts and sources of financing obtained.

(2) The calculations used by the home improvement salesperson to determine how many panels the homeowner needs to install.

(3) The calculations used by the home improvement salesperson to determine how much energy the panels will generate.

(4) Any additional monthly fees the homeowner's electric company may bill, any turn-on charges, and any fees added for the use of an internet monitoring system of the panels or inverters.

(5) The terms and conditions of any guaranteed rebate.

(6) The final contract price, without the inclusion of possible rebates.

(7) The solar energy system company's contractor's license number.

(8) The impacts of solar energy system installations not performed to code.

(9) Types of solar energy system malfunctions.

(10) Information about the difference between a solar energy system lease and a solar energy system purchase.

(11) The impacts that the financing options, lease agreement terms, or contract terms will have on the sale of the consumer's home, including any balloon payments or solar energy system relocation that may be required if the contract is not assigned to the new owner of the home.

(12) A calculator that calculates performance of solar projects to provide solar customers the solar power system's projected output, which may include an expected performance-based ~~buydown~~buy-down calculator.

(d) A contract for sale, financing, or lease of a solar energy system and the solar energy system disclosure document shall be written in the same language as was principally used in the oral sales presentation made to the consumer or the print or digital marketing material given to the consumer.

(e) For solar energy systems utilizing Property Assessed Clean Energy (PACE) financing, the Financing Estimate and Disclosure form required by subdivision (b) of Section 5898.17 of the Streets and Highways Code shall satisfy the requirements of this section with respect to the financing contract only, but not, however, with respect to the underlying contract for installation of the solar energy system.

(f) The board shall post the PACE Financing Estimate and Disclosure form required by subdivision (b) of Section 5898.17 of the Streets and Highways Code on its internet website.

(g) For purposes of this section, "solar energy system" means a solar energy device to be installed on a residential building that has the primary purpose of providing for the collection and distribution of solar energy for the generation of electricity, that produces at least one kW, and not more than five MW, alternating current rated peak electricity, and that meets or exceeds the eligibility criteria established pursuant to Section 25782 of the Public Resources Code.

(h) This section does not apply to a solar energy system that is installed as a standard feature on new construction.

SEC. 12. Section 8030.6 of the Business and Professions Code is amended to read:

8030.6.

(a) The board shall disburse funds from the Transcript Reimbursement Fund for the costs, exclusive of per diem charges by official reporters, of preparing either an original transcript and one copy thereof, or where appropriate, a copy of the transcript, of court or deposition proceedings, or both, incurred as a contractual obligation between the shorthand reporter and the applicant, for litigation conducted in California. If there is no deposition transcript, the board may reimburse the applicant or the certified shorthand reporter designated in the application for per diem costs. The rate of per diem for depositions shall not exceed seventy-five dollars ($75) for one-half day, or one hundred twenty-five dollars ($125) for a full day. If a transcript is ordered within one year of the date of the deposition, but subsequent to the per diem having been reimbursed by the Transcript Reimbursement Fund, the amount of the per diem shall be deducted from the regular customary charges for a transcript. Reimbursement may be obtained ~~through~~pursuant to the following ~~procedures~~provisions:

(a)(1) The applicant or certified shorthand reporter shall promptly submit to the board the certified shorthand reporter's invoice for transcripts together with the appropriate documentation as is required by this chapter.

(b)(2) Except as provided in ~~subdivision (c)~~paragraph (3), the board shall promptly determine if the applicant or the certified shorthand reporter is entitled to reimbursement under this chapter and shall make payment as follows:

(1)(A) Regular customary charges for preparation of original deposition transcripts and one copy thereof, or a copy of the transcripts.

(2)(B) Regular customary charges for expedited deposition transcripts up to a maximum of two thousand five hundred dollars ($2,500) per case.

(3)(C) Regular customary charges for the preparation of original transcripts and one copy thereof, or a copy of transcripts of court proceedings.

(4)(D) Regular customary charges for expedited or daily charges for preparation of original transcripts and one copy thereof or a copy of transcripts of court proceedings.

(5)(E) The charges shall not include notary or handling fees. The charges may include actual shipping costs and exhibits, except that the cost of exhibits may not exceed thirty-five cents ($0.35) each or a total of thirty-five dollars ($35) per transcript.

(c)(3) The maximum amount reimbursable by the fund under ~~subdivision (b)~~paragraph (2) shall not exceed twenty thousand dollars ($20,000) per case per year.

(d)(4) A vexatious litigant shall be ineligible to receive funds from the Transcript Reimbursement Fund. However, a vexatious litigant may become eligible to receive funds if the vexatious litigant is no longer subject to the provisions of Title 3A of Part 2 of the Code of Civil Procedure pursuant to Section 391.8 of Code of Civil Procedure Section 391.8 of Code of Civil Procedure.

(e)(5) Total disbursements to cover the costs of providing transcripts to all applicants appearing pro se pursuant to this section shall not exceed seventy-five thousand dollars ($75,000) annually and shall not exceed one thousand five hundred dollars ($1,500) per case.

(f)(6) If entitled, and funds are available, the board shall disburse the appropriate sum to the applicant or the certified shorthand reporter when the documentation described in Section 8030.8 accompanies the application. A notice shall be sent to the recipient requiring the recipient to file a notice with the court in which the action is pending stating the sum of reimbursement paid pursuant to this section. The notice filed with the court shall also state that if the sum is subsequently included in any award of costs made in the action, that the sum is to be ordered refunded by the applicant to the Transcript Reimbursement Fund whenever the sum is actually recovered as costs. The court shall not consider whether payment has been made from the Transcript Reimbursement Fund in determining the appropriateness of any award of costs to the parties. The board shall also notify the applicant that the reimbursed sum has been paid to the certified shorthand reporter and

shall notify the applicant of the duty to refund any of the sum actually recovered as costs in the action.

(g)(7) If not entitled, the board shall return a copy of the invoice to the applicant and the designated certified shorthand reporter together with a notice stating the grounds for denial.

(h)(8) The board shall complete its actions under this section within 30 days of receipt of the invoice and all required documentation, including a completed application.

(i)(9) Applications for reimbursements from the fund shall be filed on a first-come-first-served basis.

(j)(10) Applications for reimbursement that cannot be paid from the fund due to insufficiency of the fund for that fiscal year shall be held over until the next fiscal year to be paid out of the renewed fund. Applications held over shall be given a priority standing in the next fiscal year.

(k)(b) This section shall remain in effect only until January 1, 2024, and as of that date is repealed.

SEC. 13. Section 9882.6 of the Business and Professions Code is amended to read:

9882.6.

(a) There is in the department an enforcement program that shall investigate violations of this chapter and the Motor Vehicle Inspection and Maintenance Program (Chapter 5 (commencing with Section 44000) of Part 5 of Division 2 of the Health and Safety Code) and any regulations adopted thereunder.

(b)

(1) When purchasing undercover vehicles to be used for evidentiary purposes as part of the investigation, the department may purchase motor vehicles of various makes, models, and condition. These acquisitions shall be exempt from the following requirements:

(A) Chapter 5.5 (commencing with Section 8350) of Division 1 of Title 2 of the Government Code.

(B) Section 12990 of the Government Code and any applicable regulations promulgated thereunder.

(C) Subdivision (a) of Section 13332.09 of the Government Code.

(D) Section 14841 of the Government Code and subdivision (d) of Section 999.5 of the Military and Veterans Code.

(E) Sections 2010, 10286.1, 10295.1, 10295.3, 10295.35, 10296, and 12205 and Article 13 (commencing with Section 10475) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code.

(F) Section 42480 of the Public Resources Code.

(2) After purchase, the department may prepare the vehicle for use in an investigation by disabling, modifying, or otherwise changing the vehicle's emission control system components or any other part or parts of the vehicle. To complete the investigation, the department may purchase or attempt to purchase repairs, services, or parts from those entities licensed or registered by the department. The funds for the preparation and purchases shall be not subject to the monetary limit specified in Section 16404 of the Government Code, but the department shall comply with all other provisions of that section. The department shall implement the safeguards necessary to ensure the proper use and disbursement of funds utilized pursuant to this section. These expenses may be paid out of the Consumer Affairs Fund established pursuant to Section 204.

(3) Vehicles acquired pursuant to this subdivision shall be exempt from requirements established pursuant to Chapter 8.3 (commencing with Section 25722) of Division 15 of the Public Resources Code.

(4) The department shall maintain an inventory of these vehicles and provide semiannual fleet reports to the Department of General Services including, but not limited to, the vehicle's identification number, equipment number, and acquisition and disposal information.

(5) Records associated with these vehicles ~~shall be~~are exempt from disclosure pursuant to the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

SEC. 14. Section 11267 of the Business and Professions Code is amended to read:

11267.

(a) The time-share instruments shall require the use of a managing entity for the time-share plan or component site pursuant to a written management agreement that shall include all of the following provisions:

(1) Delegation of authority to the managing entity to carry out the duties and obligations of the association or the developer to the time-share interest owners.

(2) Authority of the managing entity to use subagents, if applicable.

(3) A term of not more than five years with automatic renewals for successive three-year periods after expiration of the first term unless the association by the vote or written assent of a majority of the voting power residing in members other than the developer determines not to renew the contract and gives appropriate notice of that determination. However, in those time-share plans where the association is controlled by owners other than the developer, the management agreement shall not be subject to the term limitations set forth in this section, and any longer term shall not be grounds for denial of a public report, unless the longer term of the management contract is the result of the developer exercising control.

(4) Termination for cause at any time by the governing body of the association. If the single site time-share plan or the component site of a multisite time-share plan is located within the state, then that termination provision shall include a provision for arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association or another third-party arbitration organization selected by the parties and in accordance with Title 9 (commencing with Section 1280) of Part 3 of the Code of Civil Procedureif requested by or on behalf of the managing entity.

(5) Not less than 90 days' written notice to the association of the intention of the managing entity to resign.

(6) Enumeration of the powers and duties of the managing entity in the operation of the time-share plan and the maintenance of the accommodations comprising the time-share plan.

(7) Compensation to be paid to the managing entity.

(8) Records to be maintained by the managing entity.

(9) A requirement that the managing entity provide a policy for fidelity insurance or bond for the activities of the managing entity, payable to the association that shall be in an amount no less than the sum of the largest amount of funds expected to be held or controlled by the managing entity at any time during the year, pursuant to the budget. The commissioner may provide a reduction in the insurance policy or bond amounts required by this paragraph.

(10) Errors and omissions insurance coverage for the managing entity, if available.

(11) Delineation of the authority of the managing entity and persons authorized by the managing entity to enter into accommodations of the time-share plan for the purpose of cleaning, maid service, maintenance and repair, including emergency repairs, and for the purpose of abating a nuisance or dangerous, unlawful, or prohibited activity being conducted in the accommodation.

(12) Description of the duties of the managing entity, including, but not limited to, the following:

(A) Collection of all assessments as provided in the time-share instruments.

(B) Maintenance of all books and records concerning the time-share plan.

(C) Scheduling occupancy of accommodations, when purchasers are not entitled to use specific time-share periods, so that all purchasers will be provided the opportunity for use and possession of the accommodations of the time-share plan, that they have purchased.

(D) Providing for the annual meeting of the association of owners.

(E) Performing any other functions and duties related to the maintenance of the accommodations or that are required by the time-share instrument.

(b) Any written management agreement in existence as of the effective date of this chapter shall not be subject to the term limitations set forth above.

(c) For single site time-share plans and component sites of a multisite time-share plan located outside of the state, the time-share instruments shall include the subject matter set forth in subdivision (a). The time-share instruments shall be in compliance with the applicable laws of the state or jurisdiction in which the time-share property or component site is located, and if a conflict exists between laws of the situs state and the requirements set forth in this section, the law of the situs state shall control. If the time-share instruments provide for the matters contained in subdivision (a), the time-share instruments shall be deemed to be in compliance with the requirements of subdivision (a) and the developer shall not be required to make revisions in order to comply with subdivision (a) and this subdivision.

SEC. 15. Section 19912 of the Business and Professions Code is amended to read:

19912.

(a)

(1) A person shall not be employed as a gambling enterprise employee, or serve as an independent agent, except as provided in paragraph (2), (3), or (4), unless the person is the holder of one of the following:

(A) A valid work permit issued in accordance with the applicable ordinance or regulations of the county, city, or city and county in which the person's duties are performed.

(B) A work permit issued by the commission pursuant to regulations adopted by the commission for the issuance and renewal of work permits. A work permit issued by the commission shall be valid for two years.

(2) An independent agent is not required to hold a work permit if the independent agent is not a resident of this state and has registered with the department in accordance with regulations.

(3) A person whose job duties are not supervisory, not related to the operation or administration of gambling, and who does not perform employment duties in the area where gambling is conducted, may begin working as a gambling enterprise employee after applying for a work permit provided that the person wears a temporary badge on their outermost garment at chest level with their name, picture, and the words "Non-Gaming Employee, Work Permit Pending." Except as provided in paragraph (4), after the person has received a work permit, the person many perform any duties for which a work permit is required. If the person is denied a work permit, the person shall not work as a gambling enterprise employee in any gaming or nongaming job.

(4) A person who is 18 through 20 years of age may be employed without a work permit and only in a position that is not supervisory, not related to the operation or administration of gambling, and not allowed to perform duties in an area in which gambling is conducted, until the person reaches 21 years of age, if the person wears a badge on their outermost garment at chest level with the words "Non-Gaming Employee: Under 21." The badge shall have a different background color than the badges worn by other gambling enterprise employees.

(b) Except as provided in this section, a work permit shall not be issued by the commission or by any city, county, or city and county to any person who would be disqualified from holding a state gambling license for the reasons specified in subdivisions (a) to ~~(f)~~(g), inclusive, of Section 19859.

(c) The department may object to the issuance of a work permit by a city, county, or city and county for any cause specified under this chapter deemed reasonable by the department, and if the department objects to issuance of a work permit, the work permit issued by a city, county, or city and county shall be denied.

(1) The commission shall adopt regulations specifying particular grounds for objection to issuance of, or refusal to issue, a work permit.

(2) The ordinance of any city, county, or city and county relating to issuance of work permits shall permit the department to object to the issuance of any permit.

(3) Any person whose application for a work permit has been denied because of an objection by the department may apply to the commission for an evidentiary hearing in accordance with regulations.

(d) Application for a work permit for use in any jurisdiction where a locally issued work permit is not required by the licensing authority of a city, county, or city and county shall be made to the department, and may be granted or denied by the commission for any cause specified under this chapter.

(1) If the commission denies the application, it shall include in its notice of denial a statement of facts upon which it relied in denying the application.

(2) Upon receipt of an application for a work permit, the commission may issue a temporary work permit for a period specified by the commission, pending completion of the background investigation by the department and official action by the commission with respect to the work permit application.

(e) An order of the commission denying an application for, or placing restrictions or conditions on, a work permit, including an order declining to issue a work permit following review pursuant to paragraph (3) of subdivision (c), may be reviewed in accordance with subdivision (e) of Section 19870.

SEC. 16. Section 19914 of the Business and Professions Code is amended to read:

19914.

(a) The commission may revoke a work permit or, if issued by the licensing authority of a city, county, or city and county, notify the authority to revoke it, and the licensing authority shall revoke it, if the commission finds, after a hearing, that a gambling enterprise employee or independent agent has failed to disclose, misstated, or otherwise misled the department or the commission with respect to any fact contained in any application for a work permit, or if the commission finds that the employee or independent agent, subsequent to being issued a work permit, has done any of the following:

(1) Committed, attempted, or conspired to do any acts prohibited by this chapter.

(2) Engaged in any dishonest, fraudulent, or unfairly deceptive activities in connection with controlled gambling, or knowingly possessed or permitted to remain in or upon any premises any cards, dice, mechanical devices, or any other cheating device.

(3) Concealed or refused to disclose any material fact in any investigation by the department.

(4) Committed, attempted, or conspired to commit, any embezzlement or larceny against a gambling licensee or upon the premises of a gambling establishment.

(5) Been convicted in any jurisdiction of any offense involving or relating to gambling.

(6) Accepted employment without prior commission approval in a position for which the employee or independent agent could be required to be licensed under this chapter after having been denied a license or after failing to apply for licensing when requested to do so by the commission.

(7) Been refused the issuance of any license, permit, or approval to engage in or be involved with gambling or parimutuel wagering in any jurisdiction, or had the license, permit, or approval revoked or suspended.

(8) Been prohibited under color of governmental authority from being present upon the premises of any licensed gambling establishment or any establishment where parimutuel wagering is conducted, for any reason relating to improper gambling activities or any illegal act.

(9) Been convicted of any felony.

(b) The commission shall revoke a work permit if it finds, after hearing, that the holder thereof would be disqualified from holding a state gambling license for the reasons specified in subdivision ~~(e) or (f)~~(f) or (g) of Section 19859.

(c) ~~Nothing in~~ This section shall not be construed to limit any powers of the commission with respect to licensing.

SEC. 17. Section 24045.78 of the Business and Professions Code is amended to read:

24045.78.

(a) The department may issue a special on-sale general license to a nonprofit arts foundation operating within a former church that is over 100 years old, on the National Register of Historic Places, and is located in designated Landmark No. 120 by the City and County of San Francisco, and is exempt from the payment of income taxes under Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code.

(b) The special on-sale general license shall permit sales, service, and consumption of beer, wine, and distilled spirits on the licensed premises. Any special on-sale general license issued pursuant to this section shall not be subject to the limitations provided by Section 23816 and shall not be required to be operated as a bona fide public eating place.

(c)

(1) The fee for the original special on-sale general license shall be the same as that specified in Section 23954.5 for an original on-sale general license.

(2) The annual license fee for the special on-sale general license shall be the same ~~of~~ as that for an on-sale general license.

SEC. 18. Section 25503.32 of the Business and Professions Code is amended to read:

25503.32.

(a) Notwithstanding Sections 25500 and 25503, a beer manufacturer, winegrower, rectifier, distilled spirits manufacturer, craft distiller, or a distilled spirits manufacturer's agent may purchase advertising space and time in connection with an on-sale retail licensed premises, if all the following conditions are met:

(1) The on-sale retail licensed premises is operated as an integral part of an opera house that was constructed in 1880, is listed in the National Register of Historic Places, and is located in the City of Napa.

(2) The administrator of the opera house is a nonprofit charitable corporation or association that is exempt from the payment of income taxes under the Internal Revenue Code of the United States and Chapter 4 (commencing with Section 23701) of Part 11 of Division 2 of the Revenue and Taxation Code.

(3) The advertising space and time is purchased only in connection with specific events that are conducted by and for the benefit of the nonprofit charitable corporation or association that administers the opera house and that are open to the public.

(4) All payments for the purchase of advertising space and time shall be made to the nonprofit charitable corporation or association that administers the opera house. Payments shall not be made, directly or indirectly, to the on-sale retail licensee.

(5)

(A) Except as provided in subparagraph (B), purchased advertising space and time shall not promote or be for the benefit of the on-sale retail licensee.

(B) Purchased advertising space and time may identify the on-sale retail licensed premises for purposes of identifying the venue at which the event is being held. This identification shall be relatively inconspicuous in connection with the advertisement as a whole.

(6) An agreement to purchase advertising space and time shall not require, directly or indirectly, the purchase or sale of the advertiser's products by the on-sale retail licensee. The on-sale retail licensee shall offer for sale, in a bona fide manner, alcoholic beverages manufactured, produced, or distributed by competing licensed beer manufacturers, winegrowers, rectifiers, distilled spirits manufacturers, craft distillers, or distilled spirits manufacturer's agents.

(b) Advertising space and time purchased pursuant to this section may be included in printed programs for the specific event and in announcements made during the event, as well as any internet, social media, or other media promotion of the event. The advertising may also be placed on or in the on-sale retail licensed premises, or on or in unlicensed areas within the opera house operated by the on-sale retail licensee, only during the time the specific event is taking place.

(c) The Legislature finds that it is necessary and proper to require a separation between manufacturing interests, wholesale interests, and retail interests in the production and distribution of alcoholic beverages in order to prevent suppliers from dominating local markets through vertical integration and to prevent excessive sales of alcoholic beverages produced by overly aggressive marketing techniques. The Legislature further finds that the exceptions established by this section to the general prohibition against tied interests must be limited to their express terms so as not to undermine the general prohibition, and intends that this section be construed accordingly.

SEC. 19. Section 25622 of the Business and Professions Code is amended to read:

25622.

(a) Beer to which caffeine has been directly added as a separate ingredient shall not be imported into this state, produced, manufactured, or distributed within this state, or sold by a licensed retailer within this state.

(b) The department may require licensees to submit product formulas as it determines to be necessary to implement and enforce this section. Any information required to be provided by any licensee to the department pursuant to this section shall be considered confidential and corporate proprietary information. This information shall not be subject to disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section ~~Section 6520~~6250) of Division 7 of Title 1 of the Government Code).

SEC. 20. Section 25668 of the Business and Professions Code is amended to read:

25668.

(a) A qualified student may taste an alcoholic beverage, and both the student and the qualified academic institution in which the student is enrolled shall not be subject to criminal prosecution under subdivision (a) of Section 25658 and subdivision (a) of Section 25662, if all of the following criteria are met:

(1) The qualified student tastes the alcoholic beverage while enrolled in a qualified academic institution.

(2) The qualified academic institution has established an ~~Associate's degree or Bachelor's~~associate's degree or bachelor's degree program in any of the following:

(A) Hotel management.

(B) Culinary arts.

(C) Enology or brewing that is designed to train industry professionals in the production of wine or beer.

(3) The qualified student tastes the alcoholic beverage for educational purposes as part of the instruction in a course required for an ~~Associate's degree or Bachelor's~~associate's degree or bachelor's degree.

(4) The alcoholic beverage remains in the control of an authorized instructor of the qualified academic institution who is at least 21 years of age.

(b) ~~Nothing in~~ This section shall not be construed to allow a student under 21 years of age to receive an alcoholic beverage unless it is delivered as part of the student's curriculum requirements.

(c) A license or permit is not required to be held by a qualified academic institution engaging in the activities authorized by this section, provided an extra fee or charge is not imposed for the alcoholic beverages tasted.

(d) For the purposes of this section, the following terms have the following meanings:

(1) "Qualified academic institution" means a public college or university accredited by a commission recognized by the United States Department of Education.

(2) "Qualified student" means a student enrolled in a qualified academic institution who is at least 18 years of age.

(3) "Taste" means to draw an alcoholic beverage into the mouth, but does not include swallowing or otherwise consuming the alcoholic beverage.

SEC. 21. Section 26001 of the Business and Professions Code is amended to read:

26001.

For purposes of this division, the following definitions apply:

(a) "A-license" means a state license issued under this division for cannabis or cannabis products that are intended for adults who are 21 years of age and older and who do not possess a physician's recommendation.

(b) "A-licensee" means any person holding a license under this division for cannabis or cannabis products that are intended for adults who are 21 years of age and older and who do not possess a physician's recommendation.

(c) "Applicant" means an owner applying for a state license pursuant to this division.

(d) "Batch" means a specific quantity of homogeneous cannabis or cannabis product that is one of the following types:

(1) Harvest batch. "Harvest batch" means a specifically identified quantity of dried flower or trim, leaves, and other cannabis plant matter that is uniform in strain, harvested at the same time, and, if applicable, cultivated using the same pesticides and other agricultural chemicals~~, and harvested at the same time~~.

(2) Manufactured cannabis batch. "Manufactured cannabis batch" means either of the following:

(A) An amount of cannabis concentrate or extract that is produced in one production cycle using the same extraction methods and standard operating procedures.

(B) An amount of a type of manufactured cannabis produced in one production cycle using the same formulation and standard operating procedures.

(e) "Bureau" means the Bureau of Cannabis Control within the Department of Consumer Affairs, formerly named the Bureau of Marijuana Control, the Bureau of Medical Cannabis Regulation, and the Bureau of Medical Marijuana Regulation.

(f) "Cannabis" means all parts of the plant Cannabis sativa Linnaeus, Cannabis indica, or Cannabis ruderalis, whether growing or not; the seeds thereof; the resin, whether crude or purified, extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin. "Cannabis" also means the separated resin, whether crude or purified, obtained from cannabis. "Cannabis" does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. For the purpose of this division, "cannabis" does not mean "industrial hemp" as defined by Section 11018.5 of the Health and Safety Code.

(g) "Cannabis accessories" has the same meaning as in Section 11018.2 of the Health and Safety Code.

(h) "Cannabis concentrate" means cannabis that has undergone a process to concentrate one or more active cannabinoids, thereby increasing the product's potency. Resin from granular trichomes from a cannabis plant is a concentrate for purposes of this division. A cannabis concentrate is not considered food, as defined by Section 109935 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.

(i) "Cannabis products" has the same meaning as in Section 11018.1 of the Health and Safety Code.

(j) "Child resistant" means designed or constructed to be significantly difficult for children under five years of age to open, and not difficult for normal adults to use properly.

(k) "Commercial cannabis activity" includes the cultivation, possession, manufacture, distribution, processing, storing, laboratory testing, packaging, labeling, transportation, delivery, or sale of cannabis and cannabis products as provided for in this division.

(l) "Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis.

(m) "Cultivation site" means a location where cannabis is planted, grown, harvested, dried, cured, graded, or trimmed, or a location where any combination of those activities occurs.

(n) "Customer" means a natural person 21 years of age or older or a natural person 18 years of age or older who possesses a physician's recommendation, or a primary caregiver.

(o) "Day care center" has the same meaning as in Section 1596.76 of the Health and Safety Code.

(p) "Delivery" means the commercial transfer of cannabis or cannabis products to a customer. "Delivery" also includes the use by a retailer of any technology platform.

(q) "Director" means the Director of Consumer Affairs.

(r) "Distribution" means the procurement, sale, and transport of cannabis and cannabis products between licensees.

(s) "Dried flower" means all dead cannabis that has been harvested, dried, cured, or otherwise processed, excluding leaves and stems.

(t) "Edible cannabis product" means a cannabis product that is intended to be used, in whole or in part, for human consumption, including, but not limited to, chewing gum, but excluding products set forth in Division 15 (commencing with Section 32501) of the Food and Agricultural Code. An edible

cannabis product is not considered food, as defined by Section 109935 of the Health and Safety Code, or a drug, as defined by Section 109925 of the Health and Safety Code.

(u) "Fund" means the Cannabis Control Fund established pursuant to Section 26210.

(v) "Kind" means applicable type or designation regarding a particular cannabis variant, origin, or product type, including, but not limited to, strain name, trademark, or production area designation.

(w) "Labeling" means any label or other written, printed, or graphic matter upon a cannabis product, upon its container or wrapper, or that accompanies any cannabis product.

(x) "Labor peace agreement" means an agreement between a licensee and any bona fide labor organization that, at a minimum, protects the state's proprietary interests by prohibiting labor organizations and members from engaging in picketing, work stoppages, boycotts, and any other economic interference with the applicant's business. This agreement means that the applicant has agreed not to disrupt efforts by the bona fide labor organization to communicate with, and attempt to organize and represent, the applicant's employees. The agreement shall provide a bona fide labor organization access at reasonable times to areas in which the applicant's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under state law, and terms and conditions of employment. This type of agreement shall not mandate a particular method of election or certification of the bona fide labor organization.

(y) "License" means a state license issued under this division, and includes both an A-license and an M-license, as well as a testing laboratory license.

(z) "Licensee" means any person holding a license under this division, regardless of whether the license held is an A-license or an M-license, and includes the holder of a testing laboratory license.

(aa) "Licensing authority" means the state agency responsible for the issuance, renewal, or reinstatement of the license, or the state agency authorized to take disciplinary action against the licensee.

(ab) "Live plants" means living cannabis flowers and plants, including seeds, immature plants, and vegetative stage plants.

(ac) "Local jurisdiction" means a city, county, or city and county.

(ad) "Lot" means a batch or a specifically identified portion of a batch.

(ae) "M-license" means a state license issued under this division for commercial cannabis activity involving medicinal cannabis.

(af) "M-licensee" means any person holding a license under this division for commercial cannabis activity involving medicinal cannabis.

(ag) "Manufacture" means to compound, blend, extract, infuse, or otherwise make or prepare a cannabis product.

(ah) "Manufacturer" means a licensee that conducts the production, preparation, propagation, or compounding of cannabis or cannabis products either directly or indirectly or by extraction methods, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis at a fixed location that packages or repackages cannabis or cannabis products or labels or relabels its container.

(ai)

(1) "Medicinal cannabis" or "medicinal cannabis product" means cannabis or a cannabis product, respectively, intended to be sold or donated for use pursuant to the Compassionate Use Act of 1996 (Proposition 215), found in Section 11362.5 of the Health and Safety Code, by a medicinal cannabis patient in California who possesses a physician's recommendation, or in compliance with any compassionate use, equity, or other similar program administered by a local jurisdiction.

(2) The amendments made to this subdivision by the act adding this paragraph shall become operative upon completion of the necessary changes to the track and trace program in order to implement the act adding this paragraph, as determined by the Department of Food and Agriculture, or on March 1, 2020, whichever occurs first.

(aj) "Nursery" means a licensee that produces only clones, immature plants, seeds, and other agricultural products used specifically for the propagation and cultivation of cannabis.

(ak) "Operation" means any act for which licensure is required under the provisions of this division, or any commercial transfer of cannabis or cannabis products.

(al) "Owner" means any of the following:

(1) A person with an aggregate ownership interest of 20 percent or more in the person applying for a license or a licensee, unless the interest is solely a security, lien, or encumbrance.

(2) The chief executive officer of a nonprofit or other entity.

(3) A member of the board of directors of a nonprofit.

(4) An individual who will be participating in the direction, control, or management of the person applying for a license.

(am) "Package" means any container or receptacle used for holding cannabis or cannabis products.

(an) "Person" includes any individual, firm, partnership, joint venture, association, corporation, limited liability company, estate, trust, business trust, receiver, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular.

(ao) "Physician's recommendation" means a recommendation by a physician and surgeon that a patient use cannabis provided in accordance with the Compassionate Use Act of 1996 (Proposition 215), found at Section 11362.5 of the Health and Safety Code.

(ap) "Premises" means the designated structure or structures and land specified in the application that is owned, leased, or otherwise held under the control of the applicant or licensee where the commercial cannabis activity will be or is conducted. The premises shall be a contiguous area and shall only be occupied by one licensee.

(aq) "Primary caregiver" has the same meaning as in Section 11362.7 of the Health and Safety Code.

(ar) "Purchaser" means the customer who is engaged in a transaction with a licensee for purposes of obtaining cannabis or cannabis products.

(as) "Sell," "sale," and "to sell" include any transaction whereby, for any consideration, title to cannabis or cannabis products is transferred from one person to another, and includes the delivery of cannabis or cannabis products pursuant to an order placed for the purchase of the same and soliciting or receiving an order for the same, but does not include the return of cannabis or cannabis products by a licensee to the licensee from whom the cannabis or cannabis product was purchased.

(at) "Testing laboratory" means a laboratory, facility, or entity in the state that offers or performs tests of cannabis or cannabis products and that is both of the following:

(1) Accredited by an accrediting body that is independent from all other persons involved in commercial cannabis activity in the state.

(2) Licensed by the bureau.

(au) "Unique identifier" means an alphanumeric code or designation used for reference to a specific plant on a licensed premises and any cannabis or cannabis product derived or manufactured from that plant.

(av) "Youth center" has the same meaning as in Section 11353.1 of the Health and Safety Code.

SEC. 22. Section 52.6 of the Civil Code is amended to read:

52.6.

(a) Each of the following businesses and other establishments shall, upon the availability of the model notice described in subdivision (d), post a notice that complies with the requirements of this section in a conspicuous place near the public entrance of the establishment or in another conspicuous location in clear view of the public and employees where similar notices are customarily posted:

(1) On-sale general public premises licensees under the Alcoholic Beverage Control Act (Division 9 (commencing with Section 23000) of the Business and Professions Code).

(2) Adult or sexually oriented businesses, as defined in subdivision (a) of Section 318.5 of the Penal Code.

(3) Primary airports, as defined in Section 47102(16) of Title 49 of the United States Code.

(4) Intercity passenger rail or light rail stations.

(5) Bus stations.

(6) Truck stops. For purposes of this section, “truck stop” means a privately owned and operated facility that provides food, fuel, shower or other sanitary facilities, and lawful overnight truck parking.

(7) Emergency rooms within general acute care hospitals.

(8) Urgent care centers.

(9) Farm labor contractors, as defined in subdivision (b) of Section 1682 of the Labor Code.

(10) Privately operated job recruitment centers.

(11) Roadside rest areas.

(12) Businesses or establishments that offer massage or bodywork services for compensation and are not described in paragraph (1) of subdivision (b) of Section 4612 of the Business and Professions Code.

(13) Hotels, motels, and bed and breakfast inns, as defined in subdivision (b) of Section 24045.12 of the Business and Professions Code, not including personal residences.

(b) The notice to be posted pursuant to subdivision (a) shall be at least 8½ inches by 11 inches in size, written in a 16-point font, and shall state the following:

“If you or someone you know is being forced to engage in any activity and cannot leave—whether it is commercial sex, housework, farm work, construction, factory, retail, or restaurant work, or any other activity—text 233-733 (Be Free) or call the National Human Trafficking Hotline at

1-888-373-7888

or the California Coalition to Abolish Slavery and Trafficking (CAST) at

1-888-KEY-2-FRE(EDOM)

or

1-888-539-2373

to access help and services.

Victims of slavery and human trafficking are protected under United States and California law.

The hotlines are:

* Available 24 hours a day, 7 days a week.

* Toll-free.

* Operated by nonprofit, nongovernmental organizations.

* Anonymous and confidential.

* Accessible in more than 160 languages.

* Able to provide help, referral to services, training, and general information."

(c) The notice to be posted pursuant to subdivision (a) shall be printed in English, Spanish, and in one other language that is the most widely spoken language in the county where the establishment is located and for which translation is mandated by the federal Voting Rights Act ~~(42 U.S.C. Sec. 1973~~of 1965 (52 U.S.C. Sec. 10301 et seq.), as applicable. This section does not require a business or other establishment in a county where a language other than English or Spanish is the most widely spoken language to print the notice in more than one language in addition to English and Spanish.

(d)

(1) On or before April 1, 2013, the Department of Justice shall develop a model notice that complies with the requirements of this section and make the model notice available for download on the department's internet website.

(2) On or before January 1, 2019, the Department of Justice shall revise and update the model notice to comply with the requirements of this section and make the updated model notice available for download on the department's internet website. A business or establishment required to post the model notice shall not be required to post the updated model notice until on and after January 1, 2019.

(e) On or before January 1, 2021, a business or other establishment that operates a facility described in paragraph (4) or (5) of subdivision (a) shall provide at least 20 minutes of training to its new and existing employees who may interact with, or come into contact with, a victim of human trafficking or who are likely to receive, in the course of their employment, a report from another employee about suspected human trafficking, in recognizing the signs of human trafficking and how to report those signs to the appropriate law enforcement agency.

(f) The employee training pursuant to subdivision (e) shall include, but not be limited to, all of the following:

(1) The definition of human trafficking, including sex trafficking and labor trafficking.

(2) Myths and misconceptions about human trafficking.

(3) Physical and mental signs to be aware of that may indicate that human trafficking is occurring.

(4) Guidance on how to identify individuals who are most at risk for human trafficking.

(5) Guidance on how to report human trafficking, including, but not limited to, national hotlines (1-888-373-7888 and text line 233733) and contact information for local law enforcement agencies that an employee may use to make a confidential report.

(6) Protocols for reporting human trafficking when on the job.

(g)

(1) The human trafficking employee training pursuant to subdivision (e) may include, but shall not be limited to, information and material utilized in training Santa Clara County Valley ~~Transit~~Transportation Authority employees, private nonprofit organizations that represent the interests of human trafficking victims, and the Department of Justice.

(2) The failure to report human trafficking by an employee shall not, by itself, result in the liability of the business or other establishment that operates a facility described in paragraph (4) or (5) of subdivision (a) or of any other person or entity.

(h) A business or establishment that fails to comply with the requirements of this section is liable for a civil penalty of five hundred dollars ($500) for a first offense and one thousand dollars ($1,000) for each subsequent offense. A government entity identified in Section 17204 of the Business and Professions Code may bring an action to impose a civil penalty pursuant to this subdivision against a business or

establishment if a local or state agency with authority to regulate that business or establishment has satisfied both of the following:

(1) Provided the business or establishment with reasonable notice of noncompliance, which informs the business or establishment that it is subject to a civil penalty if it does not correct the violation within 30 days from the date the notice is sent to the business or establishment.

(2) Verified that the violation was not corrected within the 30-day period described in paragraph (1).

(i) ~~Nothing in~~ This section~~shall~~does not prevent a local governing body from adopting and enforcing a local ordinance, rule, or regulation to prevent slavery or human trafficking. If a local ordinance, rule, or regulation duplicates or supplements the requirements that this section imposes upon businesses and other establishments, this section ~~shall~~does not supersede or preempt that local ordinance, rule, or regulation.

SEC. 23. Section *53.5* of the Civil Code is amended to read:

53.5.

(a) Notwithstanding any other law, except as specified in this section, an innkeeper, hotelkeeper, motelkeeper, lodginghouse keeper, or owner or operator of an inn, hotel, motel, lodginghouse, or other similar accommodations, or any employee or agent thereof, who offers or accepts payment for rooms, sleeping accommodations, or board and lodging, or other similar accommodation, shall not disclose, produce, provide, release, transfer, disseminate, or otherwise communicate, except to a California peace officer, all or any part of a guest record orally, in writing, or by electronic or any other means to a third party without a court-issued subpoena, warrant, or order.

(b) Notwithstanding any other law, except as specified in this section, an owner or operator of a private or charter bus transportation company, or any employee or agent thereof, shall not disclose, produce, provide, release, transfer, disseminate, or otherwise communicate, except to a California peace officer, all or any part of a passenger manifest record orally, in writing, or by electronic or any other means to a third party without a court-issued subpoena, warrant, or order.

(c) "Guest record" for purposes of this section includes any record that identifies an individual guest, boarder, occupant, lodger, customer, or invitee, including, but not limited to, their name, social security number or other unique identifying number, date of birth, location of birth, address, telephone number, driver's license number, other official form of identification, credit card number, or automobile license plate number.

(d) "Passenger manifest record" for purposes of this section includes any record that identifies an individual guest, passenger, customer, or invitee, including, but not limited to, their name, social security number or other unique identifying number, date of birth, location of birth, address, telephone number, driver's license number, other official form of identification, credit card number, or automobile license plate number.

(e) "Court issued subpoena, warrant, or order" for purposes of this section is limited to subpoenas, warrants, or orders issued by a judicial officer. An administrative subpoena, warrant, or order is not sufficient for purposes of this section.

(f) "Third-party service provider," for the purposes of this section, means an entity contracted to provide services outlined in the contract that has no independent right to use or share the data beyond the terms of the contract. Records shared with a third-party service provider shall be subject to limitations on further disclosure as described in subdivisions (a) and (b), except as otherwise permitted by this section.

(g) This section shall not be construed to prevent a government entity from requiring a private business to provide business records, including, but not limited to, guest and passenger manifest records, in a

public health, civil rights, or consumer protection investigation, or in an investigation conducted pursuant to Section 308.5 of the Public Utilities Code.

(h) This section shall not be construed to prevent a government entity from requiring a private business to provide business records during an audit or inspection if those records omit the personal information described in subdivisions (c) and (d).

(i) This section shall not be construed to prevent a private business from providing business records containing a guest's or passenger's name, address, credit card number, or driver's license number to a third-party service provider, if required, for the sole purpose of effectuating financial payment, including, approving or processing negotiable instruments, electronic fund transfers, or similar methods of payment, from a guest or passenger to the private business for a good or service, or from providing business records to a third-party service provider that the private business contracts with for business-related services.

(j) This section shall not be construed to prevent a private business from providing, where required, business records to a government entity in order to comply with state and federal laws regarding financial oversight and privacy, including, but not limited to, the federal Gramm-Leach-Bliley Act (~~12~~15 U.S.C. Sec. 6801). Records shared with a government entity or in compliance with the federal Gramm-Leach-Bliley Act shall be subject to the limitations on further disclosure as described in subdivisions (a) and (b), except as otherwise permitted by this section.

(k) This section shall not be construed to prevent a private business from disclosing records in a criminal investigation if a law enforcement officer in good faith believes that an emergency involving imminent danger of death or serious bodily injury to a person requires a warrantless search, to the extent permitted by law.

(l) This section shall not be construed to compel disclosure of a guest record or passenger manifest record by an innkeeper, motelkeeper, lodginghouse keeper, or owner or operator of an inn, hotel, motel, lodginghouse, or other similar accommodation, or an owner or operator of a private or charter bus transportation company, in the absence of a court-issued subpoena, warrant, or order.

SEC. 24. Section *1102.2* of the Civil Code is amended to read:

1102.2.

This article does not apply to the following:

(a) Sales or transfers that are required to be preceded by the furnishing to a prospective buyer of a copy of a public report pursuant to Section 11018.1 of the Business and Professions Code and transfers that can be made without a public report pursuant to Section 11010.4 of the Business and Professions Code.

(b) Sales or transfers pursuant to court order, including, but not limited to, sales ordered by a probate court in the administration of an estate, sales pursuant to a writ of execution, sales by any foreclosure sale, transfers by a trustee in bankruptcy, sales by eminent domain, and sales resulting from a decree for specific performance.

(c) Sales or transfers to a mortgagee by a mortgagor or successor in interest who is in default, sales to a beneficiary of a deed of trust by a trustor or successor in interest who is in default, any foreclosure sale after default, any foreclosure sale after default in an obligation secured by a mortgage, a sale under a power of sale or any foreclosure sale under a decree of foreclosure after default in an obligation secured by a deed of trust or secured by any other instrument containing a power of sale, sales by a mortgagee or a beneficiary under a deed of trust who has acquired the real property at a sale conducted pursuant to a power of sale under a mortgage or deed of trust or a sale pursuant to a decree of foreclosure or has acquired the real property by a deed in lieu of foreclosure, sales to the legal owner or lienholder of a manufactured home or mobilehome by a

registered owner or successor in interest who is in default, or sales by reason of any foreclosure of a security interest in a manufactured home or mobilehome.

(d) Sales or transfers by a fiduciary in the course of the administration of a trust, guardianship, conservatorship, or decedent's estate. This exemption shall not apply to a sale if the trustee is a natural person who is a trustee of a revocable trust and is a former owner of the property or was an occupant in possession of the property within the preceding year.

(e) Sales or transfers from one coowner to one or more other coowners.

(f) Sales or transfers made to a spouse, or to a person or persons in the ~~lineal~~ line of consanguinity of one or more of the transferors.

(g) Sales or transfers between spouses resulting from a judgment of dissolution of marriage or of legal separation or from a property settlement agreement incidental to that judgment.

(h) Sales or transfers by the Controller in the course of administering Chapter 7 (commencing with Section 1500) of Title 10 of Part 3 of the Code of Civil Procedure.

(i) Sales or transfers under Chapter 7 (commencing with Section 3691) or Chapter 8 (commencing with Section 3771) of Part 6 of Division 1 of the Revenue and Taxation Code.

(j) Sales or transfers or exchanges to or from any governmental entity.

(k) Sales or transfers of any portion of a property not constituting single-family residential property.

(l) The sale, creation, or transfer of any lease of any duration with the exception of a lease with an option to purchase or a ground lease coupled with improvements.

(m) Notwithstanding the definition of sale in Section 10018.10 of the Business and Professions Code and Section 2079.13, the terms "sale" and "transfer," as they are used in this section, shall have their commonly understood meanings. The changes made to this section by Assembly Bill 1289 of the 2017–18 Legislative Session shall not be interpreted to change the application of the law as it read prior to January 1, 2019.

SEC. 25. Section *1102.6* of the Civil Code is amended to read:

1102.6.

(a) The disclosures required by this article pertaining to the property proposed to be transferred are set forth in, and shall be made on a copy of, the following disclosure form:

REAL ESTATE TRANSFER DISCLOSURE STATEMENT

THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE CITY OF _____, COUNTY OF _____, STATE OF CALIFORNIA, DESCRIBED AS _____. THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH SECTION 1102 OF THE CIVIL CODE AS OF _____, 20_____. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT(S) REPRESENTING ANY PRINCIPAL(S) IN THIS TRANSACTION, AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PRINCIPAL(S) MAY WISH TO OBTAIN.

I

COORDINATION WITH OTHER DISCLOSURE FORMS

This Real Estate Transfer Disclosure Statement is made pursuant to Section 1102 of the Civil Code. Other statutes require disclosures, depending upon the details of the particular real estate transaction (for example: special study zone and purchase-money liens on residential property).

Substituted Disclosures: The following disclosures and other disclosures required by law, including the Natural Hazard Disclosure Report/Statement that may include airport annoyances, earthquake, fire, flood, or special assessment information, have or will be made in connection with this real estate transfer, and are intended to satisfy the disclosure obligations on this form, where the subject matter is the same:

□ Inspection reports completed pursuant to the contract of sale or receipt for deposit.

□ Additional inspection reports or disclosures:

_____

_____

_____

□ No substituted disclosures for this transfer.

II

SELLER'S INFORMATION

The Seller discloses the following information with the knowledge that even though this is not a warranty, prospective Buyers may rely on this information in deciding whether and on what terms to purchase the subject property. Seller hereby authorizes any agent(s) representing any principal(s) in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property.

THE FOLLOWING ARE REPRESENTATIONS MADE BY THE SELLER(S) AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE BUYER AND SELLER:

Seller _____is _____is not occupying the property.

A. The subject property has the items checked below (read across):*

_____Range	_____Oven	_____Microwave
_____Dishwasher	_____Trash Compactor	_____Garbage Disposal
_____Washer/Dryer Hookups		_____Rain Gutters
_____Burglar Alarms	_____Carbon Monoxide Device(s)	_____Fire Alarm
_____TV Antenna		_____Intercom
_____Central Heating	_____Satellite Dish	_____Evaporator Cooler(s)
_____Wall/Window Air Cndtng.	_____Central Air Cndtng.	_____Public Sewer System
_____Septic Tank	_____Sprinklers	_____Water Softener
_____Patio/Decking	_____Sump Pump	_____Gazebo
_____Sauna	_____Built-in Barbecue	
_____Hot Tub		_____Spa
_____Locking Safety Cover	_____Pool	_____Locking Safety Cover
_____Security Gate(s)	_____Child Resistant Barrier	_____Number Remote Controls
	_____Automati	

Garage: _____Attached	c Garage Door Opener(s)	_____Carport
Pool/Spa Heater: _____Gas	_____Not Attached	_____Electric
Water Heater: _____Gas	_____Solar	_____Private Utility or Other_____
	_____Well	_____Water-conserving plumbing fixtures
Water Supply: _____City	_____Bottled	
Gas Supply: _____Utility	_____Window Security Bars	
_____Window Screens	_____Quick-Release Mechanism on Bedroom Windows	

Exhaust Fan(s) in _____ 220 Volt Wiring in _____ Fireplace(s) in _____

Gas Starter _____ Roof(s): Type: _____ Age: _____ (approx.)

Other: _____

Are there, to the best of your (Seller's) knowledge, any of the above that are not in operating condition? __Yes __No. If yes, then describe.

(Attach additional sheets if necessary): _____

_____

_____

_____

B. Are you (Seller) aware of any significant defects/malfunctions in any of the following?

__Yes __No. If yes, check appropriate space(s) below.

__Interior Walls __Ceilings __Floors __Exterior Walls __Insulation __Roof(s)

__Windows __Doors __Foundation __Slab(s) __Driveways __Sidewalks

__Walls/Fences __Electrical Systems __Plumbing/Sewers/Septics __Other

Structural Components (Describe: _____

_____)

If any of the above is checked, explain. (Attach additional sheets if necessary):

_____

_____

_____

_____

* Installation of a listed appliance, device, or amenity is not a precondition of sale or transfer of the dwelling. The carbon monoxide device, garage door opener, or child-resistant pool barrier may not be in compliance with the safety standards relating to, respectively, carbon monoxide device standards of Chapter 8 (commencing with Section 13260) of Part 2 of Division 12 of, automatic reversing device standards of Chapter 12.5 (commencing with Section 19890) of Part 3 of Division 13 of, or the pool safety standards of Article 2.5 (commencing with Section 115920) of Chapter 5 of

Part 10 of Division 104 of, the Health and Safety Code. Window security bars may not have quick-release mechanisms in compliance with the 1995 edition of the California Building Standards Code. Section 1101.4 of the Civil Code requires all single-family residences built on or before January 1, 1994, to be equipped with water-conserving plumbing fixtures after January 1, 2017. Additionally on and after January 1, 2014, a single-family residence built on or before January 1, 1994, that is altered or improved is required to be equipped with water-conserving plumbing fixtures as a condition of final approval. Fixtures in this dwelling may not comply with Section 1101.4 of the Civil Code.

C. Are you (Seller) aware of any of the following:

1.	Substances, materials, or products which may be an environmental hazard such as, but not limited to, asbestos, formaldehyde, radon gas, lead-based paint, mold, fuel or chemical storage tanks, and contaminated soil or water on the subject property	__Yes __No
2.	Features of the property shared in common with adjoining landowners, such as walls, fences, and driveways, whose use or responsibility for maintenance may have an effect on the subject property	__Yes __No
3.	Any encroachments, easements or similar matters that may affect your interest in the subject property	__Yes __No
4.	Room additions, structural modifications, or other alterations or repairs made without necessary permits	__Yes __No
5.	Room additions, structural modifications, or other alterations or repairs not in compliance with building codes	__Yes __No
6.	Fill (compacted or otherwise) on the property or any portion thereof	__Yes __No
7.	Any settling from any cause, or slippage, sliding, or other soil problems	__Yes __No
8.	Flooding, drainage or grading problems	__Yes __No
9.	Major damage to the property or any of the structures from fire, earthquake, floods, or landslides	__Yes __No
10.	Any zoning violations, nonconforming uses, violations of “setback” requirements	__Yes __No
11.	Neighborhood noise problems or other nuisances	__Yes __No
12.	CC&Rs or other deed restrictions or obligations	__Yes __No
13.	Homeowners’ Association which has any authority over the subject property	__Yes __No
14.	Any “common area” (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)	__Yes __No
15.	Any notices of abatement or citations against the property	__Yes __No
16.	Any lawsuits by or against the Seller threatening to or affecting this real property, claims for damages by the Seller pursuant to Section 910 or 914 of the Civil Code threatening to or affecting this real property, claims for breach of warranty pursuant to Section 900 of the Civil Code threatening to or affecting this real property, or claims for breach of an enhanced protection agreement pursuant to Section 903 of the Civil Code threatening to or affecting this real property, including any lawsuits or claims for damages pursuant to Section 910 or 914 of the Civil Code alleging a defect or deficiency in this real property or “common areas” (facilities such as pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)	__Yes __No

If the answer to any of these is yes, explain. (Attach additional sheets

if necessary.): _____

_____

_____

D. 1. The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 13113.8 of the Health and Safety Code by having operable smoke detectors(s) which are

approved, listed, and installed in accordance with the State Fire Marshal's regulations and applicable local standards.

2. The Seller certifies that the property, as of the close of escrow, will be in compliance with Section 19211 of the Health and Safety Code by having the water heater tank(s) braced, anchored, or strapped in place in accordance with applicable law.

Seller certifies that the information herein is true and correct to the best of the Seller's knowledge as of the date signed by the Seller.

Seller _____ Date _____

Seller _____ Date _____

III

AGENT'S INSPECTION DISCLOSURE

(To be completed only if the Seller is represented by an agent in this transaction.)

THE UNDERSIGNED, BASED ON THE ABOVE INQUIRY OF THE SELLER(S) AS TO THE CONDITION OF THE PROPERTY AND BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY IN CONJUNCTION WITH THAT INQUIRY, STATES THE FOLLOWING:

□ Agent notes no items for disclosure.

□ Agent notes the following items:

_____

_____

_____

_____

Agent (Broker Representing Seller) _____ By _____ Date _____

(Please Print) (Associate Licensee or Broker Signature)

IV

AGENT'S INSPECTION DISCLOSURE

(To be completed only if the agent who has obtained the offer is other than the agent above.)

THE UNDERSIGNED, BASED ON A REASONABLY COMPETENT AND DILIGENT VISUAL INSPECTION OF THE ACCESSIBLE AREAS OF THE PROPERTY, STATES THE FOLLOWING:

□ Agent notes no items for disclosure.

□ Agent notes the following items:

_____

_____

_____

_____

Agent (Broker Obtaining the Offer) _____ By _____ Date _____

(Please Print) (Associate Licensee

or Broker Signature)

V

BUYER(S) AND SELLER(S) MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND/OR INSPECTIONS OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN BUYER(S) AND SELLER(S) WITH RESPECT TO ANY ADVICE/INSPECTIONS/DEFECTS.

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT.

Seller	Date	Buyer	Date
_____	_____	_____	_____
Seller	Date	Buyer	Date
_____	_____	_____	_____

Agent (Broker Representing Seller) _____ By _____ Date _____

(Please Print) (Associate Licensee or Broker Signature)

Agent (Broker Obtaining the Offer) _____ By _____ Date _____

(Please Print) (Associate Licensee or Broker Signature)

SECTION 1102.3 OF THE CIVIL CODE PROVIDES A BUYER WITH THE RIGHT TO RESCIND A PURCHASE CONTRACT FOR AT LEAST THREE DAYS AFTER THE DELIVERY OF THIS DISCLOSURE IF DELIVERY OCCURS AFTER THE SIGNING OF AN OFFER TO PURCHASE. IF YOU WISH TO RESCIND THE CONTRACT, YOU MUST ACT WITHIN THE PRESCRIBED PERIOD.

A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

(b) The amendments to this section by the act adding this subdivision shall become operative on July 1, 2014.

SEC. 26. Section *1102.6f* of the Civil Code is amended to read:

1102.6f.

(a) On or after January 1, 2021, in addition to any other disclosure required pursuant to this article, the seller of any real property subject to this article that is located in a high or very high fire hazard severity zone, as identified by the Director of Forestry and Fire Protection pursuant to Section 51178 of the Government Code or Article 9 (commencing with Section 4201) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code, shall provide a disclosure notice to the buyer, if the home was constructed before January 1, 2010, that includes the following information:

(1) A statement as follows: “This home is located in a high or very high fire hazard severity zone and this home was built before the implementation of the Wildfire Urban Interface building codes which help to fire harden a home. To better protect your home from wildfire, you might need to consider improvements. Information on fire hardening, including current building standards and information on minimum annual vegetation management standards to protect homes from wildfires, can be obtained on the internet website http://www.readyforwildfire.org.”

(2) On or after July 1, 2025, a list of low-cost retrofits developed and listed pursuant to Section 51189 of the Government Code. The notice shall disclose which listed retrofits, if any, have been completed during the time that the seller has owned the property.

(3) A list of the following features that may make the home vulnerable to wildfire and flying embers. The notice shall disclose which of the listed features, if any, that exist on the home of which the seller is aware:

(A) Eave, soffit, and roof ventilation where the vents have openings in excess of one-eighth of an inch or are not flame and ember resistant.

(B) Roof coverings made of untreated wood shingles or shakes.

(C) Combustible landscaping or other materials within five feet of the home and under the footprint of any attached deck.

(D) Single pane or nontempered glass windows.

(E) Loose or missing bird stopping or roof flashing.

(F) Rain gutters without metal or noncombustible gutter covers.

(b) If, pursuant to Section 51182 of the Government Code, a seller has obtained a final inspection report described in that section, the seller shall provide to the buyer a copy of that report or information on where a copy of the report may be obtained.

(c) This section shall not be construed as a requirement, instruction, or consideration for present or future building code formulation, including, but not limited to, the Wildland Urban Interface building standards (Chapter 7A (commencing with Section 701A.1) of Part 2 of Title 24 of the California Code of Regulations).

SEC. 27. Section *1103.1* of the Civil Code is amended to read:

1103.1.

(a) This article does not apply to the following sales:

(1) Sales or transfers pursuant to court order, including, but not limited to, sales ordered by a probate court in administration of an estate, sales pursuant to a writ of execution, sales by any foreclosure sale, sales by a trustee in bankruptcy, sales by eminent domain, and sales resulting from a decree for specific performance.

(2) Sales or transfers to a mortgagee by a mortgagor or successor in interest who is in default, sales to a beneficiary of a deed of trust by a trustor or successor in interest who is in default, transfers by any foreclosure sale after default, any foreclosure sale after default in an obligation secured by a mortgage, sale under a power of sale or any foreclosure sale under a decree of foreclosure after default in an obligation secured by a deed of trust or secured by any other instrument containing a power of sale, or sales by a mortgagee or a beneficiary under a deed of trust who has acquired the real property at a sale conducted pursuant to a power of sale under a mortgage or deed of trust or a sale pursuant to a decree of foreclosure or has acquired the real property by a deed in lieu of foreclosure.

(3) Sales or transfers by a fiduciary in the course of the administration of a trust, guardianship, conservatorship, or decedent's estate. This exemption shall not apply to a sale if the trustee is a natural person who is a trustee of a revocable trust and the seller is a former owner of the property or an occupant in possession of the property within the preceding year.

(4) Sales or transfers from one coowner to one or more other coowners.

(5) Sales or transfers made to a spouse, or to a person or persons in the ~~lineal~~ line of consanguinity of one or more of the sellers.

(6) Sales or transfers between spouses resulting from a judgment of dissolution of marriage or of legal separation of the parties or from a property settlement agreement incidental to that judgment.

(7) Sales or transfers by the Controller in the course of administering Chapter 7 (commencing with Section 1500) of Title 10 of Part 3 of the Code of Civil Procedure.

(8) Sales or transfers under Chapter 7 (commencing with Section 3691) or Chapter 8 (commencing with Section 3771) of Part 6 of Division 1 of the Revenue and Taxation Code.

(9) Sales, transfers, or exchanges to or from any governmental entity.

(10) The sale, creation, or transfer of any lease of any duration except a lease with an option to purchase or a ground lease coupled with improvements.

(b) Sales and transfers not subject to this article may be subject to other disclosure requirements, including those under Sections 8589.3, 8589.4, and 51183.5 of the Government Code and Sections 2621.9, 2694, and 4136 of the Public Resources Code. In sales not subject to this article, agents may make required disclosures in a separate writing.

(c) Notwithstanding the definition of sale in Section 10018.5 of the Business and Professions Code and Section 2079.13, the terms “sale” and “transfer,” as they are used in this section, shall have their commonly understood meanings. The changes made to this section by Assembly Bill 1289 of the 2017–18 Legislative Session shall not be interpreted to change the application of the law as it read prior to January 1, 2019.

SEC. 28. Section *1459.5* of the Civil Code is amended to read:

1459.5.

A plaintiff who prevails on a cause of action against a defendant named pursuant to ~~Title 16,~~ Part 433 of Title 16 of the Code of Federal Regulations or any successor thereto, or pursuant to the contractual language required by that part or any successor thereto, may claim attorney’s fees, costs, and expenses from that defendant to the fullest extent permissible if the plaintiff had prevailed on that cause of action against the seller.

SEC. 29. Section *1798.82* of the Civil Code is amended to read:

1798.82.

(a) A person or business that conducts business in California, and that owns or licenses computerized data that includes personal information, shall disclose a breach of the security of the system following discovery or notification of the breach in the security of the data to a resident of California (1)whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person, or, (2) whose encrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person and the encryption key or security credential was, or is reasonably believed to have been, acquired by an unauthorized person and the person or business that owns or licenses the encrypted information has a reasonable belief that the encryption key or security credential could render that personal information readable or usable. The disclosure shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement, as provided in subdivision (c), or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the data system.

(b) A person or business that maintains computerized data that includes personal information that the person or business does not own shall notify the owner or licensee of the information of the breach of the security of the data immediately following discovery, if the personal information was, or is reasonably believed to have been, acquired by an unauthorized person.

(c) The notification required by this section may be delayed if a law enforcement agency determines that the notification will impede a criminal investigation. The notification required by this section shall be made promptly after the law enforcement agency determines that it will not compromise the investigation.

(d) A person or business that is required to issue a security breach notification pursuant to this section shall meet all of the following requirements:

(1) The security breach notification shall be written in plain language, shall be titled “Notice of Data Breach,” and shall present the information described in paragraph (2) under the following headings: “What Happened,” “What Information Was Involved,” “What We Are Doing,” “What You Can Do,” and “For More Information.” Additional information may be provided as a supplement to the notice.

(A) The format of the notice shall be designed to call attention to the nature and significance of the information it contains.

(B) The title and headings in the notice shall be clearly and conspicuously displayed.

(C) The text of the notice and any other notice provided pursuant to this section shall be no smaller than 10-point type.

(D) For a written notice described in paragraph (1) of subdivision (j), use of the model security breach notification form prescribed below or use of the headings described in this paragraph with the information described in paragraph (2), written in plain language, shall be deemed to be in compliance with this subdivision.

[NAME OF INSTITUTION / LOGO] Date: [insert date] NOTICE OF DATA BREACH	
What Happened?	
What Information Was Involved?	
What We Are Doing.	
What You Can Do.	
Other Important Information. [insert other important information]	
For More Information.	Call [telephone number] or go to [Internet Web site]

(E) For an electronic notice described in paragraph (2) of subdivision (j), use of the headings described in this paragraph with the information described in paragraph (2), written in plain language, shall be deemed to be in compliance with this subdivision.

(2) The security breach notification described in paragraph (1) shall include, at a minimum, the following information:

(A) The name and contact information of the reporting person or business subject to this section.

(B) A list of the types of personal information that were or are reasonably believed to have been the subject of a breach.

(C) If the information is possible to determine at the time the notice is provided, then any of the following: (i) the date of the breach, (ii) the estimated date of the breach, or (iii) the date range within which the breach occurred. The notification shall also include the date of the notice.

(D) Whether notification was delayed as a result of a law enforcement investigation, if that information is possible to determine at the time the notice is provided.

(E) A general description of the breach incident, if that information is possible to determine at the time the notice is provided.

(F) The toll-free telephone numbers and addresses of the major credit reporting agencies if the breach exposed a social security number or a driver's license or California identification card number.

(G) If the person or business providing the notification was the source of the breach, an offer to provide appropriate identity theft prevention and mitigation services, if any, shall be provided at no cost to the affected person for not less than 12 months along with all information necessary to take advantage of the offer to any person whose information was or may have been breached if the breach exposed or may have exposed personal information defined in subparagraphs (A) and (B) of paragraph (1) of subdivision (h).

(3) At the discretion of the person or business, the security breach notification may also include any of the following:

(A) Information about what the person or business has done to protect individuals whose information has been breached.

(B) Advice on steps that people whose information has been breached may take to protect themselves.

(C) In breaches involving biometric data, instructions on how to notify other entities that used the same type of biometric data as an authenticator to no longer rely on data for authentication purposes.

(e) A covered entity under the federal Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Sec. 1320d et seq.) will be deemed to have complied with the notice requirements in subdivision (d) if it has complied completely with Section 13402(f) of the federal Health Information Technology for Economic and Clinical Health Act (*Public Law 111-5*). However, nothing in this subdivision shall be construed to exempt a covered entity from any other provision of this section.

(f) A person or business that is required to issue a security breach notification pursuant to this section to more than 500 California residents as a result of a single breach of the security system shall electronically submit a single sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General. A single sample copy of a security breach notification shall not be deemed to be within subdivision (f) of Section 6254 of the Government Code.

(g) For purposes of this section, "breach of the security of the system" means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by the person or business. Good faith acquisition of personal information by an employee

or agent of the person or business for the purposes of the person or business is not a breach of the security of the system, provided that the personal information is not used or subject to further unauthorized disclosure.

(h) For purposes of this section, "personal information" means either of the following:

(1) An individual's first name or first initial and last name in combination with any one or more of the following data elements, when either the name or the data elements are not encrypted:

(A) Social security number.

(B) Driver's license number, California identification card number, tax identification number, passport number, military identification number, or other unique identification number issued on a government document commonly used to verify the identity of a specific individual.

(C) Account number or credit or debit card number, in combination with any required security code, access code, or password that would permit access to an individual's financial account.

(D) Medical information.

(E) Health insurance information.

(F) Unique biometric data generated from measurements or technical analysis of human body characteristics, such as a fingerprint, retina, or iris image, used to authenticate a specific individual. Unique biometric data does not include a physical or digital photograph, unless used or stored for facial recognition purposes.

(G) Information or data collected through the use or operation of an automated license plate recognition system, as defined in Section 1798.90.5.

(2) A username or email address, in combination with a password or security question and answer that would permit access to an online account.

(i)

(1) For purposes of this section, "personal information" does not include publicly available information that is lawfully made available to the general public from federal, state, or local government records.

(2) For purposes of this section, "medical information" means any information regarding an individual's medical history, mental or physical condition, or medical treatment or diagnosis by a health care professional.

(3) For purposes of this section, "health insurance information" means an individual's health insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the individual, or any information in an individual's application and claims history, including any appeals records.

(4) For purposes of this section, "encrypted" means rendered unusable, unreadable, or indecipherable to an unauthorized person through a security technology or methodology generally accepted in the field of information security.

(j) For purposes of this section, "notice" may be provided by one of the following methods:

(1) Written notice.

(2) Electronic notice, if the notice provided is consistent with the provisions regarding electronic records and signatures set forth in Section 7001 of Title 15 of the United States Code.

(3) Substitute notice, if the person or business demonstrates that the cost of providing notice would exceed two hundred fifty thousand dollars ($250,000), or that the affected class of subject persons to be notified exceeds 500,000, or the person or business does not have sufficient contact information. Substitute notice shall consist of all of the following:

(A) Email notice when the person or business has an email address for the subject persons.

(B) Conspicuous posting, for a minimum of 30 days, of the notice on the internet website page of the person or business, if the person or business maintains one. For purposes of this subparagraph, conspicuous posting on the person's or ~~business's~~business' internet website means providing a link to the notice on the home page or first significant page after entering the internet website that is in larger type than the surrounding text, or in contrasting type, font, or color to the surrounding text of the same size, or set off from the surrounding text of the same size by symbols or other marks that call attention to the link.

(C) Notification to major statewide media.

(4) In the case of a breach of the security of the system involving personal information defined in paragraph (2) of subdivision (h) for an online account, and no other personal information defined in paragraph (1) of subdivision (h), the person or business may comply with this section by providing the security breach notification in electronic or other form that directs the person whose personal information has been breached promptly to change the person's password and security question or answer, as applicable, or to take other steps appropriate to protect the online account with the person or business and all other online accounts for which the person whose personal information has been breached uses the same username or email address and password or security question or answer.

(5) In the case of a breach of the security of the system involving personal information defined in paragraph (2) of subdivision (h) for login credentials of an email account furnished by the person or business, the person or business shall not comply with this section by providing the security breach notification to that email address, but may, instead, comply with this section by providing notice by another method described in this subdivision or by clear and conspicuous notice delivered to the resident online when the resident is connected to the online account from an Internet Protocol address or online location from which the person or business knows the resident customarily accesses the account.

(k) For purposes of this section, "encryption key" and "security credential" mean the confidential key or process designed to render data usable, readable, and decipherable.

(l) Notwithstanding subdivision (j), a person or business that maintains its own notification procedures as part of an information security policy for the treatment of personal information and is otherwise consistent with the timing requirements of this part, shall be deemed to be in compliance with the notification requirements of this section if the person or business notifies subject persons in accordance with its policies in the event of a breach of security of the system.

SEC. 30. Section *1798.140* of the Civil Code is amended to read:

1798.140.

For purposes of this title:

(a) "Aggregate consumer information" means information that relates to a group or category of consumers, from which individual consumer identities have been removed, that is not linked or reasonably linkable to any consumer or household, including via a device. "Aggregate consumer information" does not mean one or more individual consumer records that have been deidentified.

(b) "Biometric information" means an individual's physiological, biological, or behavioral characteristics, including an individual's deoxyribonucleic acid (DNA), that can be used, singly or in combination with each other or with other identifying data, to establish individual identity. Biometric information includes, but is not limited to, imagery of the iris, retina, fingerprint, face, hand, palm, vein patterns, and voice recordings, from which an identifier template, such as a faceprint, a minutiae template, or a voiceprint, can be extracted, and keystroke patterns or rhythms, gait patterns or rhythms, and sleep, health, or exercise data that contain identifying information.

(c) "Business" means:

(1) A sole proprietorship, partnership, limited liability company, corporation, association, or other legal entity that is organized or operated for the profit or financial benefit of its shareholders or other owners that collects consumers' personal information or on the behalf of which that information is collected and that alone, or jointly with others, determines the purposes and means of the processing of consumers' personal information, that does business in the State of California, and that satisfies one or more of the following thresholds:

(A) Has annual gross revenues in excess of twenty-five million dollars ($25,000,000), as adjusted pursuant to paragraph (5) of subdivision (a) of Section 1798.185.

(B) Alone or in combination, annually buys, receives for the ~~business's~~business' commercial purposes, sells, or shares for commercial purposes, alone or in combination, the personal information of 50,000 or more consumers, households, or devices.

(C) Derives 50 percent or more of its annual revenues from selling consumers' personal information.

(2) Any entity that controls or is controlled by a business as defined in paragraph (1) and that shares common branding with the business. "Control" or "controlled" means ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a business; control in any manner over the election of a majority of the directors, or of individuals exercising similar functions; or the power to exercise a controlling influence over the management of a company. "Common branding" means a shared name, servicemark, or trademark.

(d) "Business purpose" means the use of personal information for the ~~business's~~business' or a service provider's operational purposes, or other notified purposes, provided that the use of personal information shall be reasonably necessary and proportionate to achieve the operational purpose for which the personal information was collected or processed or for another operational purpose that is compatible with the context in which the personal information was collected. Business purposes are:

(1) Auditing related to a current interaction with the consumer and concurrent transactions, including, but not limited to, counting ad impressions to unique visitors, verifying positioning and quality of ad impressions, and auditing compliance with this specification and other standards.

(2) Detecting security incidents, protecting against malicious, deceptive, fraudulent, or illegal activity, and prosecuting those responsible for that activity.

(3) Debugging to identify and repair errors that impair existing intended functionality.

(4) Short-term, transient use, provided that the personal information is not disclosed to another third party and is not used to build a profile about a consumer or otherwise alter an individual consumer's experience outside the current interaction, including, but not limited to, the contextual customization of ads shown as part of the same interaction.

(5) Performing services on behalf of the business or service provider, including maintaining or servicing accounts, providing customer service, processing or fulfilling orders and transactions, verifying customer information, processing payments, providing financing, providing advertising or marketing services, providing analytic services, or providing similar services on behalf of the business or service provider.

(6) Undertaking internal research for technological development and demonstration.

(7) Undertaking activities to verify or maintain the quality or safety of a service or device that is owned, manufactured, manufactured for, or controlled by the business, and to improve,

upgrade, or enhance the service or device that is owned, manufactured, manufactured for, or controlled by the business.

(e) "Collects," "collected," or "collection" means buying, renting, gathering, obtaining, receiving, or accessing any personal information pertaining to a consumer by any means. This includes receiving information from the consumer, either actively or passively, or by observing the consumer's behavior.

(f) "Commercial purposes" means to advance a person's commercial or economic interests, such as by inducing another person to buy, rent, lease, join, subscribe to, provide, or exchange products, goods, property, information, or services, or enabling or effecting, directly or indirectly, a commercial transaction. "Commercial purposes" do not include for the purpose of engaging in speech that state or federal courts have recognized as noncommercial speech, including political speech and journalism.

(g) "Consumer" means a natural person who is a California resident, as defined in Section 17014 of Title 18 of the California Code of Regulations, as that section read on September 1, 2017, however identified, including by any unique identifier.

(h) "Deidentified" means information that cannot reasonably identify, relate to, describe, be capable of being associated with, or be linked, directly or indirectly, to a particular consumer, provided that a business that uses deidentified information:

(1) Has implemented technical safeguards that prohibit reidentification of the consumer to whom the information may pertain.

(2) Has implemented business processes that specifically prohibit reidentification of the information.

(3) Has implemented business processes to prevent inadvertent release of deidentified information.

(4) Makes no attempt to reidentify the information.

(i) "Designated methods for submitting requests" means a mailing address, email address, internet web page, internet web portal, toll-free telephone number, or other applicable contact information, whereby consumers may submit a request or direction under this title, and any new, consumer-friendly means of contacting a business, as approved by the Attorney General pursuant to Section 1798.185.

(j) "Device" means any physical object that is capable of connecting to the internet, directly or indirectly, or to another device.

(k) "Health insurance information" means a consumer's insurance policy number or subscriber identification number, any unique identifier used by a health insurer to identify the consumer, or any information in the consumer's application and claims history, including any appeals records, if the information is linked or reasonably linkable to a consumer or household, including via a device, by a business or service provider.

(l) "Homepage" means the introductory page of an internet website and any internet web page where personal information is collected. In the case of an online service, such as a mobile application, homepage means the application's platform page or download page, a link within the application, such as from the application configuration, "About," "Information," or settings page, and any other location that allows consumers to review the notice required by subdivision (a) of Section 1798.135, including, but not limited to, before downloading the application.

(m) "Infer" or "inference" means the derivation of information, data, assumptions, or conclusions from facts, evidence, or another source of information or data.

(n) "Person" means an individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert.

(o)

(1) "Personal information" means information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or household. Personal information includes, but is not limited to, the following if it identifies, relates to, describes, is reasonably capable of being associated with, or could be reasonably linked, directly or indirectly, with a particular consumer or household:

(A) Identifiers such as a real name, alias, postal address, unique personal identifier, online identifier, internet protocol address, email address, account name, social security number, driver's license number, passport number, or other similar identifiers.

(B) Any categories of personal information described in subdivision (e) of Section 1798.80.

(C) Characteristics of protected classifications under California or federal law.

(D) Commercial information, including records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies.

(E) Biometric information.

(F) Internet or other electronic network activity information, including, but not limited to, browsing history, search history, and information regarding a consumer's interaction with an internet website, application, or advertisement.

(G) Geolocation data.

(H) Audio, electronic, visual, thermal, olfactory, or similar information.

(I) Professional or employment-related information.

(J) Education information, defined as information that is not publicly available personally identifiable information as defined in the Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1232g;34 C.F.R. Part 99).

(K) Inferences drawn from any of the information identified in this subdivision to create a profile about a consumer reflecting the consumer's preferences, characteristics, psychological trends, predispositions, behavior, attitudes, intelligence, abilities, and aptitudes.

(2) "Personal information" does not include publicly available information. For purposes of this paragraph, "publicly available" means information that is lawfully made available from federal, state, or local government records. "Publicly available" does not mean biometric information collected by a business about a consumer without the consumer's knowledge.

(3) "Personal information" does not include consumer information that is deidentified or aggregate consumer information.

(p) "Probabilistic identifier" means the identification of a consumer or a device to a degree of certainty of more probable than not based on any categories of personal information included in, or similar to, the categories enumerated in the definition of personal information.

(q) "Processing" means any operation or set of operations that are performed on personal data or on sets of personal data, whether or not by automated means.

(r) "Pseudonymize" or ~~"Pseudonymization"~~"pseudonymization" means the processing of personal information in a manner that renders the personal information no longer attributable to a specific consumer without the use of additional information, provided that the additional information is kept separately and is subject to technical and organizational measures to ensure that the personal information is not attributed to an identified or identifiable consumer.

(s) "Research" means scientific, systematic study and observation, including basic research or applied research that is in the public interest and that adheres to all other applicable ethics and privacy

laws or studies conducted in the public interest in the area of public health. Research with personal information that may have been collected from a consumer in the course of the consumer's interactions with a ~~business's~~business' service or device for other purposes shall be:

(1) Compatible with the business purpose for which the personal information was collected.

(2) Subsequently pseudonymized and deidentified, or deidentified and in the aggregate, such that the information cannot reasonably identify, relate to, describe, be capable of being associated with, or be linked, directly or indirectly, to a particular consumer.

(3) Made subject to technical safeguards that prohibit reidentification of the consumer to whom the information may pertain.

(4) Subject to business processes that specifically prohibit reidentification of the information.

(5) Made subject to business processes to prevent inadvertent release of deidentified information.

(6) Protected from any reidentification attempts.

(7) Used solely for research purposes that are compatible with the context in which the personal information was collected.

(8) Not be used for any commercial purpose.

(9) Subjected by the business conducting the research to additional security controls that limit access to the research data to only those individuals in a business as are necessary to carry out the research purpose.

(t)

(1) "Sell," "selling," "sale," or "sold," means selling, renting, releasing, disclosing, disseminating, making available, transferring, or otherwise communicating orally, in writing, or by electronic or other means, a consumer's personal information by the business to another business or a third party for monetary or other valuable consideration.

(2) For purposes of this title, a business does not sell personal information when:

(A) A consumer uses or directs the business to intentionally disclose personal information or uses the business to intentionally interact with a third party, provided the third party does not also sell the personal information, unless that disclosure would be consistent with the provisions of this title. An intentional interaction occurs when the consumer intends to interact with the third party, via one or more deliberate interactions. Hovering over, muting, pausing, or closing a given piece of content does not constitute a consumer's intent to interact with a third party.

(B) The business uses or shares an identifier for a consumer who has opted out of the sale of the consumer's personal information for the purposes of alerting third parties that the consumer has opted out of the sale of the consumer's personal information.

(C) The business uses or shares with a service provider personal information of a consumer that is necessary to perform a business purpose if both of the following conditions are met:

(i) The business has provided notice of that information being used or shared in its terms and conditions consistent with Section 1798.135.

(ii) The service provider does not further collect, sell, or use the personal information of the consumer except as necessary to perform the business purpose.

(D) The business transfers to a third party the personal information of a consumer as an asset that is part of a merger, acquisition, bankruptcy, or other transaction in which the third party assumes control of all or part of the business, provided that information is used or shared consistently with Sections 1798.110 and 1798.115. If a third party materially alters how it uses or shares the personal information of a consumer in a manner that is materially

inconsistent with the promises made at the time of collection, it shall provide prior notice of the new or changed practice to the consumer. The notice shall be sufficiently prominent and robust to ensure that existing consumers can easily exercise their choices consistently with Section 1798.120. This subparagraph does not authorize a business to make material, retroactive privacy policy changes or make other changes in their privacy policy in a manner that would violate the Unfair and Deceptive Practices Act (Chapter 5 (commencing with Section 17200) of Part 2 of Division 7 of the Business and Professions Code).

(u) "Service" or "services" means work, labor, and services, including services furnished in connection with the sale or repair of goods.

(v) "Service provider" means a sole proprietorship, partnership, limited liability company, corporation, association, or other legal entity that is organized or operated for the profit or financial benefit of its shareholders or other owners, that processes information on behalf of a business and to which the business discloses a consumer's personal information for a business purpose pursuant to a written contract, provided that the contract prohibits the entity receiving the information from retaining, using, or disclosing the personal information for any purpose other than for the specific purpose of performing the services specified in the contract for the business, or as otherwise permitted by this title, including retaining, using, or disclosing the personal information for a commercial purpose other than providing the services specified in the contract with the business.

(w) "Third party" means a person who is not any of the following:

(1) The business that collects personal information from consumers under this title.

(2)

(A) A person to whom the business discloses a consumer's personal information for a business purpose pursuant to a written contract, provided that the contract:

(i) Prohibits the person receiving the personal information from:

(I) Selling the personal information.

(II) Retaining, using, or disclosing the personal information for any purpose other than for the specific purpose of performing the services specified in the contract, including retaining, using, or disclosing the personal information for a commercial purpose other than providing the services specified in the contract.

(III) Retaining, using, or disclosing the information outside of the direct business relationship between the person and the business.

(ii) Includes a certification made by the person receiving the personal information that the person understands the restrictions in subparagraph (A) and will comply with them.

(B) A person covered by this paragraph that violates any of the restrictions set forth in this title shall be liable for the violations. A business that discloses personal information to a person covered by this paragraph in compliance with this paragraph shall not be liable under this title if the person receiving the personal information uses it in violation of the restrictions set forth in this title, provided that, at the time of disclosing the personal information, the business does not have actual knowledge, or reason to believe, that the person intends to commit such a violation.

(x) "Unique identifier" or "Unique personal identifier" means a persistent identifier that can be used to recognize a consumer, a family, or a device that is linked to a consumer or family, over time and across different services, including, but not limited to, a device identifier; an Internet Protocol address; cookies, beacons, pixel tags, mobile ad identifiers, or similar technology; customer number, unique pseudonym, or user alias; telephone numbers, or other forms of persistent or probabilistic identifiers that can be used to identify a particular consumer or device. For purposes

of this subdivision, “family” means a custodial parent or guardian and any minor children over which the parent or guardian has custody.

(y) “Verifiable consumer request” means a request that is made by a consumer, by a consumer on behalf of the consumer’s minor child, or by a natural person or a person registered with the Secretary of State, authorized by the consumer to act on the consumer’s behalf, and that the business can reasonably verify, pursuant to regulations adopted by the Attorney General pursuant to paragraph (7) of subdivision (a) of Section 1798.185 to be the consumer about whom the business has collected personal information. A business is not obligated to provide information to the consumer pursuant to Sections 1798.100, 1798.105, 1798.110, and 1798.115 if the business cannot verify, pursuant to this subdivision and regulations adopted by the Attorney General pursuant to paragraph (7) of subdivision (a) of Section 1798.185, that the consumer making the request is the consumer about whom the business has collected information or is a person authorized by the consumer to act on such consumer’s behalf.

SEC. 31. Section *1798.145* of the Civil Code is amended to read:

1798.145.

(a) The obligations imposed on businesses by this title shall not restrict a business’ ability to:

(1) Comply with federal, state, or local laws.

(2) Comply with a civil, criminal, or regulatory inquiry, investigation, subpoena, or summons by federal, state, or local authorities.

(3) Cooperate with law enforcement agencies concerning conduct or activity that the business, service provider, or third party reasonably and in good faith believes may violate federal, state, or local law.

(4) Exercise or defend legal claims.

(5) Collect, use, retain, sell, or disclose consumer information that is deidentified or in the aggregate consumer information.

(6) Collect or sell a consumer’s personal information if every aspect of that commercial conduct takes place wholly outside of California. For purposes of this title, commercial conduct takes place wholly outside of California if the business collected that information while the consumer was outside of California, no part of the sale of the consumer’s personal information occurred in California, and no personal information collected while the consumer was in California is sold. This paragraph shall not permit a business from storing, including on a device, personal information about a consumer when the consumer is in California and then collecting that personal information when the consumer and stored personal information is outside of California.

(b) The obligations imposed on businesses by Sections 1798.110 to 1798.135, inclusive, shall not apply where compliance by the business with the title would violate an evidentiary privilege under California law and shall not prevent a business from providing the personal information of a consumer to a person covered by an evidentiary privilege under California law as part of a privileged communication.

(c)

(1) This title ~~shall~~does not apply to any of the following:

(A) Medical information governed by the Confidentiality of Medical Information Act (Part 2.6 (commencing with Section 56) of Division 1) or protected health information that is collected by a covered entity or business associate governed by the privacy, security, and breach notification rules issued by the United States Department of Health and Human Services, Parts 160 and 164 of Title 45 of the Code of Federal Regulations, established pursuant to the Health Insurance Portability and Accountability Act of 1996 (*Public Law 104-191*) and the Health Information Technology for Economic and Clinical Health Act (*Public Law 111-5*).

(B) A provider of health care governed by the Confidentiality of Medical Information Act (Part 2.6 (commencing with Section 56) of Division 1) or a covered entity governed by the privacy, security, and breach notification rules issued by the United States Department of Health and Human Services, Parts 160 and 164 of Title 45 of the Code of Federal Regulations, established pursuant to the Health Insurance Portability and Accountability Act of 1996 (*Public Law 104-191*), to the extent the provider or covered entity maintains patient information in the same manner as medical information or protected health information as described in subparagraph (A) of this section.

(C) Information collected as part of a clinical trial subject to the Federal Policy for the Protection of Human Subjects, also known as the Common Rule, pursuant to good clinical practice guidelines issued by the International Council for Harmonisation or pursuant to human subject protection requirements of the United States Food and Drug Administration.

(2) For purposes of this subdivision, the definitions of "medical information" and "provider of health care" in Section 56.05 ~~shall~~ apply and the definitions of "business associate," "covered entity," and "protected health information" in Section 160.103 of Title 45 of the Code of Federal Regulations ~~shall~~ apply.

(d)

(1) This title ~~shall~~does not apply to an activity involving the collection, maintenance, disclosure, sale, communication, or use of any personal information bearing on a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living by a consumer reporting agency, as defined in subdivision (f) of Section 1681a of Title 15 of the United States Code, by a furnisher of information, as set forth in Section 1681s-2 of Title 15 of the United States Code, who provides information for use in a consumer report, as defined in subdivision (d) of Section 1681a of Title 15 of the United States Code, and by a user of a consumer report as set forth in Section 1681b of Title 15 of the United States Code.

(2) Paragraph (1) ~~shall apply~~applies only to the extent that such activity involving the collection, maintenance, disclosure, sale, communication, or use of such information by that agency, furnisher, or user is subject to regulation under the Fair Credit Reporting Act, ~~section~~Section 1681 et seq., Title 15 of the United States Code and the information is not used, communicated, disclosed, or sold except as authorized by the Fair Credit Reporting Act.

(3) This subdivision ~~shall~~does not apply to Section 1798.150.

(e) This title ~~shall~~does not apply to personal information collected, processed, sold, or disclosed pursuant to the federal Gramm-Leach-Bliley Act (*Public Law 106-102*), and implementing regulations, or the California Financial Information Privacy Act (Division 1.4 (commencing with Section 4050) of the Financial Code). This subdivision ~~shall~~does not apply to Section 1798.150.

(f) This title ~~shall~~does not apply to personal information collected, processed, sold, or disclosed pursuant to the Driver's Privacy Protection Act of 1994 (18 U.S.C. Sec. 2721 et seq.). This subdivision ~~shall~~does not apply to Section 1798.150.

(g)

(1) Section 1798.120 ~~shall~~ does not apply to vehicle information or ownership information retained or shared between a new motor vehicle dealer, as defined in Section 426 of the Vehicle Code, and the vehicle's manufacturer, as defined in Section 672 of the Vehicle Code, if the vehicle or ownership information is shared for the purpose of effectuating, or in anticipation of effectuating, a vehicle repair covered by a vehicle warranty or a recall conducted pursuant to Sections 30118 to 30120, inclusive, of Title 49 of the United States Code, provided that the new motor vehicle dealer or vehicle manufacturer with which that vehicle information or ownership information is shared does not sell, share, or use that information for any other purpose.

(2) For purposes of this subdivision:

(A) “Vehicle information” means the vehicle information number, make, model, year, and odometer reading.

(B) “Ownership information” means the name or names of the registered owner or owners and the contact information for the owner or owners.

(h)

(1) This title ~~shall~~does not apply to any of the following:

(A) Personal information that is collected by a business about a natural person in the course of the natural person acting as a job applicant to, an employee of, owner of, director of, officer of, medical staff member of, or contractor of that business to the extent that the natural person’s personal information is collected and used by the business solely within the context of the natural person’s role or former role as a job applicant to, an employee of, owner of, director of, officer of, medical staff member of, or a contractor of that business.

(B) Personal information that is collected by a business that is emergency contact information of the natural person acting as a job applicant to, an employee of, owner of, director of, officer of, medical staff member of, or contractor of that business to the extent that the personal information is collected and used solely within the context of having an emergency contact on file.

(C) Personal information that is necessary for the business to retain to administer benefits for another natural person relating to the natural person acting as a job applicant to, an employee of, owner of, director of, officer of, medical staff member of, or contractor of that business to the extent that the personal information is collected and used solely within the context of administering those benefits.

(2) For purposes of this subdivision:

(A) “Contractor” means a natural person who provides any service to a business pursuant to a written contract.

(B) “Director” means a natural person designated in the articles of incorporation as such or elected by the incorporators and natural persons designated, elected, or appointed by any other name or title to act as directors, and their successors.

(C) “Medical staff member” means a licensed physician and surgeon, dentist, or podiatrist, licensed pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code and a clinical psychologist as defined in Section 1316.5 of the Health and Safety Code.

(D) “Officer” means a natural person elected or appointed by the board of directors to manage the daily operations of a corporation, such as a chief executive officer, president, secretary, or treasurer.

(E) “Owner” means a natural person who meets one of the following:

(i) Has ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a business.

(ii) Has control in any manner over the election of a majority of the directors or of individuals exercising similar functions.

(iii) Has the power to exercise a controlling influence over the management of a company.

(3) This subdivision ~~shall~~does not apply to subdivision (b) of Section 1798.100 or Section 1798.150.

(4) This subdivision shall become inoperative on January 1, 2021.

(i) Notwithstanding a business’ obligations to respond to and honor consumer rights requests pursuant to this title:

(1) A time period for a business to respond to any verified consumer request may be extended by up to 90 additional days where necessary, taking into account the complexity and number of the requests. The business shall inform the consumer of any such extension within 45 days of receipt of the request, together with the reasons for the delay.

(2) If the business does not take action on the request of the consumer, the business shall inform the consumer, without delay and at the latest within the time period permitted of response by this section, of the reasons for not taking action and any rights the consumer may have to appeal the decision to the business.

(3) If requests from a consumer are manifestly unfounded or excessive, in particular because of their repetitive character, a business may either charge a reasonable fee, taking into account the administrative costs of providing the information or communication or taking the action requested, or refuse to act on the request and notify the consumer of the reason for refusing the request. The business shall bear the burden of demonstrating that any verified consumer request is manifestly unfounded or excessive.

(j) A business that discloses personal information to a service provider shall not be liable under this title if the service provider receiving the personal information uses it in violation of the restrictions set forth in the title, provided that, at the time of disclosing the personal information, the business does not have actual knowledge, or reason to believe, that the service provider intends to commit such a violation. A service provider shall likewise not be liable under this title for the obligations of a business for which it provides services as set forth in this title.

(k) This title shall not be construed to require a business to collect personal information that it would not otherwise collect in the ordinary course of its business, retain personal information for longer than it would otherwise retain such information in the ordinary course of its business, or reidentify or otherwise link information that is not maintained in a manner that would be considered personal information.

(l) The rights afforded to consumers and the obligations imposed on the business in this title shall not adversely affect the rights and freedoms of other consumers.

(m) The rights afforded to consumers and the obligations imposed on any business under this title shall not apply to the extent that they infringe on the noncommercial activities of a person or entity described in subdivision (b) of Section 2 of Article I of the California Constitution.

(n)

(1) The obligations imposed on businesses by Sections 1798.100, 1798.105, 1798.110, 1798.115, 1798.130, and 1798.135 shall not apply to personal information reflecting a written or verbal communication or a transaction between the business and the consumer, where the consumer is a natural person who is acting as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, ~~non-profit,~~nonprofit or government agency and whose communications or transaction with the business occur solely within the context of the business conducting due diligence regarding, or providing or receiving a product or service to or from such company, partnership, sole proprietorship, ~~non-profit,~~nonprofit, or government agency.

(2) For purposes of this subdivision:

(A) “Contractor” means a natural person who provides any service to a business pursuant to a written contract.

(B) “Director” means a natural person designated in the articles of incorporation as such or elected by the incorporators and natural persons designated, elected, or appointed by any other name or title to act as directors, and their successors.

(C) “Officer” means a natural person elected or appointed by the board of directors to manage the daily operations of a corporation, such as a chief executive officer, president, secretary, or treasurer.

(D) “Owner” means a natural person who meets one of the following:

(i) Has ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a business.

(ii) Has control in any manner over the election of a majority of the directors or of individuals exercising similar functions.

(iii) Has the power to exercise a controlling influence over the management of a company.

(3) This subdivision shall become inoperative on January 1, 2021.

SEC. 32. Section *1946.2* of the Civil Code is amended to read:

1946.2.

(a) Notwithstanding any other law, after a tenant has continuously and lawfully occupied a residential real property for 12 months, the owner of the residential real property shall not terminate the tenancy without just cause, which shall be stated in the written notice to terminate tenancy. If any additional adult tenants are added to the lease before an existing tenant has continuously and lawfully occupied the residential real property for 24 months, then this subdivision shall only apply if either of the following are satisfied:

(1) All of the tenants have continuously and lawfully occupied the residential real property for 12 months or more.

(2) One or more tenants have continuously and lawfully occupied the residential real property for 24 months or more.

(b) For purposes of this section, “just cause” includes either of the following:

(1) At-fault just cause, which is any of the following:

(A) Default in the payment of rent.

(B) A breach of a material term of the lease, as described in paragraph (3) of Section 1161 of the Code of Civil Procedure, including, but not limited to, violation of a provision of the lease after being issued a written notice to correct the violation.

(C) Maintaining, committing, or permitting the maintenance or commission of a nuisance as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(D) Committing waste as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(E) The tenant had a written lease that terminated on or after January 1, 2020, and after a written request or demand from the owner, the tenant has refused to execute a written extension or renewal of the lease for an additional term of similar duration with similar provisions, provided that those terms do not violate this section or any other provision of law.

(F) Criminal activity by the tenant on the residential real property, including any common areas, or any criminal activity or criminal threat, as defined in subdivision (a) of Section 422 of the Penal Code, on or off the residential real property, that is directed at any owner or agent of the owner of the residential real property.

(G) Assigning or subletting the premises in violation of the tenant’s lease, as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(H) The tenant’s refusal to allow the owner to enter the residential real property as authorized by Sections 1101.5 and 1954 of this code, and Sections 13113.7 and 17926.1 of the Health and Safety Code.

(I) Using the premises for an unlawful purpose as described in paragraph (4) of Section 1161 of the Code of Civil Procedure.

(J) The employee, agent, or licensee's failure to vacate after their termination as an employee, agent, or a licensee as described in paragraph (1) of Section 1161 of the Code of Civil Procedure.

(K) When the tenant fails to deliver possession of the residential real property after providing the owner written notice as provided in Section 1946 of the tenant's intention to terminate the hiring of the real property, or makes a written offer to surrender that is accepted in writing by the landlord, but fails to deliver possession at the time specified in that written notice as described in paragraph (5) of Section 1161 of the Code of Civil Procedure.

(2) No-fault just cause, which includes any of the following:

(A)

(i) Intent to occupy the residential real property by the owner or their spouse, domestic partner, children, grandchildren, parents, or grandparents.

(ii) For leases entered into on or after July 1, 2020, clause (i) shall apply only if the tenant agrees, in writing, to the termination, or if a provision of the lease allows the owner to terminate the lease if the owner, or their spouse, domestic partner, children, grandchildren, parents, or grandparents, unilaterally decides to occupy the residential real property. Addition of a provision allowing the owner to terminate the lease as described in this clause to a new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1).

(B) Withdrawal of the residential real property from the rental market.

(C)

(i) The owner complying with any of the following:

(I) An order issued by a government agency or court relating to habitability that necessitates vacating the residential real property.

(II) An order issued by a government agency or court to vacate the residential real property.

(III) A local ordinance that necessitates vacating the residential real property.

(ii) If it is determined by any government agency or court that the tenant is at fault for the condition or conditions triggering the order or need to vacate under clause (i), the tenant shall not be entitled to relocation assistance as outlined in paragraph (3) of subdivision (d).

(D)

(i) Intent to demolish or to substantially remodel the residential real property.

(ii) For purposes of this subparagraph, "substantially remodel" means the replacement or substantial modification of any structural, electrical, plumbing, or mechanical system that requires a permit from a governmental agency, or the abatement of hazardous materials, including lead-based paint, mold, or asbestos, in accordance with applicable federal, state, and local laws, that cannot be reasonably accomplished in a safe manner with the tenant in place and that requires the tenant to vacate the residential real property for at least 30 days. Cosmetic improvements alone, including painting, decorating, and minor repairs, or other work that can be performed safely without having the residential real property vacated, do not qualify as substantial rehabilitation.

(c) Before an owner of residential real property issues a notice to terminate a tenancy for just cause that is a curable lease violation, the owner shall first give notice of the violation to the tenant with an

opportunity to cure the violation pursuant to paragraph (3) of Section 1161 of the Code of Civil Procedure. If the violation is not cured within the time period set forth in the notice, a three-day notice to quit without an opportunity to cure may thereafter be served to terminate the tenancy.

(d)

(1) For a tenancy for which just cause is required to terminate the tenancy under subdivision (a), if an owner of residential real property issues a termination notice based on a no-fault just cause described in paragraph (2) of subdivision (b), the owner shall, regardless of the tenant's income, at the owner's option, do one of the following:

(A) Assist the tenant to relocate by providing a direct payment to the tenant as described in paragraph (3).

(B) Waive in writing the payment of rent for the final month of the tenancy, prior to the rent becoming due.

(2) If an owner issues a notice to terminate a tenancy for no-fault just cause, the owner shall notify the tenant of the tenant's right to relocation assistance or rent waiver pursuant to this section. If the owner elects to waive the rent for the final month of the tenancy as provided in subparagraph (B) of paragraph (1), the notice shall state the amount of rent waived and that no rent is due for the final month of the tenancy.

(3)

(A) The amount of relocation assistance or rent waiver shall be equal to one month of the tenant's rent that was in effect when the owner issued the notice to terminate the tenancy. Any relocation assistance shall be provided within 15 calendar days of service of the notice.

(B) If a tenant fails to vacate after the expiration of the notice to terminate the tenancy, the actual amount of any relocation assistance or rent waiver provided pursuant to this subdivision shall be recoverable as damages in an action to recover possession.

(C) The relocation assistance or rent waiver required by this subdivision shall be credited against any other relocation assistance required by any other law.

(4) An owner's failure to strictly comply with this subdivision shall render the notice of termination void.

(e) This section ~~shall~~does not apply to the following types of residential real properties or residential circumstances:

(1) Transient and tourist hotel occupancy as defined in subdivision (b) of Section 1940.

(2) Housing accommodations in a nonprofit hospital, religious facility, extended care facility, licensed residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, or an adult residential facility, as defined in Chapter 6 of Division 6 of Title 22 of the Manual of Policies and Procedures published by the State Department of Social Services.

(3) Dormitories owned and operated by an institution of higher education or a kindergarten and grades 1 to 12, inclusive, school.

(4) Housing accommodations in which the tenant shares bathroom or kitchen facilities with the owner who maintains their principal residence at the residential real property.

(5) Single-family owner-occupied residences, including a residence in which the owner-occupant rents or leases no more than two units or bedrooms, including, but not limited to, an accessory dwelling unit or a junior accessory dwelling unit.

(6) A ~~property containing two separate dwelling units within a single structure~~duplex in which the owner occupied one of the units as the owner's principal place of residence at the beginning of the tenancy, so long as the owner continues in occupancy~~, and neither unit is an accessory dwelling unit or a junior accessory dwelling unit~~.

(7) Housing that has been issued a certificate of occupancy within the previous 15 years.

(8) Residential real property that is alienable separate from the title to any other dwelling unit, provided that both of the following apply:

(A) The owner is not any of the following:

(i) A real estate investment trust, as defined in *Section 856 of the Internal Revenue Code*.

(ii) A corporation.

(iii) A limited liability company in which at least one member is a corporation.

(B)

(i) The tenants have been provided written notice that the residential property is exempt from this section using the following statement:

"This property is not subject to the rent limits imposed by Section 1947.12 of the Civil Code and is not subject to the just cause requirements of Section 1946.2 of the Civil Code. This property meets the requirements of Sections 1947.12 (d)(5) and 1946.2 (e)(8) of the Civil Code and the owner is not any of the following: (1) a real estate investment trust, as defined by *Section 856 of the Internal Revenue Code*; (2) a corporation; or (3) a limited liability company in which at least one member is a corporation."

(ii) For a tenancy existing before July 1, 2020, the notice required under clause (i) may, but is not required to, be provided in the rental agreement.

(iii) For any tenancy commenced or renewed on or after July 1, 2020, the notice required under clause (i) must be provided in the rental agreement.

(iv) Addition of a provision containing the notice required under clause (i) to any new or renewed rental agreement or fixed-term lease constitutes a similar provision for the purposes of subparagraph (E) of paragraph (1) of subdivision (b).

(9) Housing restricted by deed, regulatory restriction contained in an agreement with a government agency, or other recorded document as affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code, or subject to an agreement that provides housing subsidies for affordable housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code or comparable federal statutes.

(f)

(1) An owner of residential real property subject to this section shall provide notice to the tenant as follows:

(1)(A) For any tenancy commenced or renewed on or after July 1, 2020, as an addendum to the lease or rental agreement, or as a written notice signed by the tenant, with a copy provided to the tenant.

(2)(B) For a tenancy existing prior to July 1, 2020, by written notice to the tenant no later than August 1, 2020, or as an addendum to the lease or rental agreement.

(3)(C) The notification or lease provision shall be in no less than 12-point type, and shall include the following:

"California law limits the amount your rent can be increased. See Section 1947.12 of the Civil Code for more information. California law also provides that after all of the tenants have continuously and lawfully occupied the property for 12 months or more or at least one of the tenants has continuously and lawfully occupied the property for 24 months or more,

a landlord must provide a statement of cause in any notice to terminate a tenancy. See Section 1946.2 of the Civil Code for more information."

(2) The provision of the notice ~~shall be~~is subject to Section 1632.

(g)

(1) This section does not apply to the following residential real property:

(A) Residential real property subject to a local ordinance requiring just cause for termination of a residential tenancy adopted on or before September 1, 2019, in which case the local ordinance ~~shall apply~~applies.

(B) Residential real property subject to a local ordinance requiring just cause for termination of a residential tenancy adopted or amended after September 1, 2019, that is more protective than this section, in which case the local ordinance ~~shall apply~~applies. For purposes of this subparagraph, an ordinance is "more protective" if it meets all of the following criteria:

(i) The just cause for termination of a residential tenancy under the local ordinance is consistent with this section.

(ii) The ordinance further limits the reasons for termination of a residential tenancy, provides for higher relocation assistance amounts, or provides additional tenant protections that are not prohibited by any other provision of law.

(iii) The local government has made a binding finding within their local ordinance that the ordinance is more protective than the provisions of this section.

(2) A residential real property shall not be subject to both a local ordinance requiring just cause for termination of a residential tenancy and this section.

(3) A local ordinance adopted after September 1, 2019, that is less protective than this section shall not be enforced unless this section is repealed.

(h) Any waiver of the rights under this section ~~shall be~~is void as contrary to public policy.

(i) For the purposes of this section, the following definitions ~~shall~~ apply:

(1) "Owner" and "residential real property" have the same meaning as those terms are defined in Section 1954.51.

(2) "Tenancy" means the lawful occupation of residential real property and includes a lease or sublease.

(j) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

SEC. 33. Section *336a* of the Code of Civil Procedure is amended to read:

336a.

Within six years:

(a) An action upon any bonds, notes, or debentures issued by any corporation or pursuant to permit of the Commissioner of Business Oversight, or upon any coupons issued with the bonds, notes, or debentures, if those bonds, notes, or debentures shall have been issued to or held by the public.

(b) An action upon any mortgage, trust deed, or other agreement pursuant to which the bonds, notes, or debentures were issued. ~~Nothing in this section shall~~This section does not apply to bonds or other evidences of indebtedness of a public district or corporation.

SEC. 34. Section *349¾* of the Code of Civil Procedure is amended and renumbered to read:

349.05.

Within one hundred eighty days:

(a) An action to enjoin, abate, or for damages on account of, an underground trespass, use or occupancy, by means of a well drilled for oil or gas or both from a surface location on land other than real property in which the aggrieved party has some right, title or interest or in respect to which the aggrieved party has some right, title or interest.

(b) An action for conversion or for the taking or removing of oil, gas or other liquid, or fluids by means of any such well.

When any of said acts is by means of a new well the actual drilling of which is commenced after this section becomes effective, and such act was knowingly committed with actual intent to commit such act, the cause of action in such case shall not be deemed to have accrued until the discovery, by the aggrieved party, of the act or acts complained of; but in all other cases, and as to wells heretofore or hereafter drilled, the cause of action shall be deemed to have accrued ten days after the time when the well which is the subject of the cause of action was first placed on production.

Notwithstanding the continuing character of any such act, there shall be but one cause of action for any such act, and the cause of action shall accrue as aforesaid.

In all cases where oil or gas has been heretofore or is hereafter extracted from any existing or subsequently drilled well in this state, by a person without right but asserting a claim of right in good faith or acting under an honest mistake of law or fact, the measure of damages, if there be any right of recovery under existing law, shall be the value of the oil or gas at the time of extraction, without interest, after deducting all costs of development, operation and production, which costs shall include taxes and interest on all expenditures from the date thereof.

This section applies to causes of action existing when this section becomes effective. The time for commencement of existing causes of action which would be barred by this section within the first one hundred eighty days after this section becomes effective, shall be the said first one hundred eighty days.

Whenever the term “oil” is used in this section it shall be taken to include “petroleum,” and the term “gas” shall mean natural gas coming from the earth.

The limitations prescribed by this section do not apply to rights of action or actions to be brought in the name of or for the benefit of the people of this State, or of any county, city and county, city or other political subdivision of this State.

SEC. 35. Section *430.10* of the Code of Civil Procedure is amended to read:

430.10.

The party against whom a complaint or cross-complaint has been filed may object, by demurrer or answer as provided in Section 430.30, to the pleading on any one or more of the following grounds:

(a) The court has no jurisdiction of the subject of the cause of action alleged in the pleading.

(b) The person who filed the pleading does not have the legal capacity to sue.

(c) There is another action pending between the same parties on the same cause of action.

(d) There is a defect or misjoinder of parties.

(e) The pleading does not state facts sufficient to constitute a cause of action.

(f) The pleading is uncertain. As used in this subdivision, “uncertain” includes ambiguous and unintelligible.

(g) In an action founded upon a contract, it cannot be ascertained from the pleading whether the contract is written, is oral, or is implied by conduct.

(h) No certificate was filed as required by Section 411.35.

(i) ~~No certificate was filed as required by Section 411.36.~~

SEC. 36. Section *699.520* of the Code of Civil Procedure is amended to read:

699.520.

The writ of execution shall require the levying officer to whom it is directed to enforce the money judgment and shall include the following information:

(a) The date of issuance of the writ.

(b) The title of the court in which the judgment is entered and the cause and number of the action.

(c) Whether the judgment is for wages owed, child support, or spousal support. This ~~paragraph~~subdivision shall become operative on September 1, 2020.

(d) The name and address of the judgment creditor and the name and last known address of the judgment debtor. If the judgment debtor is other than a natural person, the type of legal entity shall be stated.

(e) The date of the entry of the judgment and of any subsequent renewals and where entered in the records of the court.

(f) The total amount of the money judgment as entered or renewed, together with costs thereafter added to the judgment pursuant to Section 685.090 and the accrued interest on the judgment from the date of entry or renewal of the judgment to the date of issuance of the writ, reduced by any partial satisfactions and by any amounts no longer enforceable.

(g) The amount required to satisfy the money judgment on the date the writ is issued.

(h) The amount of interest accruing daily on the principal amount of the judgment from the date the writ is issued.

(i) Whether any person has requested notice of sale under the judgment and, if so, the name and mailing address of that person.

(j) The sum of the fees and costs added to the judgment pursuant to Section 6103.5 or Article 6 (commencing with Section 68630) of Chapter 2 of Title 8 of the Government Code, and which is in addition to the amount owing to the judgment creditor on the judgment.

(k) Whether the writ of execution includes any additional names of the judgment debtor pursuant to an affidavit of identity, as defined in Section 680.135.

(l) A statement indicating whether the case is limited or unlimited.

SEC. 37. Section *1002.5* of the Code of Civil Procedure is amended to read:

1002.5.

(a) An agreement to settle an employment dispute shall not contain a provision prohibiting, preventing, or otherwise restricting a settling party that is an aggrieved person from obtaining future employment with the employer against which the aggrieved person has filed a claim, or any parent company, subsidiary, division, affiliate, or contractor of the employer. A provision in an agreement entered into on or after January 1, 2020, that violates this section is void as a matter of law and against public policy.

(b) ~~Nothing in~~ Subdivision (a) does ~~any of the following~~not:

(1) Preclude the employer and aggrieved person from making an agreement to do either of the following:

(A) End a current employment relationship.

(B) Prohibit or otherwise restrict the settling aggrieved person from obtaining future employment with the settling employer, if the employer has made a good faith determination that the person engaged in sexual harassment or sexual assault.

(2) Require an employer to continue to employ or rehire a person if there is a legitimate ~~non-discriminatory or non-retaliatory~~nondiscriminatory or nonretaliatory reason for terminating the employment relationship or refusing to rehire the person.

(c) For purposes of this section:

(1) "Aggrieved person" means a person who has filed a claim against the person's employer in court, before an administrative agency, in an alternative dispute resolution forum, or through the employer's internal complaint process.

(2) "Sexual assault" means conduct that would constitute a crime under Section ~~243.3~~243.4, 261, 262, 264.1, 286, 287, or 289 of, or former Section 288a of, the Penal Code, assault with the intent to commit any of those crimes, or an attempt to commit any of those crimes.

(3) "Sexual harassment" has the same meaning as in subdivision (j) of Section 12940 of the Government Code.

SEC. 38. Section *7211* of the Corporations Code is amended to read:

7211.

(a) Unless otherwise provided in the articles or in the bylaws, all of the following apply:

(1) Meetings of the board may be called by the chair of the board or the president or any vice president or the secretary or any two directors.

(2) Regular meetings of the board may be held without notice if the time and place of the meetings are fixed by the bylaws or the board. Special meetings of the board shall be held upon four days' notice by first-class mail or 48 hours' notice delivered personally or by telephone, including a voice messaging system or by electronic transmission by the corporation (Section 20). The articles or bylaws may not dispense with notice of a special meeting. A notice, or waiver of notice, need not specify the purpose of any regular or special meeting of the board.

(3) Notice of a meeting need not be given to a director who provided a waiver of notice or consent to holding the meeting or an approval of the minutes thereof in writing, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that director. These waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

(4) A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of an adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

(5) Meetings of the board may be held at a place within or without the state that has been designated in the notice of the meeting or, if not stated in the notice or if there is no notice, designated in the bylaws or by resolution of the board.

(6) Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or electronic transmission by and to the corporation (Sections 20 and 21). Participation in a meeting through use of conference telephone or electronic video screen

communication pursuant to this subdivision constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another. Participation in a meeting through use of electronic transmission by and to the corporation, other than conference telephone and electronic video screen communication, pursuant to this subdivision constitutes presence in person at that meeting if both of the following apply:

(A) Each director participating in the meeting can communicate with all of the other directors concurrently.

(B) Each director is provided the means of participating in all matters before the board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

(7) A majority of the number of directors authorized in or pursuant to the articles or bylaws constitutes a quorum of the board for the transaction of business. The articles or bylaws may require the presence of one or more specified directors in order to constitute a quorum of the board to transact business, as long as the death or nonexistence of a specified director or the death or nonexistence of the person or persons otherwise authorized to appoint or designate that director does not prevent the corporation from transacting business in the normal course of events. The articles or bylaws may not provide that a quorum shall be less than one-fifth the number of directors authorized in or pursuant to the articles or bylaws, or less than two, whichever is larger, unless the number of directors authorized in or pursuant to the articles or bylaws is one, in which case one director constitutes a quorum.

(8) Subject to the provisions of Sections 7212, 7233, 7234, and subdivision (e) of Section 7237 and Section 5233, insofar as it is made applicable pursuant to Section 7238, an act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the board. The articles or bylaws may not provide that a lesser vote than a majority of the directors present at a meeting is the act of the board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting, or a greater number required by this division, the articles or the bylaws.

(b) An action required or permitted to be taken by the board may be taken without a meeting if all directors individually or collectively consent in writing to that action and if, subject to subdivision (a) of Section 7224, the number of directors then in office constitutes a quorum. The written consent or consents shall be filed with the minutes of the proceedings of the board. The action by written consent shall have the same force and effect as a unanimous vote of the directors. For purposes of this subdivision only, “all directors” does not include an “interested director” as defined in subdivision (a) of Section 5233, insofar as it is made applicable pursuant to Section 7238 or described in subdivision (a) of Section 7233, or a “common director” as described in subdivision (b) of Section 7233 who abstains in writing from providing consent, where (1) the facts described in paragraph (2) or (3) of subdivision (d) of Section 5233 are established or the provisions of paragraph (1) or (2) of subdivision (a) of Section 7233 or in paragraph (1) or (2) of subdivision (b) of Section 7233 are satisfied, as appropriate, at or prior to execution of the written consent or consents; (2) the establishment of those facts or satisfaction of those provisions, as applicable, is included in the written consent or consents executed by the noninterested directors or noncommon directors or in other records of the corporation; and (3) the noninterested directors or noncommon directors, as applicable, approve the action by a vote that is sufficient without counting the votes of the interested directors or common directors.

(c) Each director shall have one vote on each matter presented to the board of directors for action. ~~No director may~~A director shall not vote by proxy.

(d) This section applies also to incorporators, to committees of the board, and to action by those incorporators or committees mutatis mutandis.

SEC. 39. Section *9211* of the Corporations Code is amended to read:

9211.

(a) Unless otherwise provided in the articles or in the bylaws, all of the following apply:

(1) Meetings of the board may be called by the chair of the board or the president or any vice president or the secretary or any two directors.

(2) Regular meetings of the board may be held without notice if the time and place of the meetings are fixed by the bylaws or the board. Special meetings of the board shall be held upon four days' notice by first-class mail or 48 hours' notice delivered personally or by telephone, including a voice messaging system or by electronic transmission by a corporation (Section 20). The articles or bylaws may not dispense with notice of a special meeting. A notice, or waiver of notice, need not specify the purpose of any regular or special meeting of the board.

(3) Notice of a meeting need not be given to a director who provided a waiver of notice or consent to holding the meeting or an approval of the minutes thereof in writing, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that director. These waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

(4) A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

(5) Meetings of the board may be held at a place within or without the state that has been designated in the notice of the meeting or, if not stated in the notice or there is no notice, designated in the bylaws or by resolution of the board.

(6) Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or electronic transmission by and to the corporation. Participation in a meeting through use of conference telephone or electronic video screen communication pursuant to this subdivision constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another. Participation in a meeting through use of electronic transmission by and to the corporation, other than conference telephone and electronic video screen communication pursuant to this subdivision constitutes presence in person at that meeting, if both of the following apply:

(A) Each director participating in the meeting can communicate with all of the other directors concurrently.

(B) Each director is provided the means of participating in all matters before the board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

(7) A majority of the number of directors authorized in or pursuant to the articles or bylaws constitutes a quorum of the board for the transaction of business.

The articles or bylaws may require the presence of one or more specified directors in order to constitute a quorum of the board to transact business, as long as the death or nonexistence of a specified director or the death or nonexistence of the person or persons otherwise authorized to appoint or designate that director does not prevent the corporation from transacting business in the normal course of events.

(8) An act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the board. The articles or bylaws may not provide that a lesser vote than a majority of the directors present at a meeting is the act of the board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the

withdrawal of directors if any action taken is approved by at least a majority of the required quorum for that meeting, or a greater number required by this division, the articles or the bylaws.

(b) An action required or permitted to be taken by the board may be taken without a meeting if all directors shall individually or collectively consent in writing to that action and if, subject to subdivision (a) of Section 9224, the number of directors then in office constitutes a quorum. The written consent or consents shall be filed with the minutes of the proceedings of the board. The action by written consent shall have the same force and effect as a unanimous vote of the directors. For purposes of this subdivision only, "all directors" does not include an "interested director" as defined in subdivision (a) of Section 9243 or a "common director" as described in subdivision (a) of Section 9244 who abstains in writing from providing consent, where (1) the facts described in paragraph (2) or (3) of subdivision (d) of Section 9243 are established or the provisions of paragraph (1) of subdivision (a) of Section 9244 are satisfied, as appropriate, at or prior to execution of the written consent or consents; (2) the establishment of those facts or satisfaction of those provisions, as applicable, is included in the written consent or consents executed by the noninterested or noncommon directors or in other records of the corporation; and (3) the noninterested directors or noncommon directors, as applicable, approve the action by a vote that is sufficient without counting the votes of the interested directors or common directors.

(c) Each director shall have one vote on each matter presented to the board of directors for action. ~~No director may~~A director shall not vote by proxy.

(d) This section applies also to incorporators, to committees of the board, and to action by those incorporators or committees mutatis mutandis.

SEC. 40. Section *12351* of the Corporations Code is amended to read:

12351.

(a) Unless otherwise provided in the articles or in the bylaws:

(1) Meetings of the board may be called by the chair of the board or the president or any vice president or the secretary or any two directors.

(2) Regular meetings of the board may be held without notice if the time and place of the meetings are fixed by the bylaws or the board. Special meetings of the board shall be held upon four days' notice by first-class mail or 48 hours' notice delivered personally or by telephone, including a voice messaging system or by electronic transmission by the corporation (Section 20). The articles or bylaws may not dispense with notice of a special meeting. A notice, or waiver of notice, need not specify the purpose of any regular or special meeting of the board.

(3) Notice of a meeting need not be given to any director who provides a waiver of notice or consent to holding the meeting or an approval of the minutes thereof in writing, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that director. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

(4) A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

(5) Meetings of the directors may be held at any place within or without the state which has been designated in the notice of the meeting or, if not stated in the notice or if there is no notice, designated in the bylaws or by resolution of the board.

(6) Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or electronic transmission by and to the corporation (Sections 20 and 21).

Participation in a meeting through use of conference telephone or electronic video screen communication pursuant to this subdivision constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another. Participation in a meeting through use of electronic transmission by and to the corporation, other than conference telephone and electronic video screen communication pursuant to this subdivision constitutes presence in person at that meeting if both of the following apply:

(A) Each director participating in the meeting can communicate with all of the other directors concurrently.

(B) Each director is provided the means of participating in all matters before the board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

(7) A majority of the number of directors authorized in or pursuant to the articles or bylaws constitutes a quorum of the board for the transaction of business. The articles or bylaws may require the presence of one or more specified directors to constitute a quorum of the board to transact business, as long as the death or nonexistence of a specified director or the death or nonexistence of the person or persons otherwise authorized to appoint or designate a director does not prevent the corporation from transacting business in the normal course of events. The articles or bylaws may not provide that a quorum shall be less than one-fifth the number of directors authorized in or pursuant to the articles or bylaws, or less than two, whichever is larger.

(8) Subject to the provisions of Sections 12352, 12373, 12374, and subdivision (e) of Section 12377, every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the board. The articles or bylaws may not provide that a lesser vote than a majority of the directors present at a meeting is the act of the board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for the meeting, or a greater number as is required by this division, the articles or bylaws.

(b) Any action required or permitted to be taken by the board may be taken without a meeting, if all directors shall individually or collectively consent in writing to that action. Such written consent or consents shall be filed with the minutes of the proceedings of the board.

The action by written consent shall have the same force and effect as a unanimous vote of the directors.

(c) Each director shall have one vote on each matter presented to the board of directors for action. ~~No director may~~A director shall not vote by proxy.

SEC. 41. Section *15911.21* of the Corporations Code is amended to read:

15911.21.

(a) If the approval of outstanding limited partnership interests is required for a limited partnership to participate in a reorganization, pursuant to the limited partnership agreement of the partnership, or otherwise, then each limited partner of the limited partnership holding those interests may, by complying with this article, require the limited partnership to purchase for cash, at its fair market value, the interest owned by the limited partner in the limited partnership, if the interest is a dissenting interest as defined in subdivision (b). The fair market value shall be determined as of the day before the first announcement of the terms of the proposed reorganization, excluding any appreciation or depreciation in consequence of the proposed reorganization.

(b) As used in this article, “dissenting interest” means the interest of a limited partner that satisfies all of the following conditions:

(1) Either:

(A) Was not, immediately prior to the reorganization, either (i) listed on any national securities exchange certified by the Commissioner of Business Oversight under subdivision (o) of Section 25100, or (ii) listed on the list of OTC margin stocks issued by the Board of Governors of the Federal Reserve System, provided that in either instance, the limited partnership whose outstanding interests are so listed provides, in its notice to limited partners requesting their approval of the proposed reorganization, a summary of the provisions of this section and Sections 15911.22, 15911.23, 15911.24, and 15911.25.

(B) If the interest is of a class of interests listed as described in clause (i) or (ii) of subparagraph (A), demands for payment are filed with respect to 5 percent or more of the outstanding interests of that class.

(2) Was outstanding on the date for the determination of limited partners entitled to vote on the reorganization.

(3)

(A) Was not voted in favor of the reorganization, or (B) if the interest is described in clause (i) or (ii) of subparagraph (A) of paragraph (1), was voted against the reorganization; provided, however, that ~~clause~~subparagraph (A) rather than ~~clause~~subparagraph (B) of this paragraph applies in any event where the approval for the proposed reorganization is sought by written consent rather than at a meeting.

(4) The limited partner has demanded that it be purchased by the limited partnership at its fair market value in accordance with Section 15911.22.

(5) The limited partner has submitted it for endorsement, if applicable, in accordance with Section 15911.23.

(c) As used in this article, “dissenting limited partner” means the recordholder of a dissenting interest, and includes an assignee of record of such an interest.

SEC. 42. Section *212.1* of the Education Code is amended to read:

212.1.

(a) “Race or ethnicity” includes ancestry, color, ethnic group identification, and ethnic background.

(b) “Race” is inclusive of traits historically associated with race, including, but not limited to, hair texture and protective hairstyles.

(c) “Protective hairstyles” includes, but is not limited to, such hairstyles as braids, ~~locks~~locs, and twists.

SEC. 43. Section *215.5* of the Education Code is amended to read:

215.5.

(a)

(1) Commencing July 1, 2019, a public school, including a charter school, or a private school, that serves pupils in any of grades 7 to 12, inclusive, and that issues pupil identification cards shall have printed on either side of the pupil identification cards the telephone number described in subparagraph (A)and may have printed on either side of the pupil identification cards the ~~telephone numbers~~text line described in ~~subparagraphs~~subparagraph (B) and the telephone number described in subparagraph (C):

(A) The telephone number for the National Suicide Prevention Lifeline: 1-800-273-8255.

(B) The Crisis Text Line, which can be accessed by texting HOME to 741741.

(C) A local suicide prevention hotline telephone number.

(2) Commencing October 1, 2020, a public school, including a charter school, or a private school, that serves pupils in any of grades 7 to 12, inclusive, and that issues pupil identification cards shall have printed on either side of the pupil identification cards the telephone number for the National Domestic Violence Hotline: 1-800-799-7233.

(b)

(1) Commencing July 1, 2019, a public or private institution of higher education that issues student identification cards shall have printed on either side of the student identification cards the telephone number described in subparagraph (A) and may have printed on either side of the student identification cards the text line described in subparagraph (B) and the telephone numbers described in subparagraphs ~~(B), (C),~~(C) and (D):

(A) The telephone number for the National Suicide Prevention Lifeline: 1-800-273-8255.

(B) The Crisis Text Line, which can be accessed by texting HOME to 741741.

(C) The campus police or security telephone number or, if the campus does not have a campus police or security telephone number, the local nonemergency telephone number.

(D) A local suicide prevention hotline telephone number.

(2) Commencing October 1, 2020, a public or private institution of higher education that issues student identification cards shall have printed on either side of the student identification cards the telephone number for either of the following:

(A) The National Domestic Violence Hotline: 1-800-799-7233.

(B) A local domestic violence hotline that provides confidential support services for students that have experienced domestic violence or stalking and is available by telephone 24 hours a day.

(c) Notwithstanding subdivisions (a) and (b), if, as of January 1, 2020, a school subject to the requirements of subdivision (a), or a public or private institution of higher education subject to the requirements of subdivision (b), has a supply of unissued pupil or student identification cards that do not comply with the requirements of subdivision (a) or (b), as applicable, the school or the public or private institution of higher education shall issue those pupil or student identification cards until that supply is depleted.

(d) Subdivisions (a) and (b) ~~shall~~ apply for a pupil or student identification card issued for the first time to a pupil or student, and to a pupil or student identification card issued to replace a damaged or lost pupil or student identification card.

SEC. 44. Section *231.6* of the Education Code is amended to read:

231.6.

(a) Each schoolsite in a school district, county office of education, or charter school, serving pupils in any of grades 9 through 12, inclusive, shall create a poster that notifies pupils of the applicable written policy on sexual harassment described in Section 231.5.

(b) The schoolsite may partner with local, state, or federal agencies, or nonprofit organizations, for purposes of the design and content of the poster.

(c) The language in the poster shall be age appropriate and culturally relevant, and the schoolsite may partner with local, state, or federal agencies, or nonprofit organizations, for these purposes.

(d) The poster shall be displayed in English and any primary language spoken by 15 percent or more of the pupils enrolled at the schoolsite as determined pursuant to Section 48985.

(e) The poster shall be no smaller than 8.5 by 11 inches and use at least 12-point ~~font~~type.

(f) The poster shall display, at a minimum, all of the following:

(1) The rules and procedures for reporting a charge of sexual harassment.

(2) The name, phone number, and email address of an appropriate schoolsite official to contact to report a charge of sexual harassment.

(3) The rights of the reporting pupil, the complainant, and the respondent, and the responsibilities of the schoolsite in accordance with the applicable written policy on sexual harassment.

(g)

(1) The poster shall be prominently and conspicuously displayed in each bathroom and locker room at the schoolsite.

(2)

(A) The poster may be prominently and conspicuously displayed in public areas at the schoolsite that are accessible to, and commonly frequented by, pupils, including, but not limited to, classrooms, classroom hallways, gymnasiums, auditoriums, and cafeterias.

(B) The governing board of a school district, governing body of a charter school, and county board of education shall have full discretion to select the appropriate public areas to display the poster at the schoolsite.

SEC. 45. Section *8280* of the Education Code is amended to read:

8280.

(a) The Superintendent shall administer the Early Learning and Care Infrastructure Grant Program to expand access to early learning and care opportunities for children up to five years of age by providing resources to build new facilities or retrofit, renovate, or expand existing facilities pursuant to this section.

(b)

(1) Notwithstanding any other law, the Child Care Facilities Revolving Fund shall remain operative for the sole purpose of collecting deposits derived from the Child Care Facilities Revolving Fund program pursuant to Section 8278.3.

(1)(2) The Superintendent shall deposit all revenue derived from the lease payments or renovation or repair loan payments into the Child Care Facilities Revolving Fund until December 31, 2029.

(2)(3) Local educational agencies and contracting agencies using facilities purchased with funds pursuant to Section 8278.3 before December 31, 2019, shall be charged a leasing fee, either at fair market value for those facilities or at an amount sufficient to amortize the cost of purchase and relocation, whichever amount is lower, over a 10-year period. Upon full repayment of the purchase and relocation costs, title shall transfer from the State of California to the local educational agency or contracting agency. Loans for renovation or repair shall be repaid within a period that does not exceed 10 years.

(3)(4) As of December 31, 2019, the remaining balance of the Child Care Facilities Revolving Fund shall be allocated as follows:

(A) The sum of ten million dollars ($10,000,000) shall be transferred to the Inclusive Early Education Expansion Program, pursuant to Section 8492.

(B) Following the transfer pursuant to subparagraph (A), the remaining balance shall be allocated for the purposes described in this section.

(C) Any balance derived from the ongoing deposits of the lease payments or renovation or repair loan payments after December 31, 2019, shall be allocated through the annual Budget Act process.

(c) The Superintendent shall award infrastructure grants on a competitive basis to early learning and care providers that are not local educational agencies, and operate as a licensed childcare center, preschool, or licensed family childcare home, for the following purposes:

(1) Construction of new early learning and care facilities to increase capacity or recover lost capacity as a result of a state or federally declared disaster.

(2) Renovation, repair, modernization, or retrofitting of existing early learning and care facilities to increase capacity or recover lost capacity as a result of a state or federally declared disaster, or make existing early learning and care facilities more resilient for future natural disasters.

(3) Renovation, repair, modernization, or retrofitting of existing facilities for use as early learning and care facilities.

(4) Renovation, repair, modernization, or retrofitting of existing early learning and care facilities to address health and safety or other licensure needs to the extent the applicant can demonstrate a financial hardship, and that failure to correct the issues would result in an inability to provide care. Funds awarded in this category shall be limited to high-need providers based on criteria established by the Superintendent.

(d) The Superintendent shall require all of the following from applicants for the infrastructure grants:

(1) A proposal to increase capacity and local access to subsidized early learning and care programs for children up to five years of age, including children with exceptional needs. The ~~proposal~~information shall quantify the number of additional children who will be provided with access to subsidized early learning and care programs.

(2) A plan to fiscally sustain the increase in subsidized spaces or programs created through the use of these funds. Subsidies may be funded with private, local, state, or federal funds, but shall be able to demonstrate reasonable expectations of sustainability.

(3) Specific activities and materials for which grant funding will be used.

(4) A description of how the applicant will measure outcomes associated with the proposal submitted pursuant to paragraph (1), as specified by the Superintendent.

(5) An outline of any potential challenges or barriers the applicant will experience or expect to experience in building capacity, including the need for any technical assistance to address the identified challenges or barriers.

(e) The Superintendent shall give priority for grant funding based on the following:

(1) Applicants with a demonstrated need for expanded access to subsidized early learning and care programs as measured by the ratio of children in subsidized early learning and care programs to eligible children in the applicant's service area.

(2) Applicants in low-income communities, as measured by the proportion of children that qualify for state or federal subsidies for early learning and care programs.

(3) Applicants who plan to use grant funding to serve children that qualify for state or federal subsidies for early learning and care programs.

(4) Applicants serving children from birth to five years of age, inclusive, with exceptional needs in inclusive environments.

(5) Applicants wishing to recover lost capacity as a result of a state or federally declared disaster.

(f) Infrastructure grants may be used for one-time infrastructure costs only, including, but not limited to, universal design facility renovations, retrofitting to meet licensing requirements, the cost of design, engineering, testing, inspections, plan checking, construction management, site acquisition and development, evaluation and response action costs relating to hazardous substances at a new or

existing site, demolition, construction, landscaping, or other related costs as determined by the Superintendent.

(g) The Superintendent shall determine the appropriate grant amount for each grantee, based upon factors that include, but are not limited to, the scope of the project, regional costs, the use of universal design to provide inclusive environments, the need to meet licensing requirements or health and safety standards, and the proportion of subsidized children to be served.

(h) The Superintendent shall establish the terms and conditions associated with accepting the infrastructure grant funds awarded pursuant to this section and determine a mechanism for recouping any grant moneys from grantees that do not adhere to those terms and conditions.

(i) The Superintendent shall establish a separate application and grant process for providing grant funds related to paragraph (4) of subdivision (c) that limits grantees to low-income providers who serve a minimum percentage of subsidized children. In establishing this process, the Superintendent shall consult with the State Department of Social Services to ensure grant funds are accessible to the highest need providers and shall consider the timeframe during which health and safety violations are cited and must be resolved.

(j) The grant program shall offer technical assistance to a potential ~~applicants before being~~applicant before the applicant is awarded a grant that includes, but is not limited to, project development support and financial expertise, including assistance with coordinating financing from multiple sources.

(k) ~~Infrastructure grant recipients~~An infrastructure grant recipient shall commit to providing program data to the department, as specified by the Superintendent, and participate in overall program evaluation.

(l)

(1) There is hereby appropriated two hundred forty-five million dollars ($245,000,000) to the department from the General Fund for the infrastructure grant program established pursuant to this section to be released ~~in~~according to the following schedule:

(A) For the 2019–20 fiscal year, one hundred sixty-one million dollars ($161,000,000).

(B) For the 2020–21 fiscal year, twenty million dollars ($20,000,000).

(C) For the 2021–22 fiscal year, thirty-two million dollars ($32,000,000).

(D) For the 2022–23 fiscal year, thirty-two million dollars ($32,000,000).

(2) The Director of Finance may change the release of funds scheduled in subparagraphs (A) to (D), inclusive, of paragraph (1), if deemed necessary. The director shall notify the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, of the director's intent to notify the Controller of the necessity to change the release of funds scheduled in subparagraphs (A) to (D), inclusive, of paragraph (1). The total amount released shall not be greater or lesser than the amount appropriated in paragraph (1). The Controller shall make the funds available to the department not sooner than five days after receipt of this notification.

(3) The program established pursuant to this section shall be funded from funds appropriated in this section, funds transferred from the Child Care Facilities Revolving Fund pursuant to Section 8278.3, and federal funds appropriated for this purpose in the Budget Act of 2019. Notwithstanding Section 16304 of the Government Code, of the amount appropriated for this program, the Superintendent shall allocate the funds available for the grants through the 2023–24 fiscal year, in approximately equal amounts each fiscal year as follows:

(A) In the 2019–20 fiscal year, for licensed early learning and care centers that are not local educational agencies, pursuant to this section.

(B) In each fiscal year thereafter, for all licensed early learning and care providers, including licensed family childcare home providers, to the extent the process described in subdivision (n) is complete.

(C) In each fiscal year, up to 5 percent of the amount provided for this program shall be used for the renovation, repair, modernization, or retrofitting of existing early learning and care facilities to address health and safety or other licensure needs pursuant to the process established pursuant to subdivision (i).

(m) Notwithstanding any other provision of this section, the Superintendent, with the concurrence of the executive director of the state board, shall recommend to the Department of Finance and the budget committees of the Legislature by January 1, 2021, any changes to the funding methodology in this section related to the recommendations and priorities provided pursuant to Section 8207.

(n) Before March 1, 2020, the Superintendent, with the concurrence of the Department of Finance, shall establish an appropriate method, process, and structure for grant management, fiscal accountability, and technical assistance and supports for grantees that ensures transparency and accountability in the use of state funds. The Superintendent may set aside up to 5 percent of the total amount appropriated for the program to contract with one or more community development financial intermediaries, state financial entities, or other community-based organizations for these purposes. Beginning in the 2020–21 fiscal year, the Legislature may reassess the total amount set aside for purposes of this subdivision. The Superintendent shall notify the Joint Legislative Budget Committee when this process is established.

(o) For purposes of this section, “state or federally declared disaster” means counties where early learning and care providers are operating subject to a Presidential declaration of an emergency or major disaster, pursuant to the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Sec. 5121 et seq.), or a Governor’s Proclamation, on behalf of the impacted local government, as authorized by the powers authorized by the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code).

(p) The Superintendent shall provide annual reports, until December 31, 2025, to the Governor and the appropriate policy and fiscal committees of the Legislature on any recommendations for consideration in future budgets, the impact of the grant program in achieving the goals described in this section, recommendations as to whether the program should receive additional appropriations, and any changes that should be considered.

(q) ~~On June 30, 2020, the amounts appropriated and transferred for purposes of this section, with the exception of the funds identified in subparagraph (A) of paragraph (3) of subdivision (b), shall revert to the General Fund.~~

SEC. 46. Section *8280.1* of the Education Code is amended to read:

8280.1.

(a) The Superintendent shall administer the Early Learning and Care Workforce Development Grants Program to expand the number of qualified early learning and care professionals and increase the educational credentials of existing early learning and care professionals across the state, pursuant to this section.

(b)

(1) There is hereby appropriated one hundred fifty million dollars ($150,000,000) to the department from the General Fund for the competitive workforce development grants program established pursuant to this section to be released ~~in~~according to the following schedule:

(A) For the 2019–20 fiscal year, eighty-four million dollars ($84,000,000).

(B) For the 2020–21 fiscal year, twenty-two million dollars ($22,000,000).

(C) For the 2021–22 fiscal year, twenty-two million dollars ($22,000,000).

(D) For the 2022–23 fiscal year, twenty-two million dollars ($22,000,000).

(2) The Director of Finance may change the release of funds scheduled in subparagraphs (A) to (D), inclusive, of paragraph (1), if deemed necessary. The director shall notify the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, of the director's intent to notify the Controller of the necessity to change the release of funds scheduled in subparagraphs (A) to (D), inclusive, of paragraph (1). The total amount released shall not be greater or lesser than the amount appropriated in paragraph (1). The Controller shall make the funds available to the department not sooner than five days after receipt of this notification.

(3) Notwithstanding Section 16304 of the Government Code, of the amount appropriated for this program in this subdivision, the Superintendent shall allocate the funds available for the grants through the 2023–24 fiscal year~~,~~ in approximately equal amounts each fiscal year.

(c) The Superintendent shall award and administer the workforce development grants to local, regional, or local and regional quality improvement partnerships, as defined by the Superintendent, consistent with the Quality Rating and Improvement System local consortia, as defined in Section 8203.1, representing all counties of the state. A local, regional, or local and regional quality improvement partnership may form a ~~consortia~~consortium with one or more regional partners. All local, regional, or local and regional quality improvement partnerships shall submit a plan to the department that describes how they will allocate funds and increase the number, qualifications, and competencies of early learning and care professionals in their county or region. The plan shall also describe how local partnerships will engage in collaborative partnerships with their members, local governmental agencies, businesses, nonprofit organizations, or other interested partners to improve the educational attainment of early learning and care professionals in their county or region, including those working in centers, family childcare homes, and license-exempt settings that serve a majority of children who receive subsidized early learning and care services or are eligible to received subsidized early learning and care services, pursuant to this chapter.

(d) Workforce development grant award amounts shall be determined based on the following criteria:

(1) Demonstrated need for early learning and care professionals in each county or region.

(2) The cost of living in each county or region.

(3) The number of children under 13 years of age in each county or region who are in a family whose income is up to 85 percent of the state median income.

(e) Workforce development grants may be used for costs associated with the educational expenses of current and future early learning and care professionals that move those professionals along the early learning and care career lattice and support their attainment of increased education or English language proficiency, ~~as well as~~and professional development in early childhood instruction or child development, including developing competencies in serving children with exceptional needs and dual language learners. Allowable uses of funds include:

(1) Tuition, supplies, and other related educational expenses.

(2) Transportation and childcare costs incurred as a result of attending classes.

(3) Substitute teacher pay for early learning and care professionals that are currently working in a subsidized early learning and care setting.

(4) Stipends and professional development expenses, aligned to the Quality Counts California professional development system in that area, as determined by the Superintendent.

(5) Career, course, and professional development coaching, counseling, and navigation services.

(6) Other educational expenses as determined by the Superintendent.

(f) Local, regional, or local and regional quality improvement partnerships awarded funding pursuant to this section may partner with local or online accredited higher education institutions, local agencies that

provide high-quality, credit-bearing trainings, or apprenticeship programs that integrate and embed higher education coursework with on-the-job training of professionals.

(g) The Superintendent may set aside no more than 1 percent of the total funding appropriated for the Early Learning and Care Workforce Development Grants Program to provide technical assistance and support for grantees and potential grantees on developing proposals for and implementing workforce development grants.

(h) Local, regional, or local and regional quality improvement partnerships receiving grants shall commit to providing program data to the department, as specified by the Superintendent, including, but not limited to, recipient information, educational progress, and employment status, and participate in overall program evaluation.

(i) The Superintendent shall provide a report to the Governor ~~as well as~~and the appropriate policy and fiscal committees of the Legislature by October 1, 2020, and annually thereafter through the 2023–24 fiscal year, on the expenditure of funds as well as relevant outcome data in order to evaluate the impact of the program.

(j) The competitive workforce development grants program established pursuant to this section shall be funded from funds appropriated in this section.

(k) Notwithstanding any other provision of this section, the Superintendent, with the concurrence of the executive director of the state board, shall recommend to the Department of Finance and the budget committees of the Legislature by January 1, 2021, any changes to the funding methodology in this section related to the recommendations and priorities provided pursuant to Section 8207.

(l) ~~On June 30, 2020, the amounts appropriated for purposes of this section shall revert to the General Fund.~~

SEC. 47. Section *8430.5* of the Education Code is amended to read:

8430.5.

(a) The purpose of this article is to promote quality, access, and stability in the early care and education system by authorizing an appropriate unit of family childcare providers to choose a provider organization to act as their unit's representative on all matters specified in this article. It is also the purpose of this article to promote full communication between family childcare providers and the state by permitting a provider organization certified as the representative of family childcare providers to meet and confer with the state regarding matters within the scope of representation and other areas as mutually agreed upon in negotiations.

(b) This article does not change the family childcare providers' status as employees or independent business owners or classify family childcare providers as public employees.

(c) ~~Nothing in~~This article is not intended to change or interfere with the requirements governing licensing or enforcement thereof set forth in the California Child Day Care Facilities Act (Chapter 3.4 (commencing with Section 1596.70), Chapter 3.5 (commencing with Section 1596.90), and Chapter 3.6 (commencing with Section 1597.30) of Division 2 of the Health and Safety Code).

(d) ~~Nothing in~~This article is not intended to interfere with the ability of the state, the State Department of Education, the State Department of Social Services, another department or agency, or a political subdivision of the state to comply with the requirements of federal grants or federal funding.

SEC. 48. Section *8434.6* of the Education Code is amended to read:

8434.6.

(a) The State Department of Social Services and the State Department of Education shall permit the certified provider organization to participate in a stakeholder meeting convened to provide input regarding proposed rules and regulations that are subject to the procedures set forth in Article 5 (commencing with Section 11346) of Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code and that are within the scope of representation, as described in Section 8434.5.

(b) Except in cases of an emergency as provided in this section, the Governor, through the Department of Human Resources, or the Governor's designee shall give reasonable written notice to the certified provider organization of any rule, resolution, or regulation directly relating to matters within the scope of representation, as described in Section 8434.5, proposed to be adopted by the State Department of Education or the State Department of Social Services, and shall give the certified provider organization the opportunity to meet and confer with the Governor, through the Department of Human Resources, or the Governor's designee.

(c) In cases of an emergency where the Governor, through the Department of Human Resources, determines that a rule, resolution, or regulation must be adopted immediately without prior notice or meeting with the certified provider organization, the Department of Human Resources or the Governor's designee shall provide a notice and opportunity to meet and confer in good faith at the earliest practical time following the adoption of that rule, resolution, or regulation.

SEC. 49. Section *8439.5* of the Education Code is amended to read:

8439.5.

(a) The powers and duties of the board described in Section 3541.3 of the Government Code, ~~shall~~ also apply, as appropriate, to this article. In implementing this article, the board shall rely on its existing regulations for the adjudication of unfair practice charges. The board ~~shall also have the authority to~~may promulgate emergency regulations as necessary to effectuate its powers and duties under this article.

(b) The initial determination as to whether the charges of unfair practices are justified and, if so, what remedy is necessary to effectuate the purposes of this article, shall be a matter within the exclusive jurisdiction of the board, except that in an action to recover damages due to an unlawful strike, the board ~~shall have no~~does not have authority to award strike-preparation expenses as damages, and ~~shall have no~~does not have authority to award damages for costs, expenses, or revenue losses incurred during, or as a consequence of, an unlawful strike. Procedures for investigating, hearing, and deciding these cases shall be devised and promulgated by the board and shall include all the following:

(1) Any provider, provider organization, certified provider organization, the Department of Human Resources or the Governor's designee, or the State Department of Social Services, the State Department of Education, or any state agency, department, political subdivision, contractor, or subcontractor, charged with the administration of any state-funded early care and education program, as defined in subdivision (f) of Section 8431, shall have the right to file an unfair practice charge, except that the board shall not do either of the following:

(A) Issue a complaint in respect of any charge based upon an alleged unfair practice occurring more than six months prior to the filing of the charge. This period may be tolled for the completion of the notice and cure requirements in Section 8439.

(B) Issue a complaint against conduct also prohibited by the provisions of the agreement between the parties until the grievance machinery of the agreement, if it exists and covers the matter at issue, has been exhausted, either by settlement or binding arbitration. However, when the charging party demonstrates that resort to contract grievance procedures would be futile, exhaustion shall not be necessary. The board ~~shall have~~has discretionary jurisdiction to review the settlement or arbitration award reached pursuant to the grievance machinery solely for the purpose of determining whether it is repugnant to the purposes of this article. If the board finds

that the settlement or arbitration award is repugnant to the purposes of this article, it shall issue a complaint on the basis of a timely filed charge, and hear and decide the case on the merits. Otherwise, the board shall dismiss the charge. The board shall, in determining whether the charge was timely filed, consider the six-month limitation set forth in this subdivision to have been tolled during the time it took the charging party to exhaust the grievance machinery.

(2) The board ~~shall~~does not have the authority to enforce agreements between the parties, and shall not issue a complaint on any charge based on alleged violation of any agreement that would not also constitute an unfair practice under this article.

(3) The board ~~shall have~~has the power to issue a decision and order directing an offending party to cease and desist from the unfair practice and to take such affirmative action as will effectuate the policies of this article.

(c) Any charging party, respondent, or intervenor aggrieved by a final decision or order of the board in an unfair practice case, except a decision of the board not to issue a complaint in such case, may petition for a writ of extraordinary relief from such decision or order.

(d) Such petition shall be filed in the district court of appeal in the appellate district where the unit determination or unfair practice dispute occurred. The petition shall be filed within 30 days after issuance of the board's final order, order denying reconsideration, or order joining in the request for judicial review, as applicable. Upon the filing of such petition, the court shall cause notice to be served upon the board and thereupon shall have jurisdiction of the proceeding. The board shall file in the court the record of the proceeding, certified by the board, within 10 days after the clerk's notice unless such time is extended by the court for good cause shown. The court shall have jurisdiction to grant to the board such temporary relief or restraining order it deems just and proper and in like manner to make and enter a decree enforcing, modifying, or setting aside the order of the board. The findings of the board with respect to questions of fact, including ultimate facts, if supported by substantial evidence on the record considered as a whole, are conclusive. The provisions of Title 1 (commencing with Section 1067) of Part 3 of the Code of Civil Procedure relating to writs shall, except where specifically ~~superceded~~superseded herein, apply to proceedings commenced pursuant to this section.

(e) If the time to petition for extraordinary relief from a board decision has expired, the board may seek enforcement of any final decision or order in a district court of appeal or a superior court in the district where the unit determination or unfair practice case occurred. If, after hearing, the court determines that the order was issued pursuant to procedures established by the board and that the person or entity refused to comply with the order, the court shall enforce such order by writ of mandamus. The court shall not review the merits of the order.

SEC. 50. Section *8801* of the Education Code is amended to read:

8801.

The Legislature finds and declares all of the following:

(a) A large and growing number of California's children are not learning enough in school to prepare them for full economic, social, and civic participation in adult life, as evidenced by the following statistics:

(1) Each year, between 59,000 and 72,000 children are born exposed to drugs or alcohol.

(2) Currently 360,000 children are abused or neglected, according to the juvenile courts and county welfare departments.

(3) Each year, a substantial number of parents have their parental rights terminated by the courts.

(4) Seventy thousand children are presently placed with foster care because of parental abuse or neglect or delinquent behavior.

(5) Out of an average class of 30 high school sophomores, any eight pupils are on public assistance, any four speak no English, any eight are at least two years behind in reading and math, any three have grown up in public housing, any seven will not graduate, any three will be teen parents, and any seven will not be employable.

(6) Sixty-one thousand children receive mental health services annually.

(7) One million one hundred thousand children go to bed hungry every night.

(b) The quality of life for all Californians is affected by these conditions. These children, and often the children they have, impose heavy costs on taxpayers by requiring special services, income assistance, or incarceration or institutionalization. They are a burden on the capacity of the state's economy to produce adequate revenues and an adequate tax base.

(c) The causes of the problems children face are complex and interdependent. Many families, especially those affected by poverty, fail to provide the physical, emotional, and intellectual support needed to ensure that their children are ready for school. Many neighborhoods and larger communities lack the resources or organization to support children. The schools' support services either are not effective or have not effectively serviced a large enough percentage of at-promise children.

(d) Because children spend so much of their time at school, schools have been increasingly asked to provide a wide range of health and social services to children, and many have attempted to help parents as well. The capacity of schools to undertake these roles must be increased.

(e) However, this service capacity should not be increased through conventional, categorical approaches. Services to children and their families can be most effectively provided through consortia which include schools, other health and human service providers, parents, and community groups. Collaboration is necessary and more effective because the goals of school and community services are interdependent;, fragmentation of existing state and local services otherwise inhibits their effectiveness;, and community-based services offer resources and competence that schools do not have. Both the state and counties must develop policies and incentives to improve collaboration at the local level.

(f) Therefore, it is the intent of the Legislature that by implementing the Healthy Start Support Services for Children Act, children in need of assistance to overcome the barriers to healthy, productive lives be given assistance in all of the following ways:

(1) By creating a learning environment that is optimally responsive to the physical, emotional, and intellectual needs of each child.

(2) By fostering interagency collaboration and communication at the local level to more efficiently and effectively deliver human support services to children and their families.

(3) By encouraging the full use of existing agencies, professional personnel, and public and private funds to ensure that children are ready and able to learn, and to prevent duplication of services and unnecessary expenditures.

(4) By encouraging the development of a local interagency oversight mechanism that includes a records system to evaluate cost and effectiveness, and the development of a process of self-assessment of those records and the way in which they are used, to improve the effectiveness of services.

SEC. 51. Section *14002* of the Education Code is amended to read:

14002.

(a)(1) Notwithstanding any other law, upon certification of the Superintendent pursuant to Sections 41330, 41332, and 41335, any amount necessary to meet the requirements of programs specified in

subdivision (b) during each fiscal year ~~are~~is hereby continuously appropriated from the General Fund to Section A of the State School Fund for allocation by the Controller.

(2) ~~The amounts calculated for the programs specified in subdivision (b) are considered final as of the certification of the second principal apportionment in the fifth succeeding fiscal year, inclusive, of the fiscal year for which the calculation is being made. Final submissions shall be submitted pursuant to procedures and timeframes established by the Superintendent. This paragraph does not apply to a change that is the result of an audit exception, as described in paragraph (2) of subdivision (a) of Section 41341.~~

(b) Programs included for purposes of this section are all of the following:

(1) Chapter 12.5 (commencing with Section 2574) of Part 2.

(2) Section 41544.

Section 41544.

(3) Article 2 (commencing with Section 42238) of Chapter 7 of Part 24 of Division 3 of Title 2.

(4) Section 47663.

(5) Article 7 (commencing with Section 48300) of Chapter 2 of Part 27 of Division 4 of Title 2.

(6) Article 10 (commencing with Section 48350) of Chapter 2 of Part 27 of Division 4 of Title 2.

(c)

(1) Notwithstanding subdivision (a), commencing with the 2019–20 fiscal year, if, for an upcoming fiscal year, the total amount necessary to meet the requirements of the programs specified in subdivision (b) is projected to be in excess of 89 percent of the General Fund and Education Protection Account revenues and allocated proceeds of taxes that are necessary to meet the requirements of Section 8 of Article XVI of the California Constitution, excluding appropriations made to the Chancellor of the California Community Colleges for allocation to community college districts, then before the enactment of the annual Budget Act for that fiscal year, the Director of Finance may reduce the following to a percentage equal to or greater than the projected growth rate of the minimum amount necessary to meet the requirements of Section 8 of Article XVI of the California Constitution, but not less than zero:

(A) The adjustments required pursuant to paragraph (4) of subdivision (a) of Section 2574, subparagraph (B) of paragraph (1) of subdivision (c) of Section 2574, subdivision (b) of Section 2575.1, paragraph (2) of subdivision (d) of Section 42238.02, and Section 42287.

(B) The inflation or cost-of-living adjustment otherwise authorized or required for all of the following programs:

(i) Subdivision (b) of Section 8265.

(ii) Subdivision (c) of Section 49536.

(iii) Subdivision ~~(d)~~(f) of Section ~~56836.142~~56836.08.

(iv) Subdivision (d) of Section 17581.6 of the Government Code.

(2) The percentage reductions made pursuant to subparagraph (B) of paragraph (1) shall be no less than the percentage reductions made pursuant to subparagraph (A) of paragraph (1).

(3) This subdivision shall not be construed to change the adjustment identified in paragraph (2) of subdivision (d) of Section 42238.02 for a prior fiscal year.

(4) Notwithstanding Section 10231.5 of the Government Code, the Director of Finance shall report to the Legislature, consistent with Section 9795 of the Government Code, before the enactment of the annual Budget Act each fiscal year any amounts or percentages reduced from inflation or cost-of-living adjustments pursuant to paragraph (1) for the upcoming fiscal year.

SEC. 52. Section *17070.15* of the Education Code is amended to read:

17070.15.

For purposes of this chapter, the following terms~~, wherever used or referred to in this chapter, shall~~ have the following meanings, ~~respectively,~~ unless a different meaning appears from the context:

(a) "Apportionment" means a reservation of funds for the purpose of eligible new construction, modernization, or hardship approved by the board for an applicant school district.

(b) "Attendance area" means the geographical area serving an existing high school and those junior high schools and elementary schools included therein.

(c) "Board" means the State Allocation Board as established by Section 15490 of the Government Code.

(d) "Committee" means the State School Building Finance Committee established pursuant to Section 15909.

(e) "County fund" means a county school facilities fund established pursuant to Section 17070.43.

(f) "Department" means the Department of General Services.

(g) "Fund" means the applicable 1998 State School Facilities Fund, the 2002 State School Facilities Fund, or the 2004 State School Facilities Fund, established pursuant to Section 17070.40.

(h) "Good repair" has the same meaning as specified in subdivision (d) of Section 17002.

(i) "Modernization" means any modification of a permanent structure that is at least 25 years old, or in the case of a portable classroom, that is at least 20 years old, that will enhance the ability of the structure to achieve educational purposes.

(j) "Portable classroom" means a classroom building of one or more stories that is designed and constructed to be relocatable and transportable over public streets, and with respect to a single story portable classroom, is designed and constructed for relocation without the separation of the roof or floor from the building and when measured at the most exterior walls, has a floor area not in excess of 2,000 square feet.

(k) "Property" includes all property, real, personal or mixed, tangible or intangible, or any interest therein necessary or desirable for carrying out the purposes of this chapter.

(l) "School building capacity" means the capacity of a school building to house pupils.

(m) "School district" means a school district or a county office of education. For purposes of determining eligibility under this chapter, "school district" may also mean a high school attendance area.

SEC. 53. Section *17070.51* of the Education Code is amended to read:

17070.51.

(a) If any certified eligibility or funding application related information is found to have been falsely certified by school districts, architects, or design professionals, hereinafter referred to as a material inaccuracy, the Office of Public School Construction shall notify the board.

(b) The board shall impose the following penalties if an apportionment and fund release has been made based upon information in the project application or related materials that constitutes a material inaccuracy.

(1) Pursuant to a repayment schedule that is approved by the board of no more than five years, the school district shall repay to the board, for deposit into the 1998 State School Facilities Fund, the

2002 State School Facilities Fund, or the 2004 State School Facilities Fund, as the case may be, an amount proportionate to the additional funding received as a result of the material inaccuracy including interest at the rate paid on moneys in the Pooled Money Investment Account or at the highest rate of interest for the most recent issue of state general obligation bonds as established pursuant to the Chapter 4 (commencing with Section 16720), of Part 3 of Division 4 of Title 2 of the Government Code, whichever is greater.

(2) The board shall prohibit the school district from self-certifying certain project information for any subsequent applications for project funding for a period of up to five years following the date of the finding of a material inaccuracy or until the district's repayment of the entire amount owed under paragraph (1). Although a school district that is subject to this paragraph may not self-certify, the school district shall not be prohibited from applying for state funding under this chapter. The board shall establish an alternative method for state or independent certification of compliance that shall be applicable in these cases. The process shall include, but shall not be limited to, procedures for payment by the school district of any increased costs associated with the alternative certification process.

(c) For school districts found to have provided material inaccuracies when a funding apportionment has occurred, but no fund release has been made, the board shall direct its staff to reduce the apportionment as necessary to reflect the actual nature of the project and to disregard the inaccurate information or material, and paragraph (2) of subdivision (b) shall apply.

(d) For those school districts found to have provided material inaccuracies when no funding apportionment or fund release has been made, the inaccurate information or materials shall not be considered, and paragraph (2) of subdivision (b) ~~shall apply~~applies. The project may continue if the application, minus the inaccurate materials, is still complete.

SEC. 54. Section *17219* of the Education Code is amended to read:

17219.

(a) Whenever a school district acquires or has acquired a site for school purposes, as determined by the State Allocation Board, and does not use the site within (1) five years of the date of acquisition for the kindergarten, if any, and any of grades 1 to 8, inclusive, maintained by an elementary school district or a unified school district, or, (2) seven years of the date of acquisition for any of grades 7 to 12, inclusive, maintained by a high school district or a unified school district, or if a school district has a site at any grade level that has previously been used but has not been used for school purposes within the preceding five years, the school district shall be subject to nonuse payments, unless the State Allocation Board, from time to time, makes a determination that the school district will utilize the property for the purpose for which it was intended within a reasonable period of time, in a specific amount for each additional year in which the site is retained and not used by the district beyond the foregoing specified periods, except the first additional year shall be deemed to end not earlier than April 30, 1973.

(b) Payment shall not be required under this section as to any site having a value of twenty thousand dollars ($20,000) or less. Commencing on January 1, 1988, and annually thereafter, the State Allocation Board shall increase this exemption figure by the amount of the current fiscal year inflation adjustment specified in Section 42238.1, if any.

(c) The payments required shall be computed by the Executive Officer of the State Allocation Board and certified to the Controller, and payments shall be equal to one one-hundredth (1/100) of the original purchase price of the site modified by either a factor reflecting the change in assessed value of all lands in the state from the date of purchase of the site to the current date or any other factor that in the determination of the State Allocation Board is applicable to the site under consideration.

(d) Whenever the State Allocation Board has determined that a school district in good faith has, within the preceding year, advertised the schoolsite for sale to the highest bidder pursuant to the provisions of Article 4 (commencing with Section 17455) of Chapter 4 of Part 10.5 and has received no bids that in the judgment of the State Allocation Board reflect the fair market value of the property, the Executive Officer of the State Allocation Board shall not compute any nonuse payments for the site for a period of one year beyond the date of the determination.

(e) Nonuse payments shall not be required for any year with respect to a schoolsite that for one-half or more of the number of days of that year has been utilized for any of the following purposes:

(1) By the school district, or by any other governmental entity pursuant to agreement with the school district, for school purposes, for use as a civic center, or for community playground, playing field, or other outdoor recreational purposes. ~~"Civic center," for this purpose,~~For purposes of this paragraph, "civic center" means a site used for one or more of the purposes described in Section 40041.

(2) By the State Allocation Board, pursuant to agreement with the school district, for the storage of emergency portable classrooms.

(3) By the school district, or by any other public or private entity pursuant to agreement with the school district, for the operation of a child care program.

(f) Nonuse payments shall not be required for any year with respect to a schoolsite that was leased at least one-half of the days in that year in a manner that subjected the site to property taxes equal to the taxes that would have been paid if the site had been sold.

SEC. 55. Section *38134* of the Education Code, as amended by Section 1 of Chapter 541 of the Statutes of 2019, is amended to read:

38134.

(a)

(1) The governing board of a school district shall authorize the use of school facilities or grounds under its control by a nonprofit organization, or by a club or an association organized to promote youth and school activities, including, but not necessarily limited to, any of the following:

(A) The Girl Scouts; the Boy Scouts; Camp Fire USA; or the YMCA.

(B) A parent-teacher association.

(C) A school-community advisory council.

(D) A recreational youth sports league that charges participants no more than a nominal fee. As used in this subparagraph, "nominal fee" means an average of no more than sixty dollars ($60) per month.

(2) This subdivision does not apply to a group that uses school facilities or grounds for fundraising activities that are not beneficial to youth or public school activities of the school district, as determined by the governing board of the school district.

(b) Except as otherwise provided by law, a governing board of a school district may charge an amount not to exceed its direct costs for use of its school facilities or grounds pursuant to this section. A governing board of a school district that levies these charges shall first adopt a policy specifying which activities shall be charged an amount not to exceed direct costs.

(c) The governing board of a school district may charge an amount, not to exceed its direct costs for use of its school facilities or grounds by the entity using the school facilities or grounds, including a religious organization or church, that arranges for and supervises sports league activities for youths as described in paragraph (6) of subdivision (b) of Section 38131.

(d) The governing board of a school district that authorizes the use of school facilities or grounds for the purpose specified in paragraph (3) of subdivision (b) of Section 38131 shall charge the church or religious organization an amount at least equal to the school district's direct costs.

(e) In the case of entertainment or a meeting where an admission fee is charged or contributions are solicited, and the net receipts are not expended for the welfare of the pupils of the school district or for charitable purposes, a charge equal to fair rental value shall be levied for the use of the school facilities or grounds.

(f) If the use of school facilities or grounds under this section results in the destruction of school property, the entity using the school facilities or grounds may be charged for an amount necessary to repay the damages, and further use of the facilities or grounds by that entity may be denied.

(g) As used in this section:

(1) "Direct costs" to the school district for the use of school facilities or grounds includes all of the following:

(A) The share of the costs of supplies, utilities, janitorial services, services of school district employees, and salaries paid to school district employees directly associated with the administration of this section to operate and maintain school facilities or grounds that is proportional to the entity's use of the school facilities or grounds under this section.

(B) The share of the costs for maintenance, repair, restoration, and refurbishment, proportional to the use of the school facilities or grounds by the entity using the school facilities or grounds under this section as follows:

(i) For purposes of this subparagraph, "school facilities" shall be limited to only nonclassroom space, and "school grounds" shall include, but not necessarily be limited to, playing fields, athletic fields, track and field venues, tennis courts, and outdoor basketball courts.

(ii) The share of the cost for maintenance, repair, restoration, and refurbishment shall not apply to:

(I) Classroom-based programs that operate after school hours, including, but not necessarily limited to, after school programs, tutoring programs, or ~~child care~~childcare programs.

(II) Organizations retained by the school or school district to provide instruction or instructional activities to pupils during school hours.

(iii) Funds collected under this subparagraph shall be deposited into a special fund that shall only be used for purposes of this section.

(2) "Fair rental value" means the direct costs to the school district plus the amortized costs of the school facilities or grounds used for the duration of the activity authorized.

(h) By December 31, 2013, the Superintendent shall develop, and the state board shall adopt, regulations to be used by a school district in determining the proportionate share and the specific allowable costs that a school district may include as direct costs for the use of its school facilities or grounds.

(i)

(1) A school district authorizing the use of school facilities or grounds under subdivision (a) is liable for an injury resulting from the negligence of the school district in the ownership and maintenance of the school facilities or grounds. An entity using school facilities or grounds under this section is liable for an injury resulting from the negligence of that entity during the use of the school facilities or grounds. The school district and the entity using the school facilities or grounds under this section shall each bear the cost of insuring against its respective risks, and shall each bear the costs of defending itself against claims arising from those risks.

(2) Notwithstanding any other law, this subdivision shall not be waived. This subdivision does not limit or affect the immunity or liability of a school district under Division 3.6 (commencing with Section 810) of Title 1 of the Government Code for injuries caused by a dangerous condition of public property.

(j) This section shall remain in effect only until January 1, 2025, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2025, deletes or extends that date.

SEC. 56. Section *41207.47* of the Education Code is amended to read:

41207.47.

(a)

(1) The sum of ~~two hundred sixty-six million three hundred six thousand dollars ($266,306,000)~~two hundred eighty-two million two hundred thirty-seven thousand dollars ($282,237,000) is hereby appropriated in the 2019–20 fiscal year from the General Fund to the Controller for allocation to school districts and community colleges for purposes of reducing the outstanding balance of the minimum funding obligation to school districts and community college districts pursuant to Section 8 of Article XVI of the California Constitution for the 2009–10, 2011–12, 2013–14, 2014–15, and 2016–17 fiscal years.

(2) The amount appropriated pursuant to paragraph (1) shall be allocated to school districts and community college districts, as described in subdivision (a) of Section 41203.1, in accordance with the following:

(A) Ninety-eight million four hundred fifty-four thousand dollars ($98,454,000) to the Controller for allocation by the Superintendent pursuant to Section 42238.02.

(B) Thirteen million four hundred eighty-six thousand dollars ($13,486,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community college districts for deferred maintenance, instructional materials, and other activities, as specified in subdivisions (a) and (b) of Provision 22 of Item 6870-101-0001 of the Budget Act of 2018 (Chapter 29 of the Statutes of 2018 (Senate Bill 840 of the 2017–18 Regular Session)). These funds shall be available for one-time use until June 30, 2021.

(C) Four hundred thirty-eight thousand dollars ($438,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community college districts for the California Community Colleges Strong Workforce Program, as specified in subdivision (b) of Provision 13 of Item ~~6870-101-001~~6870-101-0001 of the Budget Act of 2018.

(D) Two million five hundred thousand dollars ($2,500,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to support expansion of veteran resource centers at the following community colleges, provided that the colleges commit to meeting or making progress towards meeting the minimum standards developed by the Office of the Chancellor of the California Community Colleges:

(i) One million five hundred thousand dollars ($1,500,000) shall be allocated to MiraCosta College.

(ii) One million dollars ($1,000,000) shall be allocated to Norco College.

(E) Two million four hundred thousand dollars ($2,400,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to support the creation of a basic needs and veteran resource center at Sacramento City College.

(F) Four million five hundred thousand dollars ($4,500,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to support the improvement of workforce development programs at the following colleges:

(i) One million dollars ($1,000,000) shall be allocated to Modesto Junior College.

(ii) One million dollars ($1,000,000) shall be allocated to Bakersfield College.

(iii) One million dollars ($1,000,000) shall be allocated to Fresno City College.

(iv) One million dollars ($1,000,000) shall be allocated to San Bernardino Valley College.

(v) Five hundred thousand dollars ($500,000) shall be allocated to Norco College.

(G) One million dollars ($1,000,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to support startup funds to implement a construction trades program in the Counties of Lake and Mendocino at Mendocino College.

(H) Three million nine hundred thousand dollars ($3,900,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community colleges to address student hunger needs pursuant to Section 66027.8 and student basic needs.

(I) Three million five hundred thousand dollars ($3,500,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to provide support for a one-time reentry grant program.

(J) One million five hundred thousand dollars ($1,500,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to support implementation of the California Community College Teacher Credentialing Partnership Pilot Act pursuant to Chapter 603 of the Statutes of 2018 (Senate Bill 577 of the 2017–18 Regular Session).

(K) Five hundred thousand dollars ($500,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to community college districts for a systemwide assessment of college-based food programs.

(L) One million dollars ($1,000,000) for transfer by the Controller to Section B of the State School Fund for allocation by the Chancellor of the California Community Colleges to Palo Verde College to support the development of a childcare center.

(M) ~~One hundred thirty-three million one hundred twenty-eight thousand dollars ($133,128,000)~~One hundred forty-nine million fifty-nine thousand dollars ($149,059,000) to the Controller for allocation by the Superintendent pursuant to Section 42238.02 to offset moneys from the General Fund paid to the San Francisco Unified School District and San Francisco County Office of Education as a result of a miscalculation of offsetting property tax revenues in the 2016–17 fiscal year.

(b)

(1) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), thirty million five hundred thirty-seven thousand dollars ($30,537,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2009–10 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(2) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), forty-seven million six hundred nineteen thousand dollars

($47,619,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2011–12 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(3) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), ~~one hundred fifty-six million six thousand dollars ($156,006,000)~~one hundred seventy-one million nine hundred thirty-seven thousand dollars ($171,937,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2013–14 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(4) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), thirty-one million five hundred eleven thousand dollars ($31,511,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2014–15 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

(5) For purposes of Section 8 of Article XVI of the California Constitution, of the amount appropriated pursuant to subdivision (a), six hundred thirty-three thousand dollars ($633,000) shall be applied to the outstanding balance of the minimum funding obligation to school districts and community college districts, pursuant to Section 8 of Article XVI of the California Constitution, for the 2016–17 fiscal year, and shall be deemed to be appropriations made and allocated in that fiscal year in which the deficiencies resulting in the outstanding balance were incurred.

SEC. 57. Section *41580* of the Education Code is amended to read:

41580.

(a) The sum of two hundred million dollars ($200,000,000) is hereby appropriated from the General Fund to the Superintendent for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent to establish the College Readiness Block Grant in the manner and for the purposes set forth in this section.

(b) The College Readiness Block Grant is hereby established for the purposes of providing California's high school pupils, particularly unduplicated pupils as defined in Sections 42238.01 and 42238.02, additional supports to increase the number of pupils who enroll at institutions of higher education and complete an undergraduate degree within four years.

(c) The Superintendent shall allocate an equal amount per unduplicated pupil enrolled in grades 9 to 12, inclusive, during the 2015–16 fiscal year to school districts, county offices of education, and charter schools. ~~No~~A school district, county office of education, or charter school serving at least one unduplicated pupil in grades 9 to 12, inclusive, during the 2015–16 fiscal year shall receive a total allocation of not less than seventy-five thousand dollars ($75,000). A school district, county office of education, or charter school ~~shall be~~is eligible for an allocation pursuant to this subdivision only for unduplicated pupils, as defined in Sections 42238.01 and 42238.02, attending a school that is currently accredited or in the process of obtaining accreditation from the Accrediting Commission for Schools, Western Association of Schools and Colleges. These funds are available for expenditure or encumbrance through the 2018–19 fiscal year.

(d) Block grant funds apportioned to eligible local educational agencies shall be used for activities that directly support pupil access and successful matriculation to institutions of higher education. Eligible activities may include, but are not limited to, the following:

(1) Providing teachers, administrators, and counselors with professional development opportunities to improve pupil A-G course completion rates, pupil college-going rates, and college readiness of pupils, including providing for the development of honors and Advanced Placement courses.

(2) Beginning or increasing counseling services to pupils and their families regarding college admission requirements and financial aid programs.

(3) Developing or purchasing materials that support college readiness, including materials that support high performance on assessments required for admittance to a postsecondary educational institution.

(4) Developing comprehensive advising plans to support pupil completion of A–G course requirements.

(5) Implementing collaborative partnerships between high schools and postsecondary educational institutions that support pupil transition to postsecondary education, including, but not limited to, strengthening existing partnerships with the University of California and the California State University to establish early academic outreach and college preparatory programs.

(6) Providing subsidies to unduplicated pupils, as defined in Sections 42238.01 and 42238.02, to pay fees for taking Advanced Placement examinations.

(7) Expanding access to coursework or other opportunities to satisfy A–G course requirements to all pupils, including, but not necessarily limited to, pupils enrolled in schools identified by the department as high schools with 75 percent or greater enrollment of unduplicated pupils, pursuant to subdivision (g). These opportunities may include, but shall not be limited to, new or expanded partnerships with other secondary or postsecondary educational institutions.

(e) As a condition for receiving funds under this article, a school district, county office of education, or charter school shall develop a plan describing how the funds will increase or improve services for unduplicated pupils to ensure college readiness. The plan shall include information regarding how it aligns with the school district's local control and accountability plan required pursuant to Section 52060, the county superintendent of schools' local control and accountability plan required pursuant to Section 52066, or the charter school's local control and accountability plan required pursuant to Section 47605 or 47605.6 and Section 47606.5. The plan shall also include a description of the extent to which all pupils within the school district, county office of education, or charter school, particularly unduplicated pupils, as defined in Sections 42238.01 and 42238.02, will have access to A–G courses approved by the University of California. In order to ensure community and stakeholder input, the plan shall be discussed at a regularly scheduled meeting by the governing board of the school district, county board of education, or governing body of the charter school and adopted at a subsequent regularly scheduled meeting.

(f) As a condition for receiving funds under this article, grant recipients shall report to the Superintendent by January 1, 2017, on how they will measure the impact of the funds received on their unduplicated pupils' access and successful matriculation to institutions of higher education, as identified within their plan. The department shall compile the information reported pursuant to this subdivision and submit a report to the appropriate policy and fiscal committees of the Legislature on or before April 30, 2017, and shall update the state board on the contents of that report at a regularly scheduled meeting of the state board.

(g) The Superintendent shall annually post on the department's ~~Internet Web site~~internet website a list of each school with a percentage of unduplicated pupils in grades 9 to 12, inclusive, of at least 75 percent of the school's total enrollment in grades 9 to 12, inclusive.

(h) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriations made by subdivision (a) shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202, for the 2015–16 fiscal year, and included within the "total allocations to school districts and community college

districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for the 2015–16 fiscal year.

SEC. 58. Section *42238.02* of the Education Code is amended to read:

42238.02.

(a) The amount computed pursuant to this section shall be known as the school district and charter school local control funding formula.

(b)

(1) For purposes of this section "unduplicated pupil" means a pupil enrolled in a school district or a charter school who is either classified as an English learner, eligible for a free or reduced-price meal, or is a foster youth. A pupil shall be counted only once for purposes of this section if any of the following apply:

(A) The pupil is classified as an English learner and is eligible for a free or reduced-price meal.

(B) The pupil is classified as an English learner and is a foster youth.

(C) The pupil is eligible for a free or reduced-price meal and is classified as a foster youth.

(D) The pupil is classified as an English learner, is eligible for a free or reduced-price meal, and is a foster youth.

(2) Under procedures and timeframes established by the Superintendent, commencing with the 2013–14 fiscal year, a school district or charter school shall annually submit its enrolled free and reduced-price meal eligibility, foster youth, and English learner pupil-level records for enrolled pupils to the Superintendent using the California Longitudinal Pupil Achievement Data System.

(3)

(A) Commencing with the 2013–14 fiscal year, a county office of education shall review and validate certified aggregate English learner, foster youth, and free or reduced-price meal eligible pupil data for school districts and charter schools under its jurisdiction to ensure the data is reported accurately. The Superintendent shall provide each county office of education with appropriate access to school district and charter school data reports in the California Longitudinal Pupil Achievement Data System for purposes of ensuring data reporting accuracy.

(B) The Controller shall include the instructions necessary to enforce paragraph (2) in the audit guide required by Section 14502.1. The instructions shall include, but are not necessarily limited to, procedures for determining if the English learner, foster youth, and free or reduced-price meal eligible pupil counts are consistent with the school district's or charter school's English learner, foster youth, and free or reduced-price meal eligible pupil records.

(4) The Superintendent shall make the calculations pursuant to this section using the data submitted by local educational agencies, including charter schools, through the California Longitudinal Pupil Achievement Data System. Under timeframes and procedures established by the Superintendent, school districts and charter schools may review and revise their submitted data on English learner, foster youth, and free or reduced-price meal eligible pupil counts to ensure the accuracy of data reflected in the California Longitudinal Pupil Achievement Data System.

(5) The Superintendent shall annually compute the percentage of unduplicated pupils for each school district and charter school by dividing the enrollment of unduplicated pupils in a school district or charter school by the total enrollment in that school district or charter school pursuant to all of the following:

(A) For the 2013–14 fiscal year, divide the sum of unduplicated pupils for the 2013–14 fiscal year by the sum of the total pupil enrollment for the 2013–14 fiscal year.

(B) For the 2014–15 fiscal year, divide the sum of unduplicated pupils for the 2013–14 and 2014–15 fiscal years by the sum of the total pupil enrollment for the 2013–14 and 2014–15 fiscal years.

(C) For the 2015–16 fiscal year and each fiscal year thereafter, divide the sum of unduplicated pupils for the current fiscal year and the two prior fiscal years by the sum of the total pupil enrollment for the current fiscal year and the two prior fiscal years.

(D)

(i) For purposes of the quotients determined pursuant to subparagraphs (B) and (C), the Superintendent shall use a school district's or charter school's enrollment of unduplicated pupils and total pupil enrollment in the 2014–15 fiscal year instead of the enrollment of unduplicated pupils and total pupil enrollment in the 2013–14 fiscal year if doing so would yield an overall greater percentage of unduplicated pupils.

(ii) It is the intent of the Legislature to review each school district and charter school's enrollment of unduplicated pupils for the 2013–14 and 2014–15 fiscal years and provide one-time funding, if necessary, for a school district or charter school with higher enrollment of unduplicated pupils in the 2014–15 fiscal year as compared to the 2013–14 fiscal year.

(E)

(i)

(I) ~~For a transferred charter school, the counts shall be equal to the counts reported for the original charter school.~~

(II) ~~For an acquiring charter school, the counts shall be equal to the counts reported for the original charter school. This subclause shall become inoperative on July 1, 2023, unless its operation is extended by the Legislature.~~

(III) ~~For the restructured portions of a divided charter school, the counts shall be zero.~~

(IV) ~~For the remaining portion of a divided charter school, the counts shall be equal to the counts reported for the original charter school.~~

(ii) ~~The definitions in Section 47654 apply for purposes of this subparagraph.~~

(6) ~~Notwithstanding subdivision (a) of Section 14002,~~ The data used to determine the percentage of unduplicated pupils shall be final once that data is no longer used in the current fiscal year calculation of the percentage of unduplicated pupils. This paragraph does not apply to a change that is the result of an audit ~~exception, as described in paragraph (2) of subdivision (a) of Section 41341~~that has been appealed pursuant to Section 41344.

(c) Commencing with the 2013–14 fiscal year and each fiscal year thereafter, the Superintendent shall annually calculate a local control funding formula grant for each school district and charter school in the state pursuant to this section.

(d) The Superintendent shall compute a grade span adjusted base grant equal to the total of the following amounts:

(1) For the 2013–14 fiscal year, a base grant of:

(A) Six thousand eight hundred forty-five dollars ($6,845) for average daily attendance in kindergarten and grades 1 to 3, inclusive.

(B) Six thousand nine hundred forty-seven dollars ($6,947) for average daily attendance in grades 4 to 6, inclusive.

(C) Seven thousand one hundred fifty-four dollars ($7,154) for average daily attendance in grades 7 and 8.

(D) Eight thousand two hundred eighty-nine dollars ($8,289) for average daily attendance in grades 9 to 12, inclusive.

(2) In each year the grade span adjusted base grants in paragraph (1) shall be adjusted by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.

(3)

(A) The Superintendent shall compute an additional adjustment to the kindergarten and grades 1 to 3, inclusive, base grant as adjusted for inflation pursuant to paragraph (2) equal to 10.4 percent. The additional grant shall be calculated by multiplying the kindergarten and grades 1 to 3, inclusive, base grant, as adjusted by paragraph (2), by 10.4 percent.

(B) Until paragraph (4) of subdivision (b) of Section 42238.03 is effective, as a condition of the receipt of funds in this paragraph, a school district shall make progress toward maintaining an average class enrollment of not more than 24 pupils for each schoolsite in kindergarten and grades 1 to 3, inclusive, unless a collectively bargained alternative annual average class enrollment for each schoolsite in those grades is agreed to by the school district, pursuant to the following calculation:

(i) Determine a school district's average class enrollment for each schoolsite for kindergarten and grades 1 to 3, inclusive, in the prior year. For the 2013–14 fiscal year, this amount shall be the average class enrollment for each schoolsite for kindergarten and grades 1 to 3, inclusive, in the 2012–13 fiscal year.

(ii) Determine a school district's proportion of total need pursuant to paragraph (2) of subdivision (b) of Section 42238.03.

(iii) Determine the percentage of the need calculated in clause (ii) that is met by funding provided to the school district pursuant to paragraph (3) of subdivision (b) of Section 42238.03.

(iv) Determine the difference between the amount computed pursuant to clause (i) and an average class enrollment of not more than 24 pupils.

(v) Calculate a current year average class enrollment adjustment for each schoolsite for kindergarten and grades 1 to 3, inclusive, equal to the adjustment calculated in clause (iv) multiplied by the percentage determined pursuant to clause (iii).

(C) School districts that have an average class enrollment for each schoolsite for kindergarten and grades 1 to 3, inclusive, of 24 pupils or less for each schoolsite in the 2012–13 fiscal year, shall be exempt from the requirements of subparagraph (B) so long as the school district continues to maintain an average class enrollment for each schoolsite for kindergarten and grades 1 to 3, inclusive, of not more than 24 pupils, unless a collectively bargained alternative ratio is agreed to by the school district.

(D) Upon full implementation of the local control funding formula, as a condition of the receipt of funds in this paragraph, all school districts shall maintain an average class enrollment for each schoolsite for kindergarten and grades 1 to 3, inclusive, of not more than 24 pupils for each schoolsite in kindergarten and grades 1 to 3, inclusive, unless a collectively bargained alternative ratio is agreed to by the school district.

(E) The average class enrollment requirement for each schoolsite for kindergarten and grades 1 to 3, inclusive, established pursuant to this paragraph shall not be subject to waiver by the state board pursuant to Section 33050 or by the Superintendent.

(F) The Controller shall include the instructions necessary to enforce this paragraph in the audit guide required by Section 14502.1. The instructions shall include, but are not necessarily limited to, procedures for determining if the average class enrollment for each schoolsite for kindergarten and grades 1 to 3, inclusive, exceeds 24 pupils, or an alternative average class enrollment for each schoolsite pursuant to a collectively bargained alternative ratio. The procedures for determining average class enrollment for each schoolsite shall include criteria for employing sampling.

(4) The Superintendent shall compute an additional adjustment to the base grant for grades 9 to 12, inclusive, as adjusted for inflation pursuant to paragraph (2), equal to 2.6 percent. The additional grant shall be calculated by multiplying the base grant for grades 9 to 12, inclusive, as adjusted by paragraph (2), by 2.6 percent.

(e) The Superintendent shall compute a supplemental grant add-on equal to 20 percent of the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), for each school district's or charter school's percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b). The supplemental grant shall be calculated by multiplying the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), by 20 percent and by the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in that school district or charter school. The supplemental grant shall be expended in accordance with the regulations adopted pursuant to Section 42238.07.

(f)

(1) The Superintendent shall compute a concentration grant add-on equal to 50 percent of the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), for each school district's or charter school's percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school district's or charter school's total enrollment. The concentration grant shall be calculated by multiplying the base grants as specified in subparagraphs (A) to (D), inclusive, of paragraph (1) of subdivision (d), as adjusted by paragraphs (2) to (4), inclusive, of subdivision (d), by 50 percent and by the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the total enrollment in that school district or charter school.

(2)

(A) For a charter school physically located in only one school district, the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent used to calculate concentration grants shall not exceed the percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school district in which the charter school is physically located. For a charter school physically located in more than one school district, the charter school's percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent used to calculate concentration grants shall not exceed that of the school district with the highest percentage of unduplicated pupils calculated pursuant to paragraph (5) of subdivision (b) in excess of 55 percent of the school districts in which the charter school has a school facility. The concentration grant shall be expended in accordance with the regulations adopted pursuant to Section 42238.07.

(B) For purposes of this paragraph and subparagraph (A) of paragraph (1) of subdivision (f) of Section 42238.03, a charter school shall report its physical location to the department under

timeframes established by the department. For a charter school authorized by a school district, the department shall include the authorizing school district in the department's determination of physical location. For a charter school authorized on appeal pursuant to subdivision (k) of Section 47605, the department shall include the sponsoring school district ~~that initially denied the petition~~ in the department's determination of physical location. ~~Notwithstanding subdivision (a) of Section 14002,~~ The reported physical location of the charter school shall be considered final as of the second principal apportionment for that fiscal year~~, and,~~. For purposes of this paragraph, the percentage of unduplicated pupils of the school district associated with the charter school pursuant to subparagraph (A) shall be considered final as of the second principal apportionment for that fiscal year.

(g) The Superintendent shall compute an add-on to the total sum of a school district's or charter school's base, supplemental, and concentration grants equal to the amount of funding a school district or charter school received from funds allocated pursuant to the Targeted Instructional Improvement Block Grant program, as set forth in Article 6 (commencing with Section 41540) of Chapter 3.2, for the 2012–13 fiscal year, as that article read on January 1, 2013. A school district or charter school shall not receive a total funding amount from this add-on greater than the total amount of funding received by the school district or charter school from that program in the 2012–13 fiscal year. The amount computed pursuant to this subdivision shall reflect the reduction specified in paragraph (2) of subdivision (a) of Section 42238.03.

(h)

(1) The Superintendent shall compute an add-on to the total sum of a school district's or charter school's base, supplemental, and concentration grants equal to the amount of funding a school district or charter school received from funds allocated pursuant to the Home-to-School Transportation program, as set forth in former Article 2 (commencing with Section 39820) of Chapter 1 of Part 23.5, former Article 10 (commencing with Section 41850) of Chapter 5, and the Small School District Transportation program, as set forth in former Article 4.5 (commencing with Section 42290), as those articles read on January 1, 2013, for the 2012–13 fiscal year. A school district or charter school shall not receive a total funding amount from this add-on greater than the total amount received by the school district or charter school for those programs in the 2012–13 fiscal year. The amount computed pursuant to this subdivision shall reflect the reduction specified in paragraph (2) of subdivision (a) of Section 42238.03.

(2) If a home-to-school transportation joint powers agency, established pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code for purposes of providing pupil transportation, received an apportionment directly from the Superintendent from any of the funding sources specified in paragraph (1) for the 2012–13 fiscal year, the joint powers agency may identify the member local educational agencies and transfer entitlement to that funding to any of those member local educational agencies by reporting to the Superintendent, on or before September 30, 2015, the reassignment of a specified amount of the joint powers agency's 2012–13 fiscal year entitlement to the member local educational agency. Commencing with the 2015–16 fiscal year, the Superintendent shall compute an add-on to the total sum of a school district's or charter school's base, supplemental, and concentration grants equal to the amount of the entitlement to funding transferred by the joint powers agency to the member school district or charter school.

(i)

(1) The sum of the local control funding formula rates computed pursuant to subdivisions (c) to (f), inclusive, shall be multiplied by:

(A) For school districts, the average daily attendance of the school district in the corresponding grade level ranges computed pursuant to Section 42238.05, excluding the average daily attendance computed pursuant to paragraph (2) of subdivision (a) of Section 42238.05 for purposes of the computation specified in subdivision (d).

(B) For charter schools, the total current year average daily attendance in the corresponding grade level ranges.

(2) The amount computed pursuant to Article 4 (commencing with Section 42280) shall be added to the amount computed pursuant to paragraphs (1) to (4), inclusive, of subdivision (d), as multiplied by subparagraph (A) or (B) of paragraph (1), as appropriate.

(j) The Superintendent shall adjust the sum of each school district's or charter school's amount determined in subdivisions (g) to (i), inclusive, pursuant to the calculation specified in Section 42238.03, less the sum of the following:

(1)

(A) For school districts, the property tax revenue received pursuant to Chapter 3.5 (commencing with Section 75) and Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation Code.

(B) For charter schools, the in-lieu property tax amount provided to a charter school pursuant to Section 47635.

(2) The amount, if any, received pursuant to Part 18.5 (commencing with Section 38101) of Division 2 of the Revenue and Taxation Code.

(3) The amount, if any, received pursuant to Chapter 3 (commencing with Section 16140) of Part 1 of Division 4 of Title 2 of the Government Code.

(4) Prior years' taxes and taxes on the unsecured roll.

(5) Fifty percent of the amount received pursuant to Section 41603.

(6) The amount, if any, received pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code), less any amount received pursuant to Section 33401 or 33676 of the Health and Safety Code that is used for land acquisition, facility construction, reconstruction, or remodeling, or deferred maintenance and that is not an amount received pursuant to Section 33492.15, or paragraph (4) of subdivision (a) of Section 33607.5, or Section 33607.7 of the Health and Safety Code that is allocated exclusively for educational facilities.

(7) The amount, if any, received pursuant to Sections 34177, 34179.5, 34179.6, 34183, and 34188 of the Health and Safety Code.

(8) Revenue received pursuant to subparagraph (B) of paragraph (3) of subdivision (e) of Section 36 of Article XIII of the California Constitution.

(k) A school district shall annually transfer to each of its charter schools funding in lieu of property taxes pursuant to Section 47635.

(l)

(1) This section ~~does not~~shall not be interpreted to authorize a school district that receives funding on behalf of a charter school pursuant to Section 47651 to redirect this funding for another purpose unless otherwise authorized in law pursuant to paragraph (2) or pursuant to an agreement between the charter school and its chartering authority.

(2) A school district that received funding on behalf of a locally funded charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on January 1, 2013, or a school district that was required to pass through funding to a conversion charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42606, as that section read on January 1, 2013, may annually redirect for another purpose a percentage of the amount of the funding received on behalf of that charter school. The percentage of funding that may be redirected shall be determined pursuant to the following computation:

(A)

(i) Determine the sum of the need fulfilled for that charter school pursuant to paragraph (3) of subdivision (b) of Section 42238.03 in the then current fiscal year for the charter school.

(ii) Determine the sum of the need fulfilled in every fiscal year before the then current fiscal year pursuant to paragraph (3) of subdivision (b) of Section 42238.03 adjusted for changes in average daily attendance pursuant to paragraph (3) of subdivision (a) of Section 42238.03 for the charter school.

(iii) Subtract the amount computed pursuant to paragraphs (1) to (3), inclusive, of subdivision (a) of Section 42238.03 from the amount computed for that charter school under the local control funding formula entitlement computed pursuant to subdivision (i) of this section.

(iv) Compute a percentage by dividing the sum of the amounts computed pursuant to clauses (i) and (ii) by the amount computed pursuant to clause (iii).

(B) Multiply the percentage computed pursuant to subparagraph (A) by the amount of funding the school district received on behalf of the charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on January 1, 2013.

(C) The maximum amount that may be redirected shall be the lesser of the amount of funding the school district received on behalf of the charter school in the 2012–13 fiscal year pursuant to paragraph (2) of subdivision (b) of Section 42605, Section 42606, and subdivision (b) of Section 47634.1, as those sections read on January 1, 2013, or the amount computed pursuant to subparagraph (B).

(3) Commencing with the 2013–14 fiscal year, a school district operating one or more affiliated charter schools shall provide each affiliated charter school schoolsite with no less than the amount of funding the schoolsite received pursuant to the charter school block grant in the 2012–13 fiscal year.

(m) Any calculations in law that are used for purposes of determining if a local educational agency is an excess tax school entity or basic aid school district, including, but not limited to, this section and Sections ~~41511,~~ 42238.03, 41544, 47632, 47660, 47663, 48310, and 48359.5, and Section 95 of the Revenue and Taxation Code, shall ~~exclude~~be made exclusive of the revenue received pursuant to subparagraph (B) of paragraph (3) of subdivision (e) of Section 36 of Article XIII of the California Constitution.

(n) The funds apportioned pursuant to this section and Section 42238.03 shall be available to implement the activities required pursuant to Article 4.5 (commencing with Section 52059.5) of Chapter 6.1 of Part 28 of Division 4.

(o) A school district that does not receive an apportionment of state funds pursuant to this section, as implemented pursuant to Section 42238.03, excluding funds apportioned pursuant to the requirements of subparagraph (A) of paragraph (2) of subdivision (e) of Section 42238.03, shall be considered a "basic aid school district" or an "excess tax entity."

SEC. 59. Section *44212* of the Education Code is amended to read:

44212.

(a) The Regents of the University of California, the Trustees of the California State University, the Board of Governors of the California Community Colleges, and the Association of Independent California Colleges and Universities shall each appoint a representative to serve as ~~member~~an ex officio member without a vote in proceedings of the commission.

(b) The ex officio members shall not vote in the proceedings of the commission or in any of its committees or subcommittees, except, by a majority vote of the commission, ex officio members may be permitted to vote in committees or subcommittees in order to establish a quorum or as otherwise determined by majority vote of the commission.

SEC. 60. Section *44253.10* of the Education Code is amended to read:

44253.10.

(a) A teacher with a basic teaching credential may be assigned to provide specially designed content instruction delivered in English, as defined in subdivision (b) of Section 44253.2, to limited-English-proficient pupils only if both of the following conditions are met:

(1) The teacher, as of January 1, 1999, is a permanent employee of a school district, county office of education, or school administered under the authority of the Superintendent, or was previously a permanent employee and then was employed in a school district within 39 months of the previous permanent status, or has been employed in a school district with an average daily attendance of not more than 250 for at least two years.

(2) The teacher completes 45 clock hours of staff development in methods of specially designed content instruction delivered in English before January 1, 2008. The extension of the date by which a teacher is required to complete this staff development shall not be construed as authorizing teachers to teach limited-English-proficient pupils without a certificate issued pursuant to this section or Sections 44253.3 and 44253.4.

(b)

(1) The commission, in consultation with the Superintendent, shall establish guidelines for the provision of staff development pursuant to this section. The commission and the Superintendent shall use their best efforts to establish these guidelines as soon as possible, but not later than January 1, 1996. Staff development pursuant to this section shall be consistent with the commission's guidelines.

(2) To ensure the highest standards of program quality and effectiveness, the guidelines shall include quality standards for the persons who train others to perform staff development training and for those who provide the training. The guidelines may require that teachers who qualify to provide instruction pursuant to paragraph (1) of subdivision (d) include a portion, within the total 45 clock hours of training provided ~~in~~pursuant to paragraph (2) of subdivision (a), in English language development.

(3) The guidelines for training to meet the requirements of paragraph (1) of subdivision (d) may provide for 20 hours, or fewer hours as the commission may specify, of training in any aspect of English language development or specially designed content instruction delivered in English.

(4) The guidelines shall require that the staff development offered pursuant to this section be aligned to the teacher preparation leading to the issuance of a certificate pursuant to Section 44253.3 and any amendments made to that section. This alignment, however, shall not result in any increase in the number of hours of staff development necessary to meet the requirements of this section.

(5) The guidelines and standards established by the commission to implement this section shall require and maintain compliance with any requirements mandated by federal law for purposes of assuring continued federal financial assistance.

(6) The commission shall review staff development programs in relation to the guidelines and standards established pursuant to this section. The review shall include all programs offered pursuant to this section except programs previously approved pursuant to subdivision (c). If the commission finds that a program meets the applicable guidelines and standards, the commission shall forward a report of its findings to the chief executive officer of the sponsoring school district, county office of

education, or regionally accredited college or university. If the commission finds that a program does not meet the applicable guidelines or standards, or both, the report of the commission shall specify the areas of noncompliance and the time period in which a second review shall occur. If a second review of a program by the commission reveals a pattern of continued noncompliance with the applicable guidelines or standards, or both, the sponsoring agency shall not offer the program to teachers who have not already enrolled in it. The effective date for commission approval of staff development programs not currently approved as of January 1, 2000, shall be on or before January 1, 2002, except for persons already enrolled in programs by January 1, 2002.

(7) By December 4, 2007, the commission shall report to the Legislature on the status of the 45-hour and the 90-hour alternative programs, including the strengths and weaknesses of the process and programs. In preparing the report, the commission shall include a summary of its review pursuant to paragraph (6) of the staff development programs.

(c) The staff development may be sponsored by any school district, county office of education, or regionally accredited college or university that meets the standards included in the guidelines established pursuant to subdivision (b) or any organization that meets those standards and is approved by the commission. Any equivalent three semester unit or four quarter unit class may be taken by the teacher at a regionally accredited college or university to satisfy the staff development requirement described in either subdivision (a) or (d), or both. Once the commission has made a determination that a college or university class is equivalent, no further review of the class shall be required pursuant to paragraph (6) of subdivision (b), regardless of the date of the initial review.

(d)

(1) A teacher who completes the staff development described in subdivision (a) shall be awarded a certificate of completion of staff development in methods of specially designed content instruction delivered in English.

(2) A teacher who completes the staff development described in subdivision (a) may provide specially designed content instruction delivered in English, as defined in subdivision (b) of Section 44253.2, and instruction for English language development, as defined in subdivision (a) of Section 44253.2, in any departmentalized teaching assignment consistent with the authorization of the teacher's basic credential. This authorization also applies to teachers who completed the required staff development before January 1, 2000.

(3) A teacher who completes the staff development described in subdivision (a) shall not be assigned to provide content instruction delivered in the pupil's primary language, as defined in subdivision (c) of Section 44253.2.

(4) A teacher who completes the staff development described in subdivision (a) may be assigned to provide instruction for English language development, as defined in subdivision (a) of Section 44253.2, in a self-contained classroom under either of the following circumstances:

(A) The teacher has taught for at least nine years in California public schools, certifies that the teacher has had experience or training in teaching limited-English-proficient pupils, and authorizes verification by the entity that issues the certificate of completion. The teacher shall be awarded a certificate of completion in methods of instruction for English language development in a self-contained classroom.

(B) The teacher has taught for less than nine years in California public schools, or has taught for at least nine years in California public schools but is unable to certify that the teacher has had experience or training in teaching limited-English-proficient pupils, but has, within three years of completing the staff development described in subdivision (a), completed an additional 45 hours of staff development, including specially designed content instruction delivered in English and English language development training, as set forth in the guidelines developed pursuant to subdivision (b). Upon completion of this additional staff development, the teacher

shall be awarded a certificate of completion in methods of instruction for English language development in a self-contained classroom.

(e) During the period in which a teacher is pursuing the training specified in paragraph (2) of subdivision (a) or subdivision (d), or both, including the period for the assessment and awarding of the certificate, the teacher may be provisionally assigned to provide instruction for English language development, as defined in subdivision (a) of Section 44253.2, or to provide specially designed content instruction delivered in English, as defined in subdivision (b) of Section 44253.2.

(f)

(1) A teacher who completes the staff development with any provider specified in subdivision (c), and who meets the requirements of subdivision (a) or (d) for a certificate of completion of staff development in methods of specially designed content instruction delivered in English or English language development in a self-contained classroom, or both, shall be issued the certificate or certificates.

(2) A teacher who completes a staff development program in methods of specially designed content instruction delivered in English or English language development in a self-contained classroom, or both, who has been determined by the commission to meet the applicable guidelines and standards pursuant to paragraph (6) of subdivision (b), shall receive a certificate or certificates of completion from the commission upon submitting an application, a staff development verification form to be furnished by the commission, and payment of a fee to be set by the commission, not to exceed forty-five dollars ($45).

(3) A person who is enrolled in, or who has completed, a staff development program not approved by the commission before January 1, 2002, may, until January 1, 2003, apply to any of the following agencies for the certificate or certificates, but the teacher shall be issued the certificate or certificates by only one of these agencies:

(A) The school district in which the teacher is a permanent employee.

(B) The county office of education in the county in which the teacher is an employee for an agency specified in paragraph (1) of subdivision (a).

(C) Any school district or county office of education that provides staff development pursuant to subdivision (c). Before issuing a certificate or certificates based on an equivalent class or classes, as provided for in subdivision (c), the issuing agency shall determine if the class or classes meet the guidelines established pursuant to subdivision (b).

(4) Any school district or county office of education that issues a certificate of completion shall forward a copy of the certificate to the commission within 90 days of issuing the certificate.

(5)

(A) An agency that issues a certificate or certificates of completion may charge the teacher requesting the certificate or certificates of completion a fee that will cover the actual costs of the agency in issuing, forwarding to the commission a copy of, and paying any fee charged by the commission for receiving and servicing, the certificate or certificates of completion.

(B) The commission may charge the agency that forwards a copy of a certificate or certificates of completion a one-time fee to cover the actual costs to the commission to file the copy or copies, and to issue duplicates when requested by the teacher. The fee shall not exceed an amount equal to one-half the fee the commission charges for issuing a credential.

(g) The certificate of completion is valid in all California public schools. A teacher who has been issued a certificate of completion may be assigned indefinitely to provide the instructional services named on the certificate in any school district, county office of education, or school administered under the authority of the Superintendent.

(h) The governing board of each school district shall make reasonable efforts to provide limited-English-proficient pupils in need of English language development instruction with teachers who hold appropriate credentials, language development specialist certificates, or cross-cultural language and academic development certificates that authorize English language development instruction. However, any teacher awarded a certificate or certificates of completion shall be deemed certificated and competent to provide the services listed on that certificate of completion. A teacher who completes staff development pursuant to this section may use those hours of staff development to meet the requirements of subdivision (b) of Section 44277.

(i) Any teacher completing staff development pursuant to this section shall be credited with three semester units or four quarter units for each block of 45 hours of staff development completed for the purpose of meeting the requirements set forth in subdivision (b) of Section 44253.3.

(j) Any school district may use funds allocated to it for the purposes of Chapter 3.1 (commencing with Section 44681) to provide staff development pursuant to this section.

SEC. 61. Section *44328* of the Education Code is amended to read:

44328.

(a) Unless the commission determines that substantial evidence exists that a person is unqualified to teach, upon the completion of successful service as a district intern pursuant to subdivision (b) of Section 44325, and upon the recommendation of the school district governing board, the commission shall award preliminary credentials to district interns in the same manner as applicants recommended for credentials by institutions that operate approved programs of professional preparation.

(b) Notwithstanding paragraphs (1) and (2) of subdivision (a) of Section 44225, paragraphs (3) to (6), inclusive, of subdivision (b) of Section 44259, paragraphs (1), (2), and (3) of subdivision (c) of Section 44259, and Sections 44261, 44265, and 44335, upon recommendation by the governing board, district interns shall be issued preliminary credentials~~,~~ upon the completion of successful service as a teacher pursuant to subdivision (b) of Section 44325, unless the governing board recommends, and the commission finds substantial evidence, that the person is not qualified to teach. Pursuant to Article 11 (commencing with Section 44380), teachers participating in an induction program pursuant to Article 4.5 (commencing with Section 44279.1) are no longer eligible for funding under the district intern program.

(c) Notwithstanding Section 44261, the preliminary credential awarded to a district intern holding a district intern credential to teach bilingual education classes shall be a basic teaching credential with a bilingual-crosscultural language and academic development emphasis. Notwithstanding Section 44265, the preliminary credential awarded to a district intern who holds a district intern credential to teach special education pupils shall be a special education specialist instruction credential that authorizes the holder to teach special education pupils.

(d) It is the intent of the Legislature that institutions of higher education that operate approved programs of professional preparation work cooperatively with school districts that offer district intern programs for a special education specialist credential to apply the regular education coursework and fieldwork from the special education district intern program toward earning a multiple or single subject teaching credential through the institution.

SEC. 62. Section *44468* of the Education Code is amended to read:

44468.

(a) An internship program, established pursuant to Article 7.5 (commencing with Section 44325) of Chapter 2 or this article, that is accredited by the commission shall provide interns who meet entrance criteria, and who are accepted to a multiple subject teaching credential program, a single subject teaching

credential program, or a level 1 education specialist credential program that provides instruction to individuals with mild to moderate disabilities, the opportunity to choose an early program completion option, culminating in a five-year preliminary teaching credential. The early program completion option shall be made available to interns who meet the following requirements:

(1) Pass a written assessment that assesses knowledge of teaching foundations, is adopted for this purpose by the commission, and includes all of the following:

(A) Human development as it relates to teaching and learning aligned with the state content and performance standards for pupils adopted by the state board.

(B) Techniques to address learning differences including working with pupils with special needs.

(C) Techniques to address working with English learners to provide access to the curriculum.

(D) Reading instruction as set forth in paragraph (4) of subdivision (b) of Section 44259.

(E) The assessment of pupil progress based upon the state content and performance standards for pupils adopted by the state board and planning intervention based on the assessment.

(F) Classroom management techniques.

(G) Methods of teaching the subject fields.

(2)

(A) Pass the teaching performance assessment as set forth in Section 44320.2.

(B) An intern participating in the early completion option may take the teaching performance assessment only one time as part of the early completion option. An intern who takes the teaching performance assessment but is not successful may complete the internship program. Scores on this assessment shall be used by the internship program in providing the individualized professional development plan for interns that emphasizes preparation in areas where additional growth is warranted and waiving preparation in areas where the candidate has demonstrated competence. The intern shall retake and pass the teaching performance assessment at the end of the internship in order to be considered for recommendation by the internship program to the commission.

(3) Pass the reading instruction competence assessment described in Section 44283, if required for the intern's credential.

(4) Meet the requirements for teacher fitness as set forth in Sections 44339, 44340, and 44341.

(b) An intern who elects to use the early completion option must first pass the assessment required pursuant to paragraph (1) of subdivision (a) in order to qualify to take the teaching performance assessment required pursuant to paragraph (2) of subdivision (a).

(c) An intern who passes the assessments described in subdivision (a) and is recommended by the internship program to the commission is eligible for a five-year preliminary multiple subject teaching credential, single subject teaching credential, or level 1 education specialist credential that authorizes instruction to individuals with mild to moderate disabilities.

(d) The commission shall issue a professional clear multiple or single subject teaching credential to an applicant whose employing school district documents, in a manner prescribed by the commission, that the applicant has fulfilled the following requirements:

(1) Holds a preliminary five-year teaching credential issued by the commission.

(2) Completes one of the following in accordance with the determination of the employing school district based upon the experience and individual needs of the applicant:

(A) A program of beginning teacher support and assessment established pursuant to Article 4.5 (commencing with Section 44279.1) of Chapter 2, including the California formative assessment and support system for teachers.

(B) An alternative program of beginning teacher induction that the commission determines, in conjunction with the Superintendent, meets state standards for teacher induction and includes the California formative assessment and support system for teachers or an alternative assessment deemed to meet the standards.

(3) As an alternative to the requirements in paragraph (2), an applicant may choose to complete the California formative assessment and support system for teachers or the equivalent at a faster pace as determined by the program of beginning teacher support and assessment established pursuant to Article 4.5 (commencing with Section 44279.1) of Chapter 2.

SEC. 63. Section *45113* of the Education Code is amended to read:

45113.

(a) The governing board of a school district shall prescribe written rules and regulations, governing the personnel management of the classified service, which shall be printed and made available to employees in the classified service, the public, and those concerned with the administration of this section, whereby these employees are designated as permanent employees of the school district after serving a prescribed period of probation that shall not exceed six months or 130 days of paid service, whichever is longer. A permanent employee who accepts a promotion and fails to complete the probationary period for that promotional position, shall be employed in the classification from which the employee was promoted.

(b) An employee designated as a permanent employee shall be subject to disciplinary action only for cause as prescribed by rule or regulation of the governing board of the school district, but the governing board's determination of the sufficiency of the cause for disciplinary action shall be conclusive.

(c) The governing board of a school district shall adopt rules of procedure for disciplinary proceedings that shall contain a provision for informing the employee by written notice of the specific charges against the employee, a statement of the employee's right to a hearing on those charges, and the time within which the hearing may be requested that shall be not less than five days after service of the notice to the employee, and a card or paper, the signing and filing of which shall constitute a demand for hearing, and a denial of all charges. The burden of proof shall remain with the governing board of the school district, and any rule or regulation to the contrary ~~shall be~~is void.

(d) ~~No~~ Disciplinary action shall not be taken for any cause that arose before the employee's becoming permanent, nor for any cause that arose more than two years preceding the date of the filing of the notice of cause unless the cause was concealed or not disclosed by the employee when it could be reasonably assumed that the employee should have disclosed the facts to the employing school district.

(e) This section shall not be construed to prohibit the governing board of a school district, pursuant to the terms of an agreement with an employee organization under Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, from delegating its authority to determine whether sufficient cause exists for disciplinary action against classified employees, excluding peace officers as defined in Section 830.32 of the Penal Code, to an impartial ~~third party~~third-party hearing officer. However, the governing board of the school district shall retain authority to review the determination under the standards set forth in Section 1286.2 of the Code of Civil Procedure.

(f)

(1) A governing board of a school district shall delegate its authority to a judge, as defined in Section 44990, to determine whether sufficient cause exists for disciplinary action against a classified

employee involving allegations of egregious misconduct, as defined in Section 44932, and involving a minor, as defined in Section 44990. The judge's ruling shall be binding upon all parties.

(2) A judge authorized under this subdivision to conduct a hearing involving allegations as described in Section 44010 or 44011 of this code, or as described in Sections 11165.2 to 11165.6, inclusive, of the Penal Code, shall conduct that hearing in accordance with Article 3.3 (commencing with Section 44990) of Chapter 4 and Section 49077 of this code.

(3) The term "representative of the respondent," within the meaning of Article 3.3 (commencing with Section 44990) of Chapter 4, shall include, but not necessarily be limited to, an exclusive labor representative.

(g) This section ~~shall apply~~applies only to school districts not incorporating the merit system as outlined in Article 6 (commencing with Section 45240).

(h) To the extent that this section as amended by Assembly Bill 1353 of the 2019–20 Regular Session conflicts with a provision of a collective bargaining agreement entered into by a public school employer and an exclusive bargaining representative before January 1, 2020, pursuant to Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, the changes made to this section by Assembly Bill 1353 of the 2019–20 Regular Session shall not apply to the school district until expiration or renewal of that collective bargaining agreement.

SEC. 64. Section *45500* of the Education Code is amended to read:

45500.

(a) The Classified School Employee Summer Assistance Program is hereby established.

(b) The program shall provide a participating classified employee up to one dollar ($1) for each one dollar ($1) that the classified employee has elected to have withheld from the classified employee's monthly paychecks pursuant to this section.

(c) A local educational agency may elect to participate in the program. A participating local educational agency shall notify classified employees, by January 1 during a fiscal year in which moneys are appropriated for purposes of this section, that the local educational agency has elected to participate in the program for the next school year. Once a local educational agency elects to participate in the program and notifies classified employees pursuant to this subdivision, the local educational agency is prohibited from reversing its decision to participate in the program for the next school year beginning after the end of a fiscal year in which moneys are appropriated for purposes of this section.

(d)

(1) A classified employee ~~that~~who elects to participate in the program shall notify the local educational agency, in writing, by March 1 during a fiscal year in which moneys are appropriated for purposes of this section, on a form developed by the department that the classified employee wishes to participate in the program for the applicable school year. The classified employee shall specify the amount to be withheld from their monthly paychecks during the applicable school year and whether they choose to have the amounts withheld paid out during the summer recess period in either one or two payments. A participating classified employee may elect to have up to 10 percent of the classified employee's monthly pay withheld during the applicable school year.

(2) A classified employee ~~shall be~~is eligible to participate in the program if the classified employee has been employed with the local educational agency for at least one year at the time the classified employee elects to participate in the program.

(3) A classified employee ~~shall be~~is eligible to participate in the program if the classified employee is employed by the local educational agency in the employee's regular assignment for fewer than 11 months out of a 12-month period. For purposes of determining a classified employee's total

months employed by the local educational agency, the employing local educational agency shall exclude any hours worked by the classified employee outside of their regular assignment.

(4)

(A) A classified employee ~~shall not be~~is not eligible to participate in the program if the classified employee's regular annual pay received directly from the local educational agency is more than sixty-two thousand four hundred dollars ($62,400) for an entire school year at the time of enrollment. For purposes of determining a classified employee's regular annual pay received directly from the local educational agency, the employing local educational agency shall exclude any pay received by the classified employee during the previous summer recess period.

(B) For purposes of this section, "summer recess period" means the period that regular class sessions are not being held by a local educational agency during the months of June, July, and August. Pay earned by a classified employee with limited employment during the months of June, July, or August that is not for the summer session shall not be excluded pursuant to this paragraph.

(e) A local educational agency that elects to participate in the program shall notify the department in writing, by April 1 during a fiscal year in which moneys are appropriated for purposes of this section, on a form developed by the department that it has elected to participate in the program. The local educational agency shall specify the number of classified employees that have elected to participate in the program and the total estimated amount to be withheld from participating classified employee paychecks for the applicable school year.

(f) The department shall notify participating local educational agencies in writing, by May 1 during a fiscal year in which moneys are appropriated for purposes of this section, of the estimated amount of state match funding that a participating classified employee can expect to receive as a result of participating in the program. If the funding provided for purposes of this section is insufficient to provide one dollar ($1) for each one dollar ($1) that has been withheld from participating classified employee monthly paychecks, the department shall notify local educational agencies of the expected prorated amount of state match funds that a participating classified employee can expect to receive as a result of participating in the program.

(g) Participating local educational agencies shall notify participating classified employees, by June 1 during a fiscal year in which moneys are appropriated for purposes of this section, the amount of estimated state match funds that a participating classified employee can expect to receive as a result of participating in the program. After receiving that notification, a classified employee may withdraw their election to participate in the program or reduce the amount to be withheld from their paycheck pursuant to paragraph (1) of subdivision (d) by notifying the employing local educational agency no later than 30 days after the start of school instruction for the applicable school year.

(h) The local educational agency shall deposit the amounts withheld from participating classified employee monthly paychecks in accordance with the choices made by each participating classified employee pursuant to subdivision (d) in a separate account.

(i)

(1) A classified employee that separates from employment with a local educational agency during the applicable school year may request from the local educational agency any pay withheld from their paycheck pursuant to this section.

(2) A classified employee, due to economic or personal hardship, may request from the local educational agency any pay withheld from their paycheck pursuant to this section.

(3) A classified employee who requests any pay withheld by the local educational agency pursuant to paragraph (1) or (2) shall not be entitled to receive any state match funds provided pursuant to this section.

(j) Participating local educational agencies shall request payment from the department, on or before July 31 following the end of a school year during which the program was operative, on a form developed by the department, for the amount of classified employee pay withheld from the monthly paychecks of participating classified employees and placed in a separate account pursuant to subdivision (h).

(k) The department shall apportion funds to participating local educational agencies within 30 days of receiving a request for payment by the participating local educational agency pursuant to subdivision (j). The apportionment shall be determined for each local educational agency by the department on the basis of the amount that has been withheld from the monthly paychecks of participating classified employees and placed in a separate account pursuant to subdivision (h).

(l) If the total amount requested by participating local educational agencies exceeds the amount appropriated for purposes of this section, the department shall prorate the amount apportioned to participating local educational agencies accordingly, based on the amounts requested pursuant to subdivision (j).

(m) The participating local educational agency shall pay participating classified employees the amounts withheld in accordance with the classified employee's choices, plus the amount apportioned by the department that is attributable to the amount withheld from that classified employee's paychecks during the applicable school year. This amount shall be paid to the participating classified employee during the summer recess period, in either one or two payments, in accordance with the classified employee's option pursuant to subdivision (d).

(n) The state match funding received by participating classified employees pursuant to this section shall not be considered compensation for purposes of determining retirement benefits for the California Public Employees' Retirement System or the California State Teachers' Retirement System.

(o)

(1) For the 2019–20 fiscal year, the program shall be funded pursuant to Section 85 of Chapter 51 of the Statutes of 2019.

(2) For the 2020–21 fiscal year and each fiscal year thereafter, the operation of this section shall be contingent upon an appropriation in the annual Budget Act or another statute.

(p) For purposes of this section, the following definitions apply:

(1) "Local educational agency" means a school district or county office of education.

(2) "Program" means the Classified School Employee Summer Assistance Program.

(3) "Regular assignment" means a classified employee's employment during the academic school year, excluding the summer recess period.

SEC. 65. Section *46600* of the Education Code is amended to read:

46600.

(a)

(1) The governing boards of two or more school districts may enter into an agreement, for a term not to exceed five school years, for the interdistrict attendance of pupils who are residents of the school districts. The agreement may provide for the admission to a school district other than the school district of residence of a pupil who requests a permit to attend a school district of proposed enrollment that is a party to the agreement and that maintains schools and classes in transitional kindergarten, kindergarten, or any of grades 1 to 12, inclusive, to which the pupil requests admission. Once a pupil in transitional kindergarten, kindergarten, or any of grades 1 to 12, inclusive, is enrolled in a school pursuant to this chapter, the pupil shall not have to reapply for an interdistrict transfer, and the governing board of the school district of enrollment shall allow the

pupil to continue to attend the school in which the pupil is enrolled, except as specified in paragraphs (2) and (4).

(2) The agreement shall stipulate the terms and conditions under which interdistrict attendance shall be permitted or denied. The agreement may contain standards for reapplication agreed to by the school district of residence and the school district of enrollment that differ from the requirements prescribed by paragraph (1). The agreement may stipulate terms and conditions established by the school district of residence and the school district of enrollment under which the permit may be revoked.

(3) The designee of the superintendent of the school district of residence shall issue an individual permit verifying the school district's approval, pursuant to policies of the governing board of the school district and terms of the agreement for the transfer. A permit shall be valid upon concurring endorsement by the designee of the governing board of the school district of proposed enrollment. The stipulation of the terms and conditions under which the permit may be revoked is the responsibility of the school district of enrollment.

(4) Notwithstanding paragraph (2), a school district of residence or school district of enrollment shall not rescind existing transfer permits for pupils after June 30 following the completion of grade 10, or for pupils in grade 11 or 12.

(b) A pupil who has been determined by personnel of either the school district of residence or the school district of proposed enrollment to have been the victim of an act of bullying, as defined in subdivision (r) of Section 48900, committed by a pupil of the school district of residence shall, at the request of the parent, be given priority for interdistrict attendance.

(c) In addition to the requirements of subdivision (e) of Section 48915.1, and regardless of whether an agreement exists or a permit is issued pursuant to this section, any school district may admit a pupil expelled from another school district in which the pupil continues to reside.

(d)

(1) Notwithstanding any other law, and regardless of whether an agreement exists or a permit is issued pursuant to this section, a school district of residence shall not prohibit the transfer of a pupil who is a child of an active ~~duty~~military duty parent to a school district of proposed enrollment if the school district of proposed enrollment approves the application for transfer.

(2) A school district of residence shall approve an intradistrict transfer request for a victim of an act of bullying unless the requested school is at maximum capacity, in which case the school district shall accept an intradistrict transfer request for a different school in the school district. Notwithstanding any other law, and regardless of whether an agreement exists or a permit is issued pursuant to this section, if the school district of residence has only one school offering the grade level of the victim of an act of bullying and therefore there is no option for an intradistrict transfer, the victim of an act of bullying may apply for an interdistrict transfer and the school district of residence shall not prohibit the transfer if the school district of proposed enrollment approves the application for transfer.

(3) A school district of proposed enrollment that elects to accept an interdistrict transfer pursuant to this subdivision shall accept all pupils who apply to transfer under this subdivision until the school district is at maximum capacity. A school district of proposed enrollment shall ensure that pupils admitted under this subdivision are selected through an unbiased process that prohibits an inquiry into or evaluation or consideration of whether or not a pupil should be enrolled based on academic or athletic performance, physical condition, proficiency in English, family income, or any of the individual characteristics set forth in Section 220, including, but not limited to, race or ethnicity, gender, gender identity, gender expression, and immigration status.

(4)

(A) For purposes of this subdivision, “active military duty parent” means a parent with full-time military duty status in the active uniformed service of the United States, including members of the National Guard and the State Military Reserve on active duty orders pursuant to Chapter 1209 (commencing with Section 12301) and Chapter 1211 (commencing with Section 12401) of Part II of Subtitle E of Title 10 of the United States Code.

(B) For purposes of this subdivision, a “victim of an act of bullying” means a pupil that has been determined to have been a victim of bullying by an investigation pursuant to the complaint process described in Section 234.1 and the bullying was committed by any pupil in the school district of residence, and the parent of the pupil has filed a written complaint regarding the bullying with the school, school district personnel, or a local law enforcement agency.

(5)

(A) Upon request of the parent or guardian on behalf of a pupil eligible for transfer pursuant to this subdivision, a school district of enrollment shall provide transportation assistance to a pupil who is eligible for free or reduced-price meals.

(B) A school district of enrollment may provide transportation assistance to any pupil admitted under this subdivision.

(C) It is the intent of the Legislature that the amount of transportation assistance provided to a pupil pursuant to subparagraph (A) or (B) not exceed the supplemental grant received, if any, for the pupil pursuant to subdivision (e) of Section 42238.02.

SEC. 66. Section *47604.33* of the Education Code is amended to read:

47604.33.

(a) Each charter school shall annually prepare and submit the following reports to its chartering authority and the county superintendent of schools, or only to the county superintendent of schools if the county board of education is the chartering authority:

(1) On or before July 1, a preliminary budget. For a charter school in its first year of operation, the information submitted pursuant to subdivision ~~(g)~~(h) of Section 47605 satisfies this requirement.

(2) On or before July 1, a local control and accountability plan and an annual update to the local control and accountability plan required pursuant to Section 47606.5.

(3) On or before December 15, an interim financial report. This report shall reflect changes through October 31.

(4) On or before March 15, a second interim financial report. This report shall reflect changes through January 31.

(5) On or before September 15, a final unaudited report for the full prior year.

(b) The chartering authority shall use any financial or other information it obtains from the charter school, including, but not limited to, the reports required by this section, to perform the duties described in subdivision (a) of Section 47604.32, including monitoring the fiscal condition of the charter school.

(c) The cost of performing the duties required by this section shall be funded with supervisorial oversight fees collected pursuant to Section 47613.

SEC. 67. Section *47605* of the Education Code, as amended by Section 3.3 of Chapter 543 of the Statutes of 2019, is amended to read:

47605.

(a)

(1) Except as set forth in paragraph (2), a petition for the establishment of a charter school within a school district may be circulated by one or more persons seeking to establish the charter school. A petition for the establishment of a charter school shall identify a single charter school that will operate within the geographic boundaries of that school district. A charter school may propose to operate at multiple sites within the school district if each location is identified in the charter school petition. The petition may be submitted to the governing board of the school district for review after either of the following conditions is met:

(A) The petition is signed by a number of parents or legal guardians of pupils that is equivalent to at least one-half of the number of pupils that the charter school estimates will enroll in the charter school for its first year of operation.

(B) The petition is signed by a number of teachers that is equivalent to at least one-half of the number of teachers that the charter school estimates will be employed at the charter school during its first year of operation.

(2) A petition that proposes to convert an existing public school to a charter school that would not be eligible for a loan pursuant to subdivision (c) of Section 41365 may be circulated by one or more persons seeking to establish the charter school. The petition may be submitted to the governing board of the school district for review after the petition is signed by not less than 50 percent of the permanent status teachers currently employed at the public school to be converted.

(3) A petition shall include a prominent statement that a signature on the petition means that the parent or legal guardian is meaningfully interested in having their child or ward attend the charter school, or in the case of a teacher's signature, means that the teacher is meaningfully interested in teaching at the charter school. The proposed charter shall be attached to the petition.

(4) After receiving approval of its petition, a charter school that proposes to expand operations to one or more additional sites or grade levels shall request a material revision to its charter and shall notify the chartering authority of those additional locations or grade levels. The chartering authority shall consider whether to approve those additional locations or grade levels at an open, public meeting. If the additional locations or grade levels are approved pursuant to the standards and criteria described in subdivision (c), they shall be a material revision to the charter school's charter.

(5)

(A) A charter school that established one site outside the boundaries of the school district, but within the county in which that school district is located before January 1, 2020, may continue to operate that site until the charter school submits a request for the renewal of its charter petition. To continue operating the site, the charter school shall do either of the following:

(i) First, before submitting the request for the renewal of the charter petition, obtain approval in writing from the school district where the site is operating.

(ii) Submit a request for the renewal of the charter petition pursuant to Section 47607 to the school district in which the charter school is located.

(B) If a Presidential declaration of a major disaster or emergency is issued in accordance with the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Sec. 5121 et seq.) for an area in which a charter schoolsite is located and operating, the charter school, for not more than five years, may relocate that site outside the area subject to the Presidential declaration if the charter school first obtains the written approval of the school district where the site is being relocated to.

(C) Notwithstanding subparagraph (A), if a charter school was relocated from December 31, 2016, to December 31, 2019, inclusive, due to a Presidential declaration of a major disaster or emergency in accordance with the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Sec. 5121 et seq.), that charter school shall be allowed to return to its original campus location in perpetuity.

(D) **(i)** A charter school ~~in operation and providing educational services to pupils before October 1, 2019,~~ located on a federally recognized California Indian reservation or rancheria or operated by a federally recognized California Indian tribe shall be exempt from the ~~geographic restrictions of paragraph (1) and subparagraph (A) of this paragraph and the geographic restrictions of subdivision (a) of Section 47605.1~~provisions of this paragraph.

(ii) ~~The exemption to the geographic restrictions of subdivision (a) of 47605.1 in clause (i) does not apply to nonclassroom-based charter schools operating pursuant to Section 47612.5.~~

(E) The department shall regard as a continuing charter school for all purposes a charter school that was granted approval of its petition, that was providing educational services to pupils before October 1, 2019, and is authorized by a different chartering authority due to changes to this paragraph that took effect January 1, 2020. ~~This paragraph shall be implemented only to the extent it does not conflict with federal law. In order to prevent any potential conflict with federal law, this paragraph does not apply to covered programs as identified in Section 8101(11) of the federal Elementary and Secondary Education Act of 1965 (20 U.S.C. Sec. 7801) to the extent the affected charter school is the restructured portion of a divided charter school pursuant to Section 47654.~~

(6) Commencing January 1, 2003, a petition to establish a charter school shall not be approved to serve pupils in a grade level that is not served by the school district of the governing board considering the petition, unless the petition proposes to serve pupils in all of the grade levels served by that school district.

(b) No later than 60 days after receiving a petition, in accordance with subdivision (a), the governing board of the school district shall hold a public hearing on the provisions of the charter, at which time the governing board of the school district shall consider the level of support for the petition by teachers employed by the school district, other employees of the school district, and parents. Following review of the petition and the public hearing, the governing board of the school district shall either grant or deny the charter within 90 days of receipt of the petition, provided, however, that the date may be extended by an additional 30 days if both parties agree to the extension. A petition is deemed received by the governing board of the school district for purposes of commencing the timelines described in this subdivision on the day the petitioner submits a petition to the district office, along with a signed certification that the petitioner deems the petition to be complete. The governing board of the school district shall publish all staff recommendations, including the recommended findings and, if applicable, the certification from the county superintendent of schools prepared pursuant to paragraph (8) of subdivision (c), regarding the petition at least 15 days before the public hearing at which the governing board of the school district will either grant or deny the charter. At the public hearing at which the governing board of the school district will either grant or deny the charter, petitioners shall have equivalent time and procedures to present evidence and testimony to respond to the staff recommendations and findings.

(c) In reviewing petitions for the establishment of charter schools pursuant to this section, the chartering authority shall be guided by the intent of the Legislature that charter schools are and should become an integral part of the California educational system and that the establishment of charter schools should be encouraged. The governing board of the school district shall grant a charter for the operation of a school under this part if it is satisfied that granting the charter is consistent with sound educational practice and with the interests of the community in which the school is proposing to locate. The governing board of the school district shall consider the academic needs of the pupils the school proposes to serve. The governing board of the school district shall not deny a petition for the establishment of a charter school unless it makes written factual findings, specific to the particular petition, setting forth specific facts to support one or more of the following findings:

(1) The charter school presents an unsound educational program for the pupils to be enrolled in the charter school.

(2) The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition.

(3) The petition does not contain the number of signatures required by subdivision (a).

(4) The petition does not contain an affirmation of each of the conditions described in subdivision (e).

(5) The petition does not contain reasonably comprehensive descriptions of all of the following:

(A)

(i) The educational program of the charter school, designed, among other things, to identify those whom the charter school is attempting to educate, what it means to be an "educated person" in the 21st century, and how learning best occurs. The goals identified in that program shall include the objective of enabling pupils to become self-motivated, competent, and lifelong learners.

(ii) The annual goals for the charter school for all pupils and for each subgroup of pupils identified pursuant to Section 52052, to be achieved in the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served, and specific annual actions to achieve those goals. A charter petition may identify additional school priorities, the goals for the school priorities, and the specific annual actions to achieve those goals.

(iii) If the proposed charter school will serve high school pupils, the manner in which the charter school will inform parents about the transferability of courses to other public high schools and the eligibility of courses to meet college entrance requirements. Courses offered by the charter school that are accredited by the Western Association of Schools and Colleges may be considered transferable and courses approved by the University of California or the California State University as creditable under the "A to G" admissions criteria may be considered to meet college entrance requirements.

(B) The measurable pupil outcomes identified for use by the charter school. "Pupil outcomes," for purposes of this part, means the extent to which all pupils of the charter school demonstrate that they have attained the skills, knowledge, and attitudes specified as goals in the charter school's educational program. Pupil outcomes shall include outcomes that address increases in pupil academic achievement both schoolwide and for all pupil subgroups served by the charter school, as that term is defined in subdivision (a) of Section 52052. The pupil outcomes shall align with the state priorities, as described in subdivision (d) of Section 52060, that apply for the grade levels served by the charter school.

(C) The method by which pupil progress in meeting those pupil outcomes is to be measured. To the extent practicable, the method for measuring pupil outcomes for state priorities shall be consistent with the way information is reported on a school accountability report card.

(D) The governance structure of the charter school, including, but not limited to, the process to be followed by the charter school to ensure parental involvement.

(E) The qualifications to be met by individuals to be employed by the charter school.

(F) The procedures that the charter school will follow to ensure the health and safety of pupils and staff. These procedures shall require all of the following:

(i) That each employee of the charter school furnish the charter school with a criminal record summary as described in Section 44237.

(ii) The development of a school safety plan, which shall include the safety topics listed in subparagraphs (A) to (J), inclusive, of paragraph (2) of subdivision (a) of Section 32282.

(iii) That the school safety plan be reviewed and updated by March 1 of every year by the charter school.

(G) The means by which the charter school will achieve a balance of racial and ethnic pupils, special education pupils, and English learner pupils, including redesignated fluent English proficient pupils, as defined by the evaluation rubrics in Section 52064.5, that is reflective of the general population residing within the territorial jurisdiction of the school district to which the charter petition is submitted. Upon renewal, for a charter school not deemed to be a local educational agency for purposes of special education pursuant to Section 47641, the chartering authority may consider the effect of school placements made by the chartering authority in providing a free and appropriate public education as required by the federal Individuals with Disabilities Education Act (*Public Law 101-476*), on the balance of pupils with disabilities at the charter school.

(H) Admission policies and procedures, consistent with subdivision (e).

(I) The manner in which annual, independent financial audits shall be conducted, which shall employ generally accepted accounting principles, and the manner in which audit exceptions and deficiencies shall be resolved to the satisfaction of the chartering authority.

(J) The procedures by which pupils can be suspended or expelled from the charter school for disciplinary reasons or otherwise involuntarily removed from the charter school for any reason. These procedures, at a minimum, shall include an explanation of how the charter school will comply with federal and state constitutional procedural and substantive due process requirements that is consistent with all of the following:

(i) For suspensions of fewer than 10 days, provide oral or written notice of the charges against the pupil and, if the pupil denies the charges, an explanation of the evidence that supports the charges and an opportunity for the pupil to present the pupil's side of the story.

(ii) For suspensions of 10 days or more and all other expulsions for disciplinary reasons, both of the following:

(I) Provide timely, written notice of the charges against the pupil and an explanation of the pupil's basic rights.

(II) Provide a hearing adjudicated by a neutral officer within a reasonable number of days at which the pupil has a fair opportunity to present testimony, evidence, and witnesses and confront and cross-examine adverse witnesses, and at which the pupil has the right to bring legal counsel or an advocate.

(iii) Contain a clear statement that no pupil shall be involuntarily removed by the charter school for any reason unless the parent or guardian of the pupil has been provided written notice of intent to remove the pupil no less than five schooldays before the effective date of the action. The written notice shall be in the native language of the pupil or the pupil's parent or guardian or, if the pupil is a foster child or youth or a homeless child or youth, the pupil's educational rights holder, and shall inform the pupil, the pupil's parent or guardian, or the pupil's educational rights holder of the right to initiate the procedures specified in clause (ii) before the effective date of the action. If the pupil's parent, guardian, or educational rights holder initiates the procedures specified in clause (ii), the pupil shall remain enrolled and shall not be removed until the charter school issues a final decision. For purposes of this clause, "involuntarily removed" includes disenrolled, dismissed, transferred, or terminated, but does not include suspensions specified in clauses (i) and (ii).

(K) The manner by which staff members of the charter schools will be covered by the State Teachers' Retirement System, the Public Employees' Retirement System, or federal social security.

(L) The public school attendance alternatives for pupils residing within the school district who choose not to attend charter schools.

(M) The rights of an employee of the school district upon leaving the employment of the school district to work in a charter school, and of any rights of return to the school district after employment at a charter school.

(N) The procedures to be followed by the charter school and the chartering authority to resolve disputes relating to provisions of the charter.

(O) The procedures to be used if the charter school closes. The procedures shall ensure a final audit of the charter school to determine the disposition of all assets and liabilities of the charter school, including plans for disposing of any net assets and for the maintenance and transfer of pupil records.

(6) The petition does not contain a declaration of whether or not the charter school shall be deemed the exclusive public employer of the employees of the charter school for purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code.

(7) The charter school is demonstrably unlikely to serve the interests of the entire community in which the school is proposing to locate. Analysis of this finding shall include consideration of the fiscal impact of the proposed charter school. A written factual finding under this paragraph shall detail specific facts and circumstances that analyze and consider the following factors:

(A) The extent to which the proposed charter school would substantially undermine existing services, academic offerings, or programmatic offerings.

(B) Whether the proposed charter school would duplicate a program currently offered within the school district and the existing program has sufficient capacity for the pupils proposed to be served within reasonable proximity to where the charter school intends to locate.

(8) The school district is not positioned to absorb the fiscal impact of the proposed charter school. A school district satisfies this paragraph if it has a qualified interim certification pursuant to Section ~~42131~~1240 and the county superintendent of schools, in consultation with the County Office Fiscal Crisis and Management Assistance Team, certifies that approving the charter school would result in the school district having a negative interim certification pursuant to Section ~~42131~~1240, has a negative interim certification pursuant to Section ~~42131~~1240, or is under state receivership. Charter schools proposed in a school district satisfying one of these conditions shall be subject to a rebuttable presumption of denial.

(d)

(1) Charter schools shall meet all statewide standards and conduct the pupil assessments required pursuant to Section 60605 and any other statewide standards authorized in statute or pupil assessments applicable to pupils in noncharter public schools.

(2) Charter schools shall, on a regular basis, consult with their parents, legal guardians, and teachers regarding the charter school's educational programs.

(e)

(1) In addition to any other requirement imposed under this part, a charter school shall be nonsectarian in its programs, admission policies, employment practices, and all other operations, shall not charge tuition, and shall not discriminate against a pupil on the basis of the characteristics listed in Section 220. Except as provided in paragraph (2), admission to a charter school shall not be determined according to the place of residence of the pupil, or of that pupil's parent or legal guardian, within this state, except that an existing public school converting partially or entirely to a charter school under this part shall adopt and maintain a policy giving admission preference to pupils who reside within the former attendance area of that public school.

(2)

(A) A charter school shall admit all pupils who wish to attend the charter school.

(B) If the number of pupils who wish to attend the charter school exceeds the charter school's capacity, attendance, except for existing pupils of the charter school, shall be determined by a public random drawing. Preference shall be extended to pupils currently attending the charter school and pupils who reside in the school district except as provided for in Section 47614.5. Preferences, including, but not limited to, siblings of pupils admitted or attending the charter school and children of the charter school's teachers, staff, and founders identified in the initial charter, may also be permitted by the chartering authority on an individual charter school basis. Priority order for any preference shall be determined in the charter petition in accordance with all of the following:

(i) Each type of preference shall be approved by the chartering authority at a public hearing.

(ii) Preferences shall be consistent with federal law, the California Constitution, and Section 200.

(iii) Preferences shall not result in limiting enrollment access for pupils with disabilities, academically low-achieving pupils, English learners, neglected or delinquent pupils, homeless pupils, or pupils who are economically disadvantaged, as determined by eligibility for any free or reduced-price meal program, foster youth, or pupils based on nationality, race, ethnicity, or sexual orientation.

(iv) In accordance with Section 49011, preferences shall not require mandatory parental volunteer hours as a criterion for admission or continued enrollment.

(C) In the event of a drawing, the chartering authority shall make reasonable efforts to accommodate the growth of the charter school and shall not take any action to impede the charter school from expanding enrollment to meet pupil demand.

(3) If a pupil is expelled or leaves the charter school without graduating or completing the school year for any reason, the charter school shall notify the superintendent of the school district of the pupil's last known address within 30 days, and shall, upon request, provide that school district with a copy of the cumulative record of the pupil, including report cards or a transcript of grades, and health information. If the pupil is subsequently expelled or leaves the school district without graduating or completing the school year for any reason, the school district shall provide this information to the charter school within 30 days if the charter school demonstrates that the pupil had been enrolled in the charter school. This paragraph applies only to pupils subject to compulsory full-time education pursuant to Section 48200.

(4)

(A) A charter school shall not discourage a pupil from enrolling or seeking to enroll in the charter school for any reason, including, but not limited to, academic performance of the pupil or because the pupil exhibits any of the characteristics described in clause (iii) of subparagraph (B) of paragraph (2).

(B) A charter school shall not request a pupil's records or require a parent, guardian, or pupil to submit the pupil's records to the charter school before enrollment.

(C) A charter school shall not encourage a pupil currently attending the charter school to disenroll from the charter school or transfer to another school for any reason, including, but not limited to, academic performance of the pupil or because the pupil exhibits any of the characteristics described in clause (iii) of subparagraph (B) of paragraph (2). This subparagraph shall not apply to actions taken by a charter school pursuant to the procedures described in subparagraph (J) of paragraph (5) of subdivision (c).

(D) The department shall develop a notice of the requirements of this paragraph. This notice shall be posted on a charter school's internet website. A charter school shall provide a parent or guardian, or a pupil if the pupil is 18 years of age or older, a copy of this notice at all of the following times:

(i) When a parent, guardian, or pupil inquires about enrollment.

(ii) Before conducting an enrollment lottery.

(iii) Before disenrollment of a pupil.

(E)

(i) A person who suspects that a charter school has violated this paragraph may file a complaint with the chartering authority.

(ii) The department shall develop a template to be used for filing complaints pursuant to clause (i).

(5) Notwithstanding any other law, a charter school in operation as of July 1, 2019, that operates in partnership with the California National Guard may dismiss a pupil from the charter school for failing to maintain the minimum standards of conduct required by the Military Department.

(f) The governing board of a school district shall not require an employee of the school district to be employed in a charter school.

(g) The governing board of a school district shall not require a pupil enrolled in the school district to attend a charter school.

(h) The governing board of a school district shall require that the petitioner or petitioners provide information regarding the proposed operation and potential effects of the charter school, including, but not limited to, the facilities to be used by the charter school, the manner in which administrative services of the charter school are to be provided, and potential civil liability effects, if any, upon the charter school and upon the school district. The description of the facilities to be used by the charter school shall specify where the charter school intends to locate. The petitioner or petitioners also shall be required to provide financial statements that include a proposed first-year operational budget, including startup costs, and cashflow and financial projections for the first three years of operation. If the school is to be operated by, or as, a nonprofit public benefit corporation, the petitioner shall provide the names and relevant qualifications of all persons whom the petitioner nominates to serve on the governing body of the charter school.

(i) In reviewing petitions for the establishment of charter schools within the school district, the governing board of the school district shall give preference to petitions that demonstrate the capability to provide comprehensive learning experiences to pupils identified by the petitioner or petitioners as academically low achieving pursuant to the standards established by the department under Section 54032, as that section read before July 19, 2006.

(j) Upon the approval of the petition by the governing board of the school district, the petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the applicable county superintendent of schools, the department, and the state board.

(k)

(1)

(A)

(i) If the governing board of a school district denies a petition, the petitioner may elect to submit the petition for the establishment of a charter school to the county board of education. The petitioner shall submit the petition to the county board of education within 30 days of a denial by the governing board of the school district. At the same time the petition is submitted to the county board of education, the petitioner shall also provide a copy of the petition to the school district. The county board of education shall review the petition pursuant to subdivisions (b) and (c). If the petition submitted on appeal contains new or different material terms, the county board of education shall immediately remand the petition to the governing board of the school district for reconsideration, which shall grant

or deny the petition within 30 days. If the governing board of the school district denies a petition after reconsideration, the petitioner may elect to resubmit the petition for the establishment of a charter school to the county board of education.

(ii) The county board of education shall review the appeal petition pursuant to subdivision (c). If the denial of the petition was made pursuant to paragraph (8) of subdivision (c), the county board of education shall also review the school district's findings pursuant to paragraph (8) of subdivision (c).

(iii) As used in this subdivision, "material terms" of the petition means the signatures, affirmations, disclosures, documents, and descriptions described in subdivisions (a), (b), (c), and (h), but shall not include minor administrative updates to the petition or related documents due to changes in circumstances based on the passage of time related to fiscal affairs, facilities arrangements, or state law, or to reflect the county board of education as the chartering authority.

(B) If the governing board of a school district denies a petition and the county lacks an independent county board of education ~~has jurisdiction over a single school district~~, the petitioner may elect to submit the petition for the establishment of a charter school to the state board. The state board shall review ~~a petition submitted~~the petition pursuant to this ~~subparagraph pursuant to subdivision (c)~~paragraph. If the denial of a charter petition is reversed by the state board ~~pursuant to this subparagraph~~, the state board shall designate the governing board of the school district in which the charter school is located as the chartering authority.

(2) If the county board of education denies a petition, the petitioner may appeal that denial to the state board.

(A) The petitioner shall submit the petition to the state board within 30 days of a denial by the county board of education. The petitioner shall include the findings and documentary record from the governing board of the school district and the county board of education and a written submission detailing, with specific citations to the documentary record, how the governing board of the school district or the county board of education, or both, abused their discretion. The governing board of the school district and county board of education shall prepare the documentary record, including transcripts of the public hearing at which the governing board of the school district and county board of education denied the charter, at the request of the petitioner. The documentary record shall be prepared by the governing board of the school district and county board of education no later than 10 business days after the request of the petitioner is made. At the same time the petition and supporting documentation is submitted to the state board, the petitioner shall also provide a copy of the petition and supporting documentation to the school district and the county board of education.

(B) If the appeal contains new or different material terms, as defined in clause (iii) of subparagraph (A) of paragraph (1), the state board shall immediately remand the petition to the governing board of the school district to which the petition was submitted for reconsideration. The governing board of the school district shall grant or deny the petition within 30 days. If the governing board of the school district denies a petition after reconsideration, the petitioner may elect to resubmit the petition to the state board.

(C) Within 30 days of receipt of the appeal submitted to the state board, the governing board of the school district or county board of education may submit a written opposition to the state board detailing, with specific citations to the documentary record, how the governing board of the school district or the county board of education did not abuse its discretion in denying the petition. The governing board of the school district or the county board of education may submit supporting documentation or evidence from the documentary record that was considered by the governing board of the school district or the county board of education.

(D) The state board's Advisory Commission on Charter Schools shall hold a public hearing to review the appeal and documentary record. Based on its review, the Advisory Commission on Charter Schools shall submit a recommendation to the state board whether there is sufficient evidence to hear the appeal or to summarily deny review of the appeal based on the documentary record. If the Advisory Commission on Charter Schools does not submit a recommendation to the state board, the state board shall consider the appeal, and shall either hear the appeal or summarily deny review of the appeal based on the documentary record at a regular public meeting of the state board.

(E) The state board shall either hear the appeal or summarily deny review of the appeal based on the documentary record. If the state board hears the appeal, the state board may affirm the determination of the governing board of the school district or the county board of education, or both of those determinations, or may reverse only upon a determination that there was an abuse of discretion. If the denial of a charter petition is reversed by the state board, the state board shall designate, in consultation with the petitioner, either the governing board of the school district or the county board of education in which the charter school is located as the chartering authority.

(3) A charter school for which a charter is granted by either the county board of education or the state board based on an appeal pursuant to this subdivision shall qualify fully as a charter school for all funding and other purposes of this part.

(4) A charter school that receives approval of its petition from a county board of education or from the state board on appeal shall be subject to the same requirements concerning geographic location to which it would otherwise be subject if it received approval from the chartering authority to which it originally submitted its petition. A charter petition that is submitted to either a county board of education or to the state board shall meet all otherwise applicable petition requirements, including the identification of the proposed site or sites where the charter school will operate.

(5) Upon the approval of the petition by the county board of education, the ~~petition~~petitioner or petitioners shall provide written notice of that approval, including a copy of the petition, to the governing board of the school district in which the charter school is located, the department, and the state board.

(6) If either the county board of education or the state board fails to act on a petition within 180 days of receipt, the decision of the governing board of the school district to deny the petition shall be subject to judicial review.

(l)

(1) Teachers in charter schools shall hold the Commission on Teacher Credentialing certificate, permit, or other document required for the teacher's certificated assignment. These documents shall be maintained on file at the charter school and are subject to periodic inspection by the chartering authority. A governing body of a direct-funded charter school may use local assignment options authorized in statute and regulations for the purpose of legally assigning certificated teachers, in accordance with all of the requirements of the applicable statutes or regulations in the same manner as a governing board of a school district. A charter school shall have authority to request an emergency permit or a waiver from the Commission on Teacher Credentialing for individuals in the same manner as a school district.

(2) By July 1, 2020, all teachers in charter schools shall obtain a certificate of clearance and satisfy the requirements for professional fitness pursuant to Sections 44339, 44340, and 44341.

(3) The Commission on Teacher Credentialing shall include in the bulletins it issues pursuant to subdivision (k) of Section 44237 to provide notification to local educational agencies of any adverse actions taken against the holders of any commission documents, notice of any adverse actions taken against teachers employed by charter schools and shall make this bulletin available

to all chartering authorities and charter schools in the same manner in which it is made available to local educational agencies.

(m) A charter school shall transmit a copy of its annual, independent financial audit report for the preceding fiscal year, as described in subparagraph (I) of paragraph (5) of subdivision (c), to its chartering authority, the Controller, the county superintendent of schools of the county in which the charter school is sited, unless the county board of education of the county in which the charter school is sited is the chartering authority, and the department by December 15 of each year. This subdivision does not apply if the audit of the charter school is encompassed in the audit of the chartering authority pursuant to Section 41020.

(n) A charter school may encourage parental involvement, but shall notify the parents and guardians of applicant pupils and currently enrolled pupils that parental involvement is not a requirement for acceptance to, or continued enrollment at, the charter school.

(o) The requirements of this section shall not be waived by the state board pursuant to Section 33050 or any other law.

SEC. 68. Section *47605.1* of the Education Code is amended to read:

47605.1.

(a)

(1) Notwithstanding any other law, a charter school that is granted a charter from the governing board of a school district or county office of education after July 1, 2002, and commences providing educational services to pupils on or after July 1, 2002, shall locate in accordance with the geographic and site limitations of this part.

(2) Notwithstanding any other law, a charter school that is granted a charter by the state board after July 1, 2002, and commences providing educational services to pupils on or after July 1, 2002, based on the denial of a petition by the governing board of a school district or county board of education, as described in paragraphs (1) and (2) of subdivision (j) of Section 47605, may locate only within the geographic boundaries of the chartering entity that initially denied the petition for the charter.

(3) A charter school that receives approval of its charter from a governing board of a school district, a county office of education, or the state board before July 1, 2002, but does not commence operations until after January 1, 2003, shall be subject to the geographic limitations of this part, in accordance with subdivision (d).

(b) This section is not intended to affect the admission requirements contained in subdivision (d) of Section 47605.

(c)

(1) A charter school may establish one resource center, meeting space, or other satellite facility within the jurisdiction of the school district where the charter school is physically located if the following conditions are met:

(A) The facility is used exclusively for the educational support of pupils who are enrolled in nonclassroom-based independent study of the charter school.

(B) The charter school provides its primary educational services in, and a majority of the pupils it serves are residents of, the county in which the charter school is authorized.

(2) Except as provided in paragraphs (5) to (9), inclusive, a charter school shall not establish a resource center, meeting space, or other satellite facility in any other location than the one authorized in paragraph (1).

(3) A charter school shall notify the charter school's chartering authority of the name and physical location of any resource center, meeting space, or other satellite facility operated by that charter school.

(4) Notwithstanding Section 33050 or any other law, the state board shall not waive the restrictions listed in this subdivision.

(5)

(A) A charter school that was operating a resource center, meeting space, or other satellite facility outside the jurisdiction of the school district where the charter school is physically located before January 1, 2020, may continue to operate the resource center, meeting space, or other satellite facility until the charter school submits a request for the renewal of its charter petition. To continue operating the resource center, meeting space, or other satellite facility, the charter school, before submitting the request to the charter school's chartering authority for the renewal of the charter petition, shall first obtain approval in writing from the school district where the resource center, meeting space, or other satellite facility is operating.

(B) The department shall regard as a continuing charter school for all purposes a nonclassroom-based charter school that was granted approval of its petition, that was providing educational services to pupils ~~prior to~~before October 1, 2019, and is authorized by a different chartering authority due to changes to this subdivision by the addition of this paragraph that took effect January 1, 2020.

(6) A countywide charter school approved by a county office of education that is operating a resource center, meeting space, or other satellite facility in a county other than the county in which the countywide charter school is authorized before January 1, 2020, may continue to operate that resource center, meeting space, or other satellite facility until the countywide charter school submits a request for the renewal of its charter petition. To continue operating the resource center, meeting space, or other satellite facility, the countywide charter school, before submitting the request to the countywide charter school's chartering authority for the renewal of the charter petition, shall obtain approval in writing from the county office of education where the resource center, meeting space, or other satellite facility is operating.

(7) If a Presidential declaration of a major disaster or emergency is issued in accordance with the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Sec. 5121 et seq.) for an area in which a charter school is operating a resource center, meeting space, or other satellite facility, the charter school, for not more than five years, may relocate the resource center, meeting space, or other satellite facility outside the area subject to the Presidential declaration if the charter school first obtains the written approval of the school district where the resource center, meeting space, or other satellite facility is being relocated to.

(8) A charter school may establish additional resource centers, meetings spaces, or other satellite facilities within the jurisdiction of the charter school's chartering authority only if both of the following are met:

(A) The charter school is physically located within the boundaries of the charter school's chartering authority.

(B) The charter school has obtained written approval from the charter school's chartering authority for each additional resource center, meeting space, or other satellite facility.

(9)

(A) Notwithstanding paragraph (5), a charter school that operates a resource center located in a school district outside of the boundaries of the charter school's authorizing school district may continue to operate the existing resource center if all of the following conditions are met:

(i) The charter school operating the resource center is authorized by, and physically located in, a school district adjacent to a school district with an enrollment of at least 500,000 pupils.

(ii) The charter school operating the resource center was established before January 1, 2009.

(iii) The resource center is physically located in a school district with an enrollment of at least 500,000 pupils and was established before January 1, 2011.

(iv) The resource center serves a pupil population of which at least 50 percent of the pupils are currently or formerly on probation or were formerly incarcerated individuals.

(B) A charter school described in this paragraph shall not establish a new resource center outside of the boundaries of the charter school's authorizing school district.

(d)

(1) For a charter school that was granted approval of its charter before July 1, 2002, and provided educational services to pupils before July 1, 2002, this section only applies to new educational services or schoolsites established or acquired by the charter school on or after July 1, 2002.

(2) For a charter school that was granted approval of its charter before July 1, 2002, but did not provide educational services to pupils before July 1, 2002, this section only applies upon the expiration of a charter that is in existence on January 1, 2003.

(3) Notwithstanding other implementation timelines in this section, by June 30, 2005, or upon the expiration of a charter that is in existence on January 1, 2003, whichever is later, all charter schools shall be required to comply with this section for schoolsites at which educational services are provided to pupils before or after July 1, 2002, regardless of whether the charter school initially received approval of its charter school petition before July 1, 2002. To achieve compliance with this section, a charter school shall be required to receive approval of a charter petition in accordance with this section and Section 47605.

(4) This section is not intended to affect the authority of a governmental entity to revoke a charter that is granted on or before the effective date of this section.

(e) A charter school that submits its petition directly to a county board of education, as authorized by Section 47605.5 or 47605.6, may establish charter school operations only within the geographical boundaries of the county in which that county board of education has jurisdiction.

(f) Notwithstanding any other law, the jurisdictional limitations set forth in this section do not apply to a charter school that provides instruction exclusively in partnership with any of the following:

(1) The federal Workforce Innovation and Opportunity Act (29 U.S.C. Sec. 3101 et seq.).

(2) Federally affiliated Youth Build programs.

(3) Federal job corps training or instruction provided pursuant to a memorandum of understanding with the federal provider.

(4) The California Conservation Corps or local conservation corps certified by the California Conservation Corps pursuant to Sections 14507.5 or 14406 of the Public Resources Code.

(5) Instruction provided to juvenile court school pupils pursuant to subdivision (b) of Section 42238.18 or pursuant to Section 1981 for individuals who are placed in a residential facility.

SEC. 69. Section *47605.3* of the Education Code is amended to read:

47605.3.

Notwithstanding subdivision ~~(d)~~(e) of Section 47605, a charter school with a schoolsite physically located in the attendance area of a public elementary school in which 50 percent or more of the pupil enrollment is eligible for free or reduced price meals may give a preference in admissions to pupils who are currently enrolled in that public elementary school and to pupils who reside in the elementary school attendance area where the charter schoolsite is located. This section is not intended to affect

the requirement contained in subdivision ~~(d)~~(e) of Section 47605 that a public school converting partially or entirely to a charter school adopt and maintain a policy that gives an admission preference to pupils who reside within the former attendance area of that public school.

SEC. 70. Section *47605.7* of the Education Code is amended to read:

47605.7.

(a) A petition for the establishment of a charter school shall not be denied based on the actual or potential costs of serving individuals with exceptional needs, as that term is defined pursuant to Section 56026.

(b) Notwithstanding subdivision (a), this section shall not be construed to prevent a school district from meeting its obligation to ensure that the proposed charter school will meet the needs of individuals with exceptional needs in accordance with state and federal law, nor shall it be construed to limit or alter the reasons for denying a petition for the establishment of a charter school pursuant to subdivision ~~(b)~~(c) of Section 47605.

SEC. 71. Section *47606* of the Education Code is amended to read:

47606.

(a) A school district may convert all of its schools to charter schools under this part only if it meets all of the following conditions:

(1) Fifty percent of the teachers within the school district sign the charter petition.

(2) The charter petition contains all of the requirements set forth in subdivisions ~~(b),~~ (c), (d), (e), ~~and~~ (f), and (g) of Section 47605 and a provision that specifies alternative public school attendance arrangements for pupils residing within the school district who choose not to attend charter schools.

(b) Notwithstanding subdivision ~~(b)~~(c) of Section 47605, the districtwide charter petition shall be approved only by joint action of the Superintendent of Public Instruction and the State Board of Education.

SEC. 72. Section *47606.5* of the Education Code is amended to read:

47606.5.

(a) On or before July 1, 2015, and each year thereafter, the governing body of a charter school shall hold a public hearing to adopt a local control and accountability plan using a template adopted by the state board. The governing body of a charter school shall update the goals and annual actions to achieve those goals identified in the charter petition pursuant to subparagraph (A) of paragraph (5) of subdivision ~~(b)~~(c) of Section 47605 or subparagraph (A) of paragraph (5) of subdivision (b) of Section 47605.6, as applicable, using the template for the local control and accountability plan and annual update to the local control and accountability plan adopted by the state board pursuant to Section 52064 and shall include all of the following:

(1) A review of the progress toward the goals included in the charter, an assessment of the effectiveness of the specific actions described in the charter toward achieving the goals, and a description of changes to the specific actions the charter school will make as a result of the review and assessment.

(2) A listing and description of the expenditures for the fiscal year implementing the specific actions included in the charter as a result of the reviews and assessment required by paragraph (1).

(b) For purposes of the review required by subdivision (a), a governing body of a charter school may consider qualitative information, including, but not limited to, findings that result from school quality reviews conducted pursuant to subdivision (b) of Section 52052 or any other reviews.

(c) To the extent practicable, data reported pursuant to this section shall be reported in a manner consistent with how information is reported on the California School Dashboard maintained by the department pursuant to Section 52064.5.

(d) The charter school shall consult with teachers, principals, administrators, other school personnel, parents, and pupils in developing the local control and accountability plan and annual update to the local control and accountability plan.

(e) The governing body of a charter school shall hold at least one public hearing to solicit the recommendations and comments of members of the public regarding the specific actions and expenditures proposed to be included in the local control and accountability plan or annual update to the local control and accountability plan. The agenda for the public hearing shall be posted at least 72 hours before the public hearing, and the local control and accountability plan or annual update to the local control and accountability plan shall be made available for public inspection at each site operated by the charter school.

(f) The governing body of a charter school may adopt revisions to a local control and accountability plan during the period the local control and accountability plan is in effect. The governing body of a charter school may only adopt a revision to a local control and accountability plan if it follows the process to adopt a local control and accountability plan pursuant to this section and the revisions are adopted in a public meeting.

(g) Pursuant to Section 47604.33, the charter school shall submit the adopted or revised local control and accountability plan pursuant to this section to its chartering authority and the county superintendent of schools, or only to the county superintendent of schools if the county board of education is the chartering authority.

(h) The charter school shall prominently post on the ~~homepage~~home page of the internet website of the charter school any local control and accountability plan adopted by the governing body of the charter school, and any updates or revisions to a local control and accountability plan approved by the governing body of the charter school.

SEC. 73. Section *47607* of the Education Code is amended to read:

47607.

(a)

(1) A charter may be granted pursuant to Sections 47605, 47605.5, 47605.6, and 47606 for a period not to exceed five years.

(2) A chartering authority may grant one or more subsequent renewals pursuant to subdivisions (b) and (c) and Section 47607.2. Notwithstanding subdivisions (b) and (c) and Section 47607.2, a chartering authority may deny renewal pursuant to subdivision (e).

(3) A charter school that, concurrently with its renewal, proposes to expand operations to one or more additional sites or grade levels shall request a material revision to its charter. A material revision of the provisions of a charter petition may be made only with the approval of the chartering authority. A material revision of a charter is governed by the standards and criteria described in Section 47605.

(4) The findings of paragraphs (7) and (8) of subdivision (c) of Section 47605 shall not be used to deny a renewal of an existing charter school, but may be used to deny a proposed expansion constituting a material revision.~~For a material revision, analysis under paragraphs (7) and (8) of~~

~~subdivision (c) of Section 47605 shall be limited to consideration only of the impact of the proposed material revision.~~

(5) The chartering authority may inspect or observe any part of the charter school at any time.

(b) Renewals and material revisions of charters are governed by the standards and criteria described in Section 47605, and shall include, but not be limited to, a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed.

(c)

(1) As an additional criterion for determining whether to grant a charter renewal, the chartering authority shall consider the performance of the charter school on the state and local indicators included in the evaluation rubrics adopted pursuant to Section 52064.5.

(2)

(A) The chartering authority shall not deny renewal for a charter school pursuant to this subdivision if either of the following apply for two consecutive years immediately preceding the renewal decision:

(i) The charter school has received the two highest performance levels schoolwide on all the state indicators included in the evaluation rubrics adopted pursuant to Section 52064.5 for which it receives performance levels.

(ii) For all measurements of academic performance, the charter school has received performance levels schoolwide that are the same or higher than the state average and, for a majority of subgroups performing statewide below the state average in each respective year, received performance levels that are higher than the state average.

(B) ~~Notwithstanding subparagraph (A), if the two consecutive years immediately preceding the renewal decision include the 2019–20 school year, the chartering authority shall not deny renewal for a charter school if either of the following apply for two of the three years immediately preceding the renewal decision:~~

(i) ~~The charter school has received the two highest performance levels schoolwide on all the state indicators included in the evaluation rubrics adopted pursuant to Section 52064.5 for which it receives performance levels.~~

(ii) ~~For all measurements of academic performance, the charter school has received performance levels schoolwide that are the same or higher than the state average and, for a majority of subgroups performing statewide below the state average in each respective year, received performance levels that are higher than the state average.~~

(C)(iii) Notwithstanding ~~subparagraphs (A)~~clauses (i) and (ii), a charter school eligible for technical assistance pursuant to Section 47607.3 shall not qualify for renewal under this paragraph.

(D)(iv) A charter school that meets the criteria established by this paragraph and subdivision (a) of Section 47607.2 shall not qualify for treatment under this paragraph.

(E)(B) The chartering authority that granted the charter may renew a charter pursuant to this paragraph for a period of between five and seven years.

(F)(C) A charter school that satisfies the criteria in subparagraph (A) ~~or (B)~~ shall only be required to update the petition to include a reasonably comprehensive description of any new requirement of charter schools enacted into law after the charter was originally granted or last renewed and as necessary to reflect the current program offered by the charter school.

(3) For purposes of this section and Section 47607.2, “measurements of academic performance” means indicators included in the evaluation rubrics adopted pursuant to Section 52064.5 that are

based on statewide assessments in the California Assessment of Student Performance and Progress system, or any successor system, the English Language Proficiency Assessments for California, or any successor system, and the college and career readiness indicator.

(4) For purposes of this section and Section 47607.2, "subgroup" means numerically significant pupil subgroups as defined in paragraph (1) of subdivision (a) of Section 52052.

(5) To qualify for renewal under clause (i) of subparagraph (A)~~or (B)~~ of paragraph (2), subparagraph (A) of paragraph (1)~~or (2)~~ of subdivision (a) of Section 47607.2, or paragraph ~~(3)~~ (2) of subdivision (a) of Section 47607.2, the charter school shall have schoolwide performance levels on at least two measurements of academic performance per year in each of the two consecutive years immediately preceding the renewal decision. To qualify for renewal under clause (ii) of subparagraph (A)~~or (B)~~ of paragraph (2), subparagraph (B) of paragraph (1)~~or (B)~~ of subdivision (a) of Section 47607.2, or paragraph ~~(3)~~ (2) of subdivision (a) of Section 47607.2, the charter school shall have performance levels on at least two measurements of academic performance for at least two subgroups. A charter school without sufficient performance levels to meet these criteria shall be considered under subdivision (b) of Section 47607.2.

(6) For purposes of this section and Section 47607.2, if the dashboard indicators are not yet available for the most recently completed academic year before renewal, the chartering authority shall consider verifiable data provided by the charter school related to the dashboard indicators, such as data from the California Assessment of Student Performance and Progress, or any successor system, for the most recent academic year.

(7) Paragraph (2) and subdivisions (a) and (b) of Section 47607.2 shall not apply to a charter school that is eligible for alternate methods for calculating the state and local indicators pursuant to subdivision (d) of Section 52064.5. In determining whether to grant a charter renewal for such a charter school, the chartering authority shall consider, in addition to the charter school's performance on the state and local indicators included in the evaluation rubrics adopted pursuant to subdivision (c) of Section 52064.5, the charter school's performance on alternative metrics applicable to the charter school based on the pupil population served. The chartering authority shall meet with the charter school during the first year of the charter school's term to mutually agree to discuss alternative metrics to be considered pursuant to this paragraph and shall notify the charter school of the alternative metrics to be used within 30 days of this meeting. The chartering authority may deny a charter renewal pursuant to this paragraph only upon making written findings, setting forth specific facts to support the findings, that the closure of the charter school is in the best interest of pupils.

(d)

(1) At the conclusion of the year immediately preceding the final year of the charter school's term, the charter school authorizer may request, and the department shall provide, the following aggregate data reflecting pupil enrollment patterns at the charter school:

(A) The cumulative enrollment for each school year of the charter school's term. For purposes of this chapter, cumulative enrollment is defined as the total number of pupils, disaggregated by race, ethnicity, and pupil subgroups, who enrolled in school at any time during the school year.

(B) For each school year of the charter school's term, the percentage of pupils enrolled at any point between the beginning of the school year and census day who were not enrolled at the conclusion of that year, and the average results on the statewide assessments in the California Assessment of Student Performance and Progress system, or any successor system, for any such pupils who were enrolled in the charter school the prior school year.

(C) For each school year of the charter school's term, the percentage of pupils enrolled the prior school year who were not enrolled as of census day for the school year, except for pupils who completed the grade that is the highest grade served by the charter school, and the average

results on the statewide assessments in the California Assessment of Student Performance and Progress system, or any successor system, for any such pupils.

(2) When determining whether to grant a charter renewal, the chartering authority shall review data provided pursuant to paragraph (1), any data that may be provided to chartering authorities by the department, and any substantiated complaints that the charter school has not complied with subparagraph (J) of paragraph (5) of subdivision (c) of Section 47605 or with subparagraph (J) of paragraph (5) of subdivision (b) of Section 47605.6.

(3) As part of its determination of whether to grant a charter renewal based on the criterion established pursuant to subdivision (c) and subdivisions (a) and (b) of Section 47607.2, the chartering authority may make a finding that the charter school is not serving all pupils who wish to attend and, upon making such a finding, specifically identify the evidence supporting the finding.

(e) Notwithstanding subdivision (c) and subdivisions (a) and (b) of Section 47607.2, the chartering authority may deny renewal of a charter school upon a finding that the school is demonstrably unlikely to successfully implement the program set forth in the petition due to substantial fiscal or governance factors, or is not serving all pupils who wish to attend, as documented pursuant to subdivision (d). The chartering authority may deny renewal of a charter school under this subdivision only after it has provided at least 30 days' notice to the charter school of the alleged violation and provided the charter school with a reasonable opportunity to cure the violation, including a corrective action plan proposed by the charter school. The chartering authority may deny renewal only by making either of the following findings:

(1) The corrective action proposed by the charter school has been unsuccessful.

(2) The violations are sufficiently severe and pervasive as to render a corrective action plan unviable.

(f) A charter may be revoked by the chartering authority if the chartering authority finds, through a showing of substantial evidence, that the charter school did any of the following:

(1) Committed a material violation of any of the conditions, standards, or procedures set forth in the charter.

(2) Failed to meet or pursue any of the pupil outcomes identified in the charter.

(3) Failed to meet generally accepted accounting principles, or engaged in fiscal mismanagement.

(4) Violated any law.

(g) Before revocation, the chartering authority shall notify the charter school of any violation of this section and give the school a reasonable opportunity to remedy the violation, unless the chartering authority determines, in writing, that the violation constitutes a severe and imminent threat to the health or safety of the pupils.

(h) Before revoking a charter for failure to remedy a violation pursuant to subdivision (f), and after expiration of the school's reasonable opportunity to remedy without successfully remedying the violation, the chartering authority shall provide a written notice of intent to revoke and notice of facts in support of revocation to the charter school. No later than 30 days after providing the notice of intent to revoke a charter, the chartering authority shall hold a public hearing, in the normal course of business, on the issue of whether evidence exists to revoke the charter. No later than 30 days after the public hearing, the chartering authority shall issue a final decision to revoke or decline to revoke the charter, unless the chartering authority and the charter school agree to extend the issuance of the decision by an additional 30 days. The chartering authority shall not revoke a charter, unless it makes written factual findings supported by substantial evidence, specific to the charter school, that support its findings.

(i)

(1) If a school district is the chartering authority and it revokes a charter pursuant to this section, the charter school may appeal the revocation to the county board of education within 30 days following the final decision of the chartering authority.

(2) The county board of education may reverse the revocation decision if the county board of education determines that the findings made by the chartering authority under subdivision (h) are not supported by substantial evidence. The school district may appeal the reversal to the state board.

(3) If the county board of education does not issue a decision on the appeal within 90 days of receipt, or the county board of education upholds the revocation, the charter school may appeal the revocation to the state board.

(4) The state board may reverse the revocation decision if the state board determines that the findings made by the chartering authority under subdivision (h) are not supported by substantial evidence. The state board may uphold the revocation decision of the school district if the state board determines that the findings made by the chartering authority under subdivision (h) are supported by substantial evidence.

(j)

(1) If a county board of education is the chartering authority and the county board of education revokes a charter pursuant to this section, the charter school may appeal the revocation to the state board within 30 days following the decision of the chartering authority.

(2) The state board may reverse the revocation decision if the state board determines that the findings made by the chartering authority under subdivision (h) are not supported by substantial evidence.

(k) If the revocation decision of the chartering authority is reversed on appeal, the agency that granted the charter shall continue to be regarded as the chartering authority.

(l) During the pendency of an appeal filed under this section, a charter school whose revocation proceedings are based on paragraph (1) or (2) of subdivision (f) shall continue to qualify as a charter school for funding and for all other purposes of this part, and may continue to hold all existing grants, resources, and facilities, in order to ensure that the education of pupils enrolled in the school is not disrupted.

(m) Immediately following the decision of a county board of education to reverse a decision of a school district to revoke a charter, all of the following shall apply:

(1) The charter school shall qualify as a charter school for funding and for all other purposes of this part.

(2) The charter school may continue to hold all existing grants, resources, and facilities.

(3) Any funding, grants, resources, and facilities that had been withheld from the charter school, or that the charter school had otherwise been deprived of use, as a result of the revocation of the charter, shall be immediately reinstated or returned.

(n) A final decision of a revocation or appeal of a revocation pursuant to subdivision (f) shall be reported to the chartering authority, the county board of education, and the department.

(o) The requirements of this section shall not be waived by the state board pursuant to Section 33050 or any other law.

SEC. 74. Section *47607.3* of the Education Code is amended to read:

47607.3.

(a) Using an evaluation rubric adopted by the state board pursuant to Section 52064.5, and beginning with the 2020–21 school year, for any charter school for which one or more pupil subgroups identified pursuant to Section 52052meet the criteria established pursuant to subdivision (g) of Section 52064.5 in two or more years, the county superintendent of schools in which the charter school is located shall provide technical assistance focused on building the charter school's capacity to develop and

implement actions and services responsive to pupil and community needs, including, but not limited to, any of the following:

(1) Assisting the charter school to identify its strengths and weaknesses in regard to the state priorities applicable to the charter school pursuant to subdivision (c) of Section 47605. This shall include working collaboratively with the charter school to review performance data on the state and local indicators included in the California School Dashboard authorized by subdivision (f) of Section 52064.5 and other relevant local data, and to identify effective, evidence-based programs or practices that address any areas of weakness.

(2) Working collaboratively with the charter school to secure assistance from an academic, programmatic, or fiscal expert or team of experts to identify and implement effective programs and practices that are designed to improve performance in any areas of weakness identified by the charter school. The county superintendent of schools in which the charter school is located, in consultation with the charter school, may solicit another service provider, which may include, but is not limited to, a school district, county office of education, or charter school, to act as a partner to the charter school in need of technical assistance.

(3) Obtaining from the charter school timely documentation demonstrating that it has completed the activities described in paragraphs (1) and (2), or substantially similar activities, or has selected another service provider to work with the charter school to complete the activities described in paragraphs (1) and (2), or substantially similar activities, and ongoing communication with the chartering authority to assess the charter school's progress in improving pupil outcomes.

(b) For purposes of this section, the ~~geographical~~geographic lead agency, as identified pursuant to Section 52073, or its designee, as identified in subdivision (d) of Section 52071, shall serve in the role of the county superintendent of schools for a charter school authorized by the county board of education.

(c) If the charter school meets the criteria ~~set~~established for school districts under paragraph (1) of subdivision (b) of Section 52072, the county superintendent of schools in the county which the charter school is located may request assistance from the California Collaborative for Educational Excellence. The California Collaborative for Educational Excellence may, after consulting with the Superintendent, and with the approval of the state board, provide advice and assistance to the charter school pursuant to Section 52074.

(d) A chartering authority shall consider for revocation any charter school to which the California Collaborative for Educational Excellence has provided advice and assistance pursuant to subdivision (c) and about which it has made either of the following findings, which shall be submitted to the chartering authority:

(1) That the charter school has failed, or is unable, to implement the recommendations of the California Collaborative for Educational Excellence.

(2) That the inadequate performance of the charter school, based upon an evaluation rubric adopted pursuant to Section 52064.5, is either so persistent or so acute as to require revocation of the charter.

(e) The chartering authority shall consider increases in pupil academic achievement for all pupil subgroups served by the charter school in determining whether to revoke the charter.

(f) A chartering authority shall comply with the hearing process described in subdivisions (g) and (h) of Section 47607 in revoking a charter. A charter school may not appeal a revocation of a charter made pursuant to this section.

(g) If the governing body of a charter school requests technical assistance, the chartering authority shall provide technical assistance consistent with paragraph (1) or (2) of subdivision (a). If a charter school has not been identified for technical assistance pursuant to subdivision (a), the chartering authority may assess the charter school a fee not to exceed the cost of the service.

(h) A charter school shall accept the technical assistance provided pursuant to subdivision (a). For purposes of accepting technical assistance, a charter school may satisfy this requirement by providing the timely documentation to the county superintendent of schools of the county in which the charter school is located, and maintaining regular communication with the chartering authority.

(i) For a charter school that is eligible for alternate methods for calculating the state and local indicators pursuant to subdivision (d) of Section 52064.5, technical assistance provided pursuant to subdivision (a) shall take into account the charter school's performance on alternative metrics applicable to the charter school based on the pupil population served.

(j) This section shall not preclude a charter school from soliciting technical assistance from other entities at its own expense.

(k) For a charter school operating before July 1, 2020, subdivision (a) as it read on January 1, 2019, shall apply until June 30, 2022.

(l) The requirements of this section shall not be waived by the state board pursuant to Section 33050 or any other law.

SEC. 75. Section *47607.8* of the Education Code is amended to read:

47607.8.

The department, in consultation with the state board, shall collect data to track implementation of ~~the changes in law made pursuant to the enactment of the act that adds this section~~Chapter 486 of the Statutes of 2019 (Assembly Bill 1505 of the 2019–20 Regular Session).

SEC. 76. Section *47611.5* of the Education Code is amended to read:

47611.5.

(a) Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code shall apply to charter schools.

(b) A charter school charter shall contain a declaration regarding whether or not the charter school shall be deemed the exclusive public school employer of the employees at the charter school for the purposes of Section 3540.1 of the Government Code. If the charter school is not so deemed a public school employer, the school district where the charter is located shall be deemed the public school employer for the purposes of Chapter 10.7 (commencing with Section 3540) of Division 4 of the Government Code.

(c) If the charter of a charter school does not specify that it shall comply with those statutes and regulations governing public school employers that establish and regulate tenure or a merit or civil service system, the scope of representation for that charter school shall also include discipline and dismissal of charter school employees.

(d) The Public Employment Relations Board shall take into account the Charter Schools Act of 1992 (Part 26.8 (commencing with Section 47600)) when deciding cases brought before it related to charter schools.

(e) The approval or a denial of a charter petition by a granting agency pursuant to subdivision ~~(b)~~(c) of Section 47605 shall not be controlled by collective bargaining agreements nor subject to review or regulation by the Public Employment Relations Board.

(f) By March 31, 2000, all existing charter schools must declare whether or not they shall be deemed a public school employer in accordance with subdivision (b), and ~~such~~that declaration shall not be materially inconsistent with the charter.

SEC. 77. Section *47612.7* of the Education Code is amended to read:

47612.7.

(a) Notwithstanding any other law and except as provided in subdivision (b), from January 1, 2020, to January 1, 2022, inclusive, the approval of a petition for the establishment of a new charter school, as defined in paragraph (2) of subdivision (e) of Section 47612.5, is prohibited.

(b) Subdivision (a) ~~shall~~does not apply to a nonclassroom-based charter school that was granted approval of its petition and providing educational services to pupils before October 1, 2019, under either of the following circumstances:

(1) If Assembly Bill 1507 of the 2019–20 Regular Session amends Section 47605.1 and becomes operative on January 1, 2020, and the charter school is required to submit a petition to the governing board of a school district or county board of education in an adjacent county in which its existing resource center is located in order to comply with Section 47605.1, as amended by Assembly Bill 1507 of the 2019–20 Regular Session, or to retain current program offerings or enrollment.

(2) If a charter school is required to submit a petition to a school district or county board of education in which a resource center is located in order to comply with the court decision in Anderson Union High School District v. Shasta Secondary Home School (2016) 4 Cal.App.5th 262, or other relevant court ruling, and the petition is necessary to retain current program offerings or enrollment.

(3)(c) A charter school authorized by a different chartering authority pursuant to paragraphs (1) and (2) of subdivision (b) shall be regarded by the department as a continuing charter school for all purposes ~~to the extent it does not conflict with federal law. In order to prevent any potential conflict with federal law, this paragraph does not apply to covered programs as identified in Section 8101(11) of the federal Elementary and Secondary Education Act of 1965 (20 U.S.C. Sec. 7801) to the extent the affected charter school is the restructured portion of a divided charter school pursuant to Section 47654~~.

(c)(d) Notwithstanding Section 33050 or any other law, the state board shall not waive the restrictions described in this section.

(d)(e) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 78. Section *48600* of the Education Code is amended to read:

48600.

(a) The purpose of this article is to provide for the operation of 24-hour elementary schools, established pursuant to Article 27 (commencing with Section 940) of Chapter 2 of Part 1 of Division 2 of the Welfare and Institutions Code, for minors between the ages of 8 and 16 years and to provide for the attendance, maintenance, care, home supervision, guidance, observation, and education of minors attending the schools, and to provide the minors with that vocational, family and consumer sciences, mental, moral, physical, and other training that will tend to strengthen and develop them and enable them to become good and useful citizens. The staff of every 24-hour school shall make ~~adjustment~~adjustments as rapidly as possible ~~in order~~so that the period of time the child is away from ordinary community life ~~may be~~is as brief as possible. They shall place the minors in properly licensed children's institutions where they will be assured of suitable educational opportunities, and shall cooperate with child placement agencies to this end and to stimulate proper care of the minors by their parents.

(b) For purposes of this article, the county superintendent of schools has the primary authority to provide for the education and training of minors in 24-hour schools within the county.

SEC. 79. Section *48850* of the Education Code is amended to read:

48850.

(a)

(1) It is the intent of the Legislature to ensure that all pupils in foster care and those who are homeless, as defined by the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.), have a meaningful opportunity to meet the challenging state pupil academic achievement standards to which all pupils are held. In fulfilling their responsibilities to these pupils, educators, county placing agencies, care providers, advocates, and the juvenile courts shall work together to maintain stable school placements and to ensure that each pupil is placed in the least restrictive educational programs, and has access to the academic resources, services, and extracurricular and enrichment activities that are available to all pupils, including, but not necessarily limited to, interscholastic sports administered by the California Interscholastic Federation. In all instances, educational and school placement decisions shall be based on the best interests of the child and shall consider, among other factors, educational stability and the opportunity to be educated in the least restrictive educational setting necessary to achieve academic progress.

(2) A foster child who changes residences pursuant to a court order or decision of a child welfare worker or a homeless child or youth shall be immediately deemed to meet all residency requirements for participation in interscholastic sports or other extracurricular activities.

(3)

(A) Pursuant to the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.), public schools, including charter schools, and county offices of education shall immediately enroll a homeless child or youth seeking enrollment except where the enrollment would be in conflict with subdivision ~~(d)~~(e) of Section 47605.

(B) The department and the State Department of Social Services shall identify representatives from the department, the State Department of Social Services, and other state agencies that have experience in homeless youth issues to develop policies and practices to support homeless children and youths and to ensure that child abuse and neglect reporting requirements do not create barriers to the school enrollment and attendance of homeless children or youths, including, but not limited to, ensuring that a pupil who is a homeless child or youth is not reported to law enforcement by school personnel if the sole reason for the report is the pupil's homelessness. The selected representatives shall present the policies and practices to the Superintendent and the State Department of Social Services to be considered for implementation or dissemination, as appropriate.

(b) Every county office of education shall make available to agencies that place children in licensed children's institutions information on educational options for children residing in licensed children's institutions within the jurisdiction of the county office of education for use by the placing agencies in assisting parents and foster children to choose educational placements.

(c) For purposes of individuals with exceptional needs residing in licensed children's institutions, making a copy of the annual service plan, prepared pursuant to subdivision (b) of Section 56205, available to those special education local plan areas that have revised their local plans pursuant to Section 56836.03 shall meet the requirements of subdivision (b).

(d) For purposes of this section, "homeless child or youth" and "homeless children and youths" are defined in Section 11434a(2) of Title 42 of the United States Code.

SEC. 80. Section *49414.1* of the Education Code is amended to read:

49414.1.

(a) For purposes of this section, the following apply:

(1) “Cannabis” has the same meaning as in Section 11018 of the Health and Safety Code. “Cannabis” includes cannabis products.

(2) “Cannabis products” has the same meaning as in Section 11018.1 of the Health and Safety Code.

(3) “Medicinal cannabis” excludes medicinal cannabis or cannabis products in a smokeable or vapeable form.

(b) Notwithstanding Sections 11357 and 11361 of the Health and Safety Code, the governing board of a school district, a county board of education, or the governing body of a charter school maintaining kindergarten or any of grades 1 to 12, inclusive, may adopt, at a regularly scheduled meeting of the governing board or body, a policy that allows a parent or guardian of a pupil to possess and administer medicinal cannabis at a schoolsite to the pupil who is a qualified patient pursuant to Article 2.5 (commencing with Section 11362.7) of Chapter 6 of Division 10 of the Health and Safety Code ~~medicinal cannabis at a schoolsite~~.

(c) The policy shall include, at a minimum, all of the following elements:

(1) The parent or guardian shall not administer the medicinal cannabis in a manner that disrupts the educational environment or exposes other pupils.

(2) After the parent or guardian administers the medicinal cannabis, the parent or guardian shall remove any remaining medicinal cannabis from the schoolsite.

(3) The parent or guardian shall sign in at the schoolsite before administering the medicinal cannabis.

(4) Before administering the medicinal cannabis, the parent or guardian shall provide to an employee of the school a valid written medical recommendation for medicinal cannabis for the pupil to be kept on file at the school.

(d) For purposes of confidentiality and disclosure, pupil records collected in accordance with a policy adopted pursuant to subdivision (b) for the purpose of administering medicinal cannabis to a pupil shall be treated as medical records and shall be subject to all provisions of state and federal law that govern the confidentiality and disclosure of medical records.

(e) The governing board of a school district, a county board of education, or the governing body of a charter school that adopts a policy pursuant to subdivision (b) may amend or rescind the policy at a regularly scheduled meeting of the governing board or body for any reason, including, but not limited to, if the school district, county office of education, or charter school is at risk of, or has lost, federal funding as a result of the policy.

(f) The governing board of a school district, a county board of education, or the governing body of a charter school that adopts a policy pursuant to subdivision (b) may amend or rescind the policy at a special meeting in compliance with Section 54956 of the Government Code if both of the following conditions are met:

(1) Exigent circumstances necessitate an immediate change to the policy adopted pursuant to subdivision (b).

(2) At the meeting the governing board or body will address the intent to amend or rescind the policy adopted pursuant to subdivision (b).

(g) ~~Nothing in~~ This section ~~requires~~ does not require the staff of a school district, county office of education, or charter school to administer medicinal cannabis.

SEC. 81. Section *51220* of the Education Code is amended to read:

51220.

The adopted course of study for grades 7 to 12, inclusive, shall offer courses in the following areas of study:

(a) English, including knowledge of and appreciation for literature, language, and composition, and the skills of reading, listening, and speaking.

(b)

(1) Social sciences, drawing upon the disciplines of anthropology, economics, geography, history, political science, psychology, and sociology, designed to fit the maturity of the pupils. Instruction shall provide a foundation for understanding the history, resources, development, and government of California and the United States of America; instruction in our American legal system, the operation of the juvenile and adult criminal justice systems, and the rights and duties of citizens under the criminal and civil law and the State and Federal Constitutions; the development of the American economic system, including the role of the entrepreneur and labor; the relations of persons to their human and natural environment; eastern and western cultures and civilizations; human rights issues, with particular attention to the study of the inhumanity of genocide, slavery, and the Holocaust~~,~~; and contemporary issues.

(2) For purposes of this subdivision, genocide may include the Armenian Genocide. The “Armenian Genocide” means the torture, starvation, and murder of 1,500,000 Armenians, which included death marches into the Syrian desert, by the rulers of the Ottoman Turkish Empire and the exile of more than 500,000 innocent people during the period from 1915 to 1923, inclusive.

(c) World language or languages, beginning not later than grade 7, designed to develop a facility for understanding, speaking, reading, and writing the particular language.

(d) Physical education, with emphasis given to physical activities that are conducive to health and to vigor of body and mind, as required by Section 51222.

(e) Science, including the physical and biological aspects, with emphasis on basic concepts, theories, and processes of scientific investigation and on the place of humans in ecological systems, and with appropriate applications of the interrelation and interdependence of the sciences.

(f) Mathematics, including instruction designed to develop mathematical understandings, operational skills, and insight into problem-solving procedures.

(g) Visual and performing arts, including dance, music, theater, and visual arts, with emphasis upon development of aesthetic appreciation and the skills of creative expression.

(h) Applied arts, including instruction in the areas of consumer education, family and consumer sciences education, industrial arts, general business education, or general agriculture.

(i) Career technical education designed and conducted for the purpose of preparing youth for gainful employment in the occupations and in the numbers that are appropriate to the personnel needs of the state and the community served and relevant to the career desires and needs of the pupils.

(j) Automobile driver education, designed to develop a knowledge of the Vehicle Code and other laws of this state relating to the operation of motor vehicles, a proper acceptance of personal responsibility in traffic, a true appreciation of the causes, seriousness, and consequences of traffic accidents, and ~~to develop~~ the knowledge and attitudes necessary for the safe operation of motor vehicles. A course in automobile driver education shall include education in the safe operation of motorcycles.

(k) Other studies as may be prescribed by the governing board.

SEC. 82. Section *51226.7* of the Education Code is amended to read:

51226.7.

(a) The Instructional Quality Commission shall develop, and the state board shall adopt, modify, or revise, a model curriculum in ethnic studies to ensure quality courses of study in ethnic studies. The model curriculum shall be developed with participation from faculty of ethnic studies programs at universities and colleges with ethnic studies programs and a group of representatives of local educational agencies, a majority of whom are kindergarten to grade 12, inclusive, teachers who have relevant experience or education background in the study and teaching of ethnic studies.

(b) The model curriculum shall be written as a guide to allow school districts to adapt their courses to reflect the pupil demographics in their communities. The model curriculum shall include examples of courses offered by local educational agencies that have been approved as meeting the A-G admissions requirements of the University of California and the California State University, including, to the extent possible, course outlines for those courses.

(c) On or before December 31, 2020, the Instructional Quality Commission shall submit the model curriculum to the state board for adoption, and the state board shall adopt the model curriculum on or before March 31, 2021.

(d) The Instructional Quality Commission shall provide a minimum of 45 days for public comment before submitting the model curriculum to the state board.

(e) Beginning in the school year following the adoption of the model curriculum pursuant to ~~subdivision (a)~~this section, each school district or charter school maintaining any of grades 9 to 12, inclusive, that does not otherwise offer a standards-based ethnic studies curriculum is encouraged to offer to all otherwise qualified pupils a course of study in ethnic studies based on the model curriculum. A school district or charter school that elects to offer a course of study in ethnic studies pursuant to this subdivision shall offer the course as an elective in the social sciences or English language arts and shall make the course available in at least one year during a pupil's enrollment in grades 9 to 12, inclusive.

(f) It is the intent of the Legislature that local educational agencies submit course outlines for ethnic studies for approval as A-G courses.

SEC. 83. Section *51747.3* of the Education Code is amended to read:

51747.3.

(a) Notwithstanding any other law, a local educational agency, including, but not limited to, a charter school, may not claim state funding for the independent study of a pupil, whether characterized as home study or otherwise, if the local educational agency has provided any funds or other thing of value to the pupil or his or her parent or guardian that the local educational agency does not provide to pupils who attend regular classes or to their parents or guardians. A charter school may not claim state funding for the independent study of a pupil, whether characterized as home study or otherwise, if the charter school has provided any funds or other thing of value to the pupil or his or her parent or guardian that a school district could not legally provide to a similarly situated pupil of the school district, or to his or her parent or guardian.

(b) Notwithstanding paragraph (1) of subdivision ~~(d)~~(e) of Section 47605 or any other law, community school and independent study average daily attendance shall be claimed by school districts, county superintendents of schools, and charter schools only for pupils who are residents of the county in which the apportionment claim is reported, or who are residents of a county immediately adjacent to the county in which the apportionment claim is reported.

(c) The Superintendent shall not apportion funds for reported average daily attendance, through full-time independent study, of pupils who are enrolled in school pursuant to subdivision (b) of Section 48204.

(d) In conformity with Provisions 25 and 28 of Item 6110-101-001 of Section 2.00 of the Budget Act of 1992, this section is applicable to average daily attendance reported for apportionment purposes beginning

July 1, 1992. The provisions of this section are not subject to waiver by the state board, by the Superintendent, or under any provision of Part 26.8 (commencing with Section 47600).

(e) ~~This section shall become operative on January 1, 2018.~~

SEC. 84. Section *52064* of the Education Code is amended to read:

52064.

(a) On or before March 31, 2014, the state board shall adopt a template for a local control and accountability plan and an annual update to the local control and accountability plan for the following purposes:

(1) For use by school districts to meet the requirements of Sections 52060 to 52063, inclusive.

(2) For use by county superintendents of schools to meet the requirements of Sections 52066 to 52069, inclusive.

(3) For use by charter schools to meet the requirements of Section 47606.5.

(b) On or before January 31, 2020, the template adopted by the state board shall require the inclusion of all of the following information:

(1) A description of the annual goals, for all pupils and each subgroup of pupils identified pursuant to Section 52052, to be achieved for each of the state priorities identified in subparagraph (A) of paragraph (5) of subdivision ~~(b)~~(c) of Section 47605, subparagraph (A) of paragraph (5) of subdivision (b) of Section 47605.6, subdivision (d) of Section 52060, or subdivision (d) of Section 52066, as applicable, and for any additional local priorities identified by the governing board of the school district, the county board of education, or in the charter school petition. For purposes of this article, a subgroup of pupils identified pursuant to Section 52052 shall be a numerically significant pupil subgroup as specified in subdivision (a) of Section 52052.

(2) A description of the specific actions the school district, county office of education, or charter school will take during each year of the local control and accountability plan to achieve the goals identified in paragraph (1). The specific actions shall not supersede the provisions of existing local collective bargaining agreements, if any, within the jurisdiction of the school district, county office of education, or charter school.

(3) One or more summary tables listing and describing the budgeted expenditures for the ensuing fiscal year implementing each specific action included in the local control and accountability plan, including expenditures for the ensuing fiscal year that will serve unduplicated pupils, as defined in Section 42238.02, and pupils redesignated as fluent English proficient. The summary table or tables shall include both of the following:

(A) The total overall expenditures for all specific actions included in the local control and accountability plan, broken down by personnel and nonpersonnel expenditures.

(B) The subtotals of expenditures for each specific action included in the local control and accountability plan broken down into the following categories:

(i) Funds apportioned under the local control funding formula pursuant to Section 42238.02.

(ii) All other state funds.

(iii) All local funds.

(iv) All federal funds.

(4) One or more summary tables listing and describing the specific actions and budgeted expenditures in paragraph (3) that contribute to the demonstration that the school district, county office of education, or charter school will increase or improve services for unduplicated pupils in proportion

to the increase in funds apportioned on the basis of the number and concentration of unduplicated pupils, consistent with regulations adopted by the state board pursuant to Section 42238.07, grouped as follows:

(A) Specific actions and budgeted expenditures provided to all pupils on a districtwide, countywide, or charterwide basis.

(B) Specific actions and budgeted expenditures that are targeted only to one or more unduplicated pupil subgroups. For these specific actions, the description shall specify the unduplicated pupil subgroup or subgroups that are targeted by each specific action and, if not provided at all schools, the school or schools where the specific action is provided.

(C) Only for school districts and county offices of education that operate more than one schoolsite, specific actions and budgeted expenditures provided to all pupils on a schoolwide basis, but only at schools serving certain grade spans or only at one or more schools. For these specific actions, the description shall specify the school or schools at which the specific action is provided.

(5) An estimate of the funds to be apportioned in the ensuing fiscal year on the basis of the number and concentration of unduplicated pupils and calculation of the percent the school district, county office of education, or charter school will increase or improve services for unduplicated pupils in proportion to the increase in funds apportioned on the basis of the number and concentration of unduplicated pupils, consistent with regulations adopted by the state board pursuant to Section 42238.07.

(6) A demonstration that the school district, county office of education, or charter school will increase or improve services for unduplicated pupils in the ensuing fiscal year in proportion to the increase in funds apportioned on the basis of the number and concentration of unduplicated pupils, consistent with regulations adopted by the state board pursuant to Section 42238.07.

(7) A review of the progress toward the goals included in the existing local control and accountability plan, a review of any changes in the applicability of the goals, an assessment of the effectiveness of the specific actions described in the existing local control and accountability plan toward achieving the goals, a description of changes to the specific actions and related expenditures the school district, county office of education, or charter school will make as a result of the review and assessment, and an update on progress implementing the specific actions in the current fiscal year, including estimated actual expenditures for the specific actions.

(8) A plan summary that includes general information about the school district, county office of education, or charter school and highlights of the local control and accountability plan and annual update to the local control and accountability plan, including reflections on annual performance on the California School Dashboard authorized in Section 52064.5 and other local data.

(9) ~~A summary of the stakeholder engagement process and how stakeholder engagement influenced the development of the adopted local control and accountability plan and annual update to the local control and accountability plan.~~

(c) If possible, the templates identified in paragraph (2) of subdivision (a) for use by county superintendents of schools shall allow a county superintendent of schools to develop a single local control and accountability plan that would also satisfy the requirements of Section 48926.

(d)

(1) The template for the local control and accountability plan and annual update to the local control and accountability plan shall, to the greatest extent practicable, use language that is understandable and accessible to parents. The state board shall include instructions for school districts, county offices of education, and charter schools to complete the local control and accountability plan and annual update to the local control and accountability plan consistent with the requirements of this section. The state board may include more technical language in the instructions.

(2) Except as provided in paragraph (3), the state board shall not require school districts, county offices of education, or charter schools to provide any information in addition to the information required pursuant to subdivision (b).

(3) The state board may require the inclusion of additional information in the template in order to meet requirements of federal law.

(e)

(1) The process of developing and annually updating the local control and accountability plan should support school districts, county offices of education, and charter schools in comprehensive strategic planning, accountability, and improvement across the state priorities and any locally identified priorities through meaningful engagement with local stakeholders.

(2) In developing the template for the local control and accountability plan and annual update to the local control and accountability plan, the state board shall ensure that school districts, county offices of education, and charter schools track and report their progress annually on all state priorities, including the applicable metrics specified within each state priority and, for charter schools, in accordance with Section 47606.5.

(3) The instructions developed by the state board pursuant to paragraph (1) of subdivision (d) shall specify that school districts, county offices of education, and charter schools should prioritize the focus of the goals, specific actions, and related expenditures included within the local control and accountability plan and annual update to the local control and accountability plan within one or more state priorities. The instructions shall further specify that school districts, county offices of education, and charter schools should consider their performance on the state and local indicators, including their locally collected and reported data for the local indicators, that are included in the California School Dashboard authorized in Section 52064.5 in determining whether and how to prioritize the goals, specific actions, and related expenditures included within the local control and accountability plan and annual update to the local control and accountability plan.

(4) The instructions developed by the state board pursuant to paragraph (1) of subdivision (d) shall specify that school districts, county offices of education, and charter schools that have a numerically significant English learner pupil subgroup shall include specific actions in the local control and accountability plan related to, at a minimum, the language acquisition programs, as defined in Section 306, provided to pupils and professional development activities specific to English learners.

(5) ~~On or before January 31, 2022, the instructions developed by the state board pursuant to paragraph (1) of subdivision (d) shall specify that school districts, county offices of education, and charter schools that meet the criteria to receive technical assistance pursuant to Section 47607, 47607.2, 52071, or 52071.5, as applicable, based on the performance of the same pupil subgroup or subgroups for three or more consecutive years shall include a goal in the local control and accountability plan focused on improving the performance of the pupil subgroup or subgroups.~~

(6)

(A) ~~On or before January 31, 2022, the instructions developed by the state board pursuant to paragraph (1) of subdivision (d) shall specify that, for any school district or county office of education with a school that meets the criteria described in subparagraph (B), the school district or county office of education shall include a goal in the local control and accountability plan focused on addressing the disparities in performance at the school or schools compared to the school district or county office of education as a whole.~~

(B) ~~The requirement described in subparagraph (A) shall apply for any local educational agency with two or more schools if, for two consecutive years, a school receives the two lowest performance levels on all but one of the state indicators for which the school receives performance levels on the California School Dashboard pursuant to subdivision (d) of Section 52064.5 and the performance~~

~~of the local educational agency for all pupils is at least one performance level higher on all of those indicators.~~

(f)

(1) Except as provided in subdivision (g), the state board shall adopt the template pursuant to the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The state board may adopt emergency regulations for purposes of implementing this section. The adoption of emergency regulations shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare.

(2) Notwithstanding paragraph (1), the state board may adopt or revise the template in accordance with the requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code). When adopting the template pursuant to the requirements of the Bagley-Keene Open Meeting Act, the state board shall present the template at a regular meeting and may only take action to adopt the template at a subsequent regular meeting. This paragraph shall become inoperative on January 31, 2019.

(g) Notwithstanding subdivision (f), revisions of the template for the local control and accountability plan and annual update to the local control and accountability plan necessary to implement Assembly Bill 1808 and Assembly Bill 1840 of the 2017–18 Regular Session ~~or legislation passed during the 2019–20 Regular Session~~shall not be subject to the requirements of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The state board may make necessary revisions to the template in accordance with the requirements of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(h) Revisions to a template shall be approved by the state board by January 31 before the fiscal year during which the template is to be used by a school district, county superintendent of schools, or charter school.

(i) In developing the template, the state board shall take steps to minimize duplication of effort at the local level to the greatest extent possible. The adoption of a template or evaluation rubric by the state board shall not create a requirement for a governing board of a school district, a county board of education, or a governing body of a charter school to submit a local control and accountability plan to the state board, unless otherwise required by federal law. The Superintendent shall not require a local control and accountability plan to be submitted by a governing board of a school district or the governing body of a charter school to the state board. The state board may adopt a template or evaluation rubric that would authorize a school district or a charter school to submit to the state board only the sections of the local control and accountability plan required by federal law.

(j) Notwithstanding any other law, the templates developed by the state board pursuant to this section, as it read on June 30, 2018, shall continue in effect until the state board adopts a new template pursuant to subdivision (b) on or before January 31, 2020, except that the state board may adopt revisions to those templates pursuant to subdivision (g) that are necessary to implement Assembly Bill 1808 of the 2017–18 Regular Session or meet federal requirements.

SEC. 85. Section *52064.5* of the Education Code is amended to read:

52064.5.

(a) On or before October 1, 2016, the state board shall adopt evaluation rubrics for all of the following purposes:

(1) To assist a school district, county office of education, or charter school in evaluating its strengths, weaknesses, and areas that require improvement.

(2) To assist a county superintendent of schools, the department, or a chartering authority in identifying school districts, county offices of education, and charter schools in need of technical assistance pursuant to Section 52071, 52071.5, or 47607.3, as applicable, and the specific priorities upon which the technical assistance should be focused.

(3) To assist the Superintendent in identifying school districts and county offices of education for which intervention pursuant to Section 52072 or 52072.5, as applicable, is warranted.

(b) The evaluation rubrics shall reflect a holistic, multidimensional assessment of school district and individual schoolsite performance and shall include all of the state priorities described in subdivision (d) of Section 52060.

(c) As part of the evaluation rubrics, the state board shall adopt state and local indicators to measure school district and individual schoolsite performance in regard to each of the state priorities described in subdivision (d) of Section 52060. No later than January 31, 2021, local indicators shall reflect school-level data to the extent the department collects or otherwise has access to relevant and reliable school-level data for all schools statewide.

(d) The state board may adopt alternate methods for calculating the state and local indicators described in subdivision (c) for alternative schools, as described in subdivision (d) of Section 52052, if appropriate to more fairly evaluate the performance of these schools or of a specific category of these schools. Alternate methods may include an individual pupil growth model.

(e)

(1) As part of the evaluation rubrics, the state board shall adopt standards for school district and individual schoolsite performance and expectations for improvement in regard to each of the state priorities described in subdivision (d) of Section 52060. The standards shall be based on the state and local indicators specified in subdivision (c).

(2) No later than January 31, 2020, the standards for local indicators shall, at a minimum, ensure that the governing board of a school district, the county board of education, and the governing body of a charter school review any data to be publicly reported for the local indicators in conjunction with the adoption of ~~the~~a local control and accountability plan pursuant to Section 52062, 52068, or 47606.5, as applicable. No later than January 31, 2021, the standards for local indicators for which the department collects or otherwise has access to relevant and reliable school-level data for all schools statewide shall, to the extent practicable, be based on objective criteria, which may include, but are not necessarily limited to, the extent of any disparities across schoolsites within a school district or county office of education or performance relative to statewide data.

(f) The department, in collaboration with, and subject to the approval of, the executive director of the state board, shall develop and maintain the California School Dashboard, a Web-based system for publicly reporting performance data on the state and local indicators included in the evaluation rubrics.

(g) As part of the evaluation rubrics, the state board shall adopt performance criteria for local educational agency assistance and intervention pursuant to Sections 47607.3, 52071 52071.5, 52072, and 52072.5. The criteria shall be based on performance by pupil subgroups either across two or more of the state and local indicators specified in subdivision (c) or across two or more of the state priorities described in subdivision (d) of Section 52060 and subdivision (d) of Section 52066.

SEC. 86. Section *52065* of the Education Code is amended to read:

52065.

(a) The superintendent of a school district shall do both of the following:

(1) Prominently post on the homepage of the internet website of the school district any local control and accountability plan approved by the governing board of the school district, and any updates~~,~~

~~revisions, or addenda, including those to comply with federal law,~~ or revisions to a local control and accountability plan approved by the governing board of the school district.

(2) Prominently post all local control and accountability plans submitted by charter schools that were authorized by the school district, or links to those plans, on the internet website of the school district.

(b) A county superintendent of schools shall do all of the following:

(1) Prominently post on the ~~homepage~~home page of the internet website of the county office of education any local control and accountability plan approved by the county board of education, and any updates or revisions to a local control and accountability plan approved by the county board of education.

(2) Prominently post all local control and accountability plans submitted by school districts and charter schools, or links to those plans, on the internet website of the county office of education.

(3) Transmit or otherwise make available to the Superintendent all local control and accountability plans submitted to the county superintendent of schools by school districts and charter schools, and the local control and accountability plan approved by the county board of education.

(c) The Superintendent shall post links to all local control and accountability plans approved by the governing boards of school districts, county boards of education, and the governing bodies of charter schools, on the internet website of the department.

SEC. 87. Section *56836.40* of the Education Code is amended to read:

56836.40.

(a) For any fiscal year in which moneys are appropriated for purposes of this section, the Superintendent shall make the following computations to determine the amount of funding for each school district for the special education early intervention preschool grant:

(1) For each school district, determine the total number of preschool children with exceptional needs residing in that school district using prior year December special education data.

(2) The sum of the totals determined pursuant to paragraph (1) is the total statewide number of preschool children with exceptional needs for the applicable fiscal year.

(3) Calculate a per pupil special education early intervention preschool grant by dividing the amount appropriated in the annual Budget Act for purposes of this section by the total statewide number of preschool children with exceptional needs calculated in paragraph (2).

(4) Calculate the special education early intervention preschool grant for each school district by multiplying the per pupil grant calculated in paragraph (3) by the total number of preschool children with exceptional needs in paragraph (1).

(5) The Superintendent shall allocate the amount of funds calculated for each school district in paragraph (4) to the applicable school district.

(b) It is the intent of the Legislature that funds allocated pursuant to this section are unrestricted in nature.

(c) For purposes of this section, the following definitions shall apply:

(1) "Preschool child with exceptional needs" means a child between ~~the ages of~~ three and five years of age, inclusive, ~~that~~who has been identified as an individual with exceptional needs, as defined in Section 56026, and is receiving individualized education program services, except those enrolled in kindergarten or a transitional kindergarten program.

(2) "Transitional kindergarten" means the first year of a two-year kindergarten program that uses a modified kindergarten curriculum that is age and developmentally appropriate.

SEC. 88. Section *56477* of the Education Code is amended to read:

56477.

(a) Commencing with the 2019–20 fiscal year, the department shall jointly convene with the State Department of Developmental Services and the State Department of Health Care Services one or more workgroups that include representatives from local educational agencies, appropriate county agencies, regional centers, and legislative staff. The workgroups shall convene for the following purposes:

(1) Improving transition of three-year-old children with disabilities from regional centers to local educational agencies, to help ensure continuity of services for young children and families.

(2) Improving coordination and expansion of access to available federal funds through the ~~Local Educational Agency~~ Medi-Cal Billing Option Program, the ~~School-Based~~School-based Medi-Cal Administrative Activities Program, and medically necessary federal Early and Periodic Screening, Diagnostic, and Treatment benefits.

(b) On or before October 1, 2020, the workgroups shall provide the chairs of the relevant policy committees and budget subcommittees of the Legislature and the Department of Finance with ~~a progress report that includes~~recommendations for all of the following:

(1) ~~A detailed timeline for the implementation of the workgroups, including information on the structure of the workgroups, frequency of meetings, and other relevant information.~~

(2) ~~Work conducted by each workgroup to date and initial findings, including information gathered, if any, on potential barriers to access the Local Educational Agency Medi-Cal Billing Option Program, the School-Based Medi-Cal Administrative Activities Program, and medically necessary federal Early and Periodic Screening, Diagnostic, and Treatment benefits.~~

(3) ~~Information on potential barriers to ensure smooth transitions for three-year-old children with disabilities from regional centers to local educational agencies.~~

(c) ~~On or before October 1, 2021, the workgroups shall provide the chairs of the relevant policy committees and budget subcommittees of the Legislature and the Department of Finance with a final report that includes recommendations for all of the following:~~

(1) Strategies to improve the state's performance in meeting federal deadlines for transitioning three-year-old children~~ with disabilities~~ from individualized family service plans administered by a regional center to individualized education programs administered by a local educational agency.

(2) Best practices for regional centers and local educational agencies to ensure every three-year-old child ~~ with disabilities~~receives an uninterrupted continuum of support services.

(3) Program requirements and support services needed for the ~~Local Educational Agency~~ Medi-Cal Billing Option Program, the ~~School-Based~~School-based Medi-Cal Administrative Activities Program, and medically necessary federal Early and Periodic Screening, Diagnostic, and Treatment benefits to ensure ease of use and access for local educational agencies and parity of eligible services throughout the state and country.

(d)(c) Recommendations provided pursuant to this section shall include any specific changes needed to state regulations or statutes, need for approval of amendments to the state Medicaid plan or federal waivers, changes to the implementation of federal regulations, changes to state agency support and oversight, and associated staffing or funding needed to implement the recommendations.

(e) ~~The amount appropriated for purposes of this section in Provision 38 of Item 6100-001-0001 of Section 2.00 of the Budget Act of 2019 shall be available for encumbrance or expenditure until June 30, 2022.~~

(f) ~~The requirements for submitting a report imposed under subdivisions (b) and (c) are inoperative on October 1, 2024, and October 1, 2025, respectively, pursuant to Section 10231.5 of the Government Code.~~

SEC. 89. Section *60630* of the Education Code is amended to read:

60630.

(a) The Superintendent shall prepare and submit, and subsequently post on the ~~Internet Web site~~internet website of the department, an annual report to the state board containing an analysis of the results and test scores of the summative assessments administered pursuant to Section 60640. The Superintendent shall notify the state board and the appropriate policy and fiscal committees of the Legislature that the annual report is available on the ~~Internet Web site~~internet website of the department.

(b) The Superintendent shall post a periodic update on the implementation of the California Assessment of Student Performance and Progress on the ~~Internet Web site~~internet website of the department, and notify the state board and the appropriate policy and fiscal committees of the Legislature that the update is available on the ~~Internet Web site~~internet website of the department.

SEC. 90. Section *60641* of the Education Code is amended to read:

60641.

(a) The department shall ensure that local educational agencies comply with each of the following requirements:

(1) The achievement tests provided for in Section 60640 are scheduled to be administered to all pupils, inclusive of pupils enrolled in charter schools and exclusive of pupils exempted pursuant to Section 60640, during the period prescribed in subdivision (b) of Section 60640.

(2) For assessments that produce valid individual pupil results, the individual results of each pupil tested pursuant to Section 60640 shall be reported, in writing, to the parent or guardian of the pupil. The report shall include a clear explanation of the purpose of the test, the score of the pupil, and the intended use by the local educational agency of the test score. This subdivision does not require teachers or other local educational agency personnel to prepare individualized explanations of the test score of each pupil. It is the intent of the Legislature that ~~nothing in~~ this section ~~shall~~does not preclude a school or school district from meeting the reporting requirement by the use of electronic media formats that secure the confidentiality of the pupil and the pupil's results. State agencies or local educational agencies shall not use a comparison resulting from the scores and results of the California Assessment of Student Performance and Progress (CAASPP) assessments and the assessment scores and results from assessments that measured previously adopted content standards.

(3)

(A) For assessments that produce valid individual pupil results, the individual results of each pupil tested pursuant to Section 60640 also shall be reported to the school and teachers of a pupil. The local educational agency shall include the test results of a pupil in ~~his or her pupil~~the pupil's records. However, except as provided in this section and Section 60607, personally identifiable pupil test results only may be released with the permission of either the pupil's parent or guardian if the pupil is a minor, or the pupil if the pupil has reached the age of majority or is emancipated.

(B) Notwithstanding subparagraph (A) and pursuant to subdivision (c) of Section 60607, a pupil or ~~his or her~~the pupil's parent or guardian may authorize the release of individual pupil results to

a postsecondary educational institution for ~~the purpose~~purposes of credit, placement, determination of readiness for college-level coursework, or admission.

(4) The districtwide, school-level, and grade-level results of the CAASPP in each of the grades designated pursuant to Section 60640, but not the score or relative position of any individually ascertainable pupil, shall be reported to the governing board of the school district at a regularly scheduled meeting, and the countywide, school-level, and grade-level results for classes and programs under the jurisdiction of the county office of education shall be similarly reported to the county board of education at a regularly scheduled meeting.

(b) The state board shall adopt regulations that outline a calendar for delivery and receipt of summative assessment results at the pupil, school, grade, district, county, and state levels. The calendar shall include delivery dates to the department and to local educational agencies. The calendar for delivery shall provide for the timely return of assessment results, and consider the amount of paper-and-pencil administered assessments and number of items requiring hand scoring. The calendar shall also ensure that individual assessment results are reported to local educational agencies within eight weeks of receipt by the contractor for scoring.

(c) Aggregated, disaggregated, or group scores or reports that include the results of the CAASPP assessments, inclusive of the reports developed pursuant to Section 60630, shall not be publicly reported to any party other than the school or local educational agency where the pupils were tested, if the aggregated, disaggregated, or group scores or reports are comprised of 10 or fewer individual pupil assessment results. Exclusive of the reports developed pursuant to Section 60630, in no case shall any group score or report be displayed that would deliberately or inadvertently make the score or performance of any individual pupil or teacher identifiable.

(d) The department shall ensure that pupils in grade 11, or parents or legal guardians of those pupils, may request results from grade 11 assessments administered as part of the CAASPP for ~~the purpose~~purposes of determining credit, placement, or readiness for college-level coursework be released to a postsecondary educational institution.

SEC. 91. Section *66014.2* of the Education Code is amended to read:

66014.2.

(a) In order to help prospective students and their families more accurately calculate the cost of attendance, each campus of the California State University shall, and each campus of the University of California is requested to, post all of the following on its internet website, on or before February 1, 2020, and on or before February 1 each year thereafter:

(1)

(A) Information about the market cost of one- and two-bedroom apartments and of one-person bedrooms in private houses in the areas surrounding that campus where its students commonly reside.

(B) In reporting this information, the campus shall exercise due diligence, and shall consult bona fide and reliable sources of current information about local housing market costs, including, but not necessarily limited to, information received from students of that campus, local newspapers and bulletin boards, and internet websites on which notices regarding local rental vacancies are posted. The information posted pursuant to this section shall be posted in the same location on the campus internet website where the housing cost estimates for off-campus students are posted.

(2) Separate estimates of other cost-of-living categories, on the same internet web page, including, but not limited to, all of the following:

(A) The estimated cost of living at home or in a permanent residence, such as with a parent.

(B) The estimated cost of food.

(C) The estimated cost of transportation.

(D) The estimated cost of books and supplies.

(E) The estimated cost of miscellaneous expenses.

(F) The estimated cost of tuition.

(G) The estimated cost of mandatory student fees.

(H) A description of the data sources and methods used to calculate its estimates for each cost of living category.

(3) A statement emphasizing both of the following:

(A) All cost estimates reflect estimated costs for a typical student, but actual costs can vary considerably for individual students.

(B) The university strongly encourages prospective students and their families to consider how their own costs might differ from those given in the estimates, including by seeking out cost of attendance estimates from other sources and by considering whether they will face other costs that are not listed in the estimate categories or how their veteran status might affect costs.

(b) Each campus of the California State University shall, and each campus of the University of California is requested to, post the information described in subdivision (a) on the same internet web pages where it ~~posts~~is required to post cost estimates of institutional housing and meal plans ~~mandated~~ pursuant to Section 69503.6.

SEC. 92. Section *66022.5* of the Education Code is amended to read:

66022.5.

(a) For purposes of this section, the following definitions apply:

(1) "Admission by exception" means the process by which a campus admits applicants who do not meet the eligibility requirements for admission to the segment, or guaranteed admission to a campus of the segment, but who demonstrate high potential for success and leadership in an academic or special talent program at the campus.

(2) "Campus" means a campus of the California State University or the University of California.

(3) "Special talent program" refers to a campus' program that requires additional admissions review to determine the qualification of an applicant for admission into that program. Special talent ~~program includes, but is~~programs include, but are not necessarily limited to, a campus' athletic or fine arts ~~program~~programs.

(b) A campus shall not admit a student by admission by exception unless the student's admission by exception has been approved, before the student's enrollment, by a minimum of three senior campus administrators.

(c) Notwithstanding subdivision (b), a campus may admit, by admission by exception, a California resident who is receiving an institution-based scholarship to attend the campus or an applicant who is accepted by an educational opportunity program for admission to the campus.

(d) A campus that admits a student by admission by exception shall comply with both of the following:

(1) Document its employees who were involved in the evaluation of the student's application for admission.

(2) Establish a policy that applies articulated standards to the campus' admissions by exception decisions. The standards shall include minimum procedural requirements and shall include an explanation for choosing the standards that supports their application as fair and appropriate.

(e) A campus that admits a student by admission by exception into an athletics program shall establish a policy requiring the student to participate in the program for a minimum of one academic year.

(f)

(1) Upon request, a campus shall report to the Legislature, pursuant to Section 9795 of the Government Code, any information that is required to be established or documented pursuant to this section.

(2) The campus shall submit information to the Legislature pursuant to paragraph (1) to the extent permitted by state and federal privacy laws, including, but not limited to, the federal Family Educational Rights and Privacy Act (20 U.S.C. Sec. 1232g).

(g) This section shall not be interpreted to prohibit the University of California from adopting policies that impose additional restrictions on or requirements for admission by exception.

(h) This section shall become operative commencing with admissions for the 2020–21 academic year.

SEC. 93. Section *66025.9* of the Education Code is amended to read:

66025.9.

(a) The California State University and each community college district shall, and the University of California is requested to, with respect to each campus in their respective jurisdictions that administers a priority enrollment system, grant priority in that system for registration for enrollment to a foster youth, former foster youth, homeless youth, or former homeless youth.

(b) For purposes of this section:

(1) "Foster youth and former foster youth" means a person in California whose dependency was established or continued by the court on or after the youth's 16th birthday and who is no older than 25 years of age at the commencement of the academic year.

(2) "Homeless youth and former homeless youth" means a student under 25 years of age, who has been verified, in the case of a former homeless youth, at any time during the 24 months immediately preceding the receipt of the youth's application for admission by a postsecondary educational institution that is a qualifying institution pursuant to Section 69432.7, as a homeless child or youth, as defined in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)), by at least one of the following:

(i)(A) A homeless services provider, as that term is defined in paragraph (3) of subdivision (d) of Section 103577 of the Health and Safety Code.

(ii)(B) The director of a federal TRIO program or Gaining Early Awareness and Readiness for Undergraduate Programs program, or a designee of that director.

(iii)(C) A financial aid administrator for an institution of higher education.

(iv)(D) A homeless and foster student liaison designated pursuant to paragraph (1) of subdivision (a) of Section 67003.5.

(c) For purposes of this section, a student who is verified as a homeless youth as defined in paragraph (2) of subdivision (b) shall retain that status for a period of six years from the date of admission to the postsecondary educational institution.

SEC. 94. Section *66281.7* of the Education Code is amended to read:

66281.7.

(a) It is the policy of the State of California, pursuant to Section 66251, that all persons, regardless of their sex, should enjoy freedom from discrimination of any kind, including, but not limited to, pregnancy discrimination as described in Title IX of the Education Amendments of 1972 (20 U.S.C. Sec. 1681, et seq.), in the postsecondary educational institutions of the state.

(b) Each of the following requirements apply to postsecondary educational institutions in this state:

(1) A postsecondary educational institution, including the faculty, staff, or other employees of the institution, shall not ~~require a graduate student to take a leave of absence, withdraw from the graduate program, or limit the student's graduate studies~~do any of the following solely due to pregnancy or pregnancy-related issues~~.~~:

(A) Require a graduate student to take a leave of absence or withdraw from the graduate program.

(B) Limit the student's graduate studies.

(2) A postsecondary educational institution, including the faculty, staff, or other employees of the institution, shall reasonably accommodate pregnant graduate students so they may complete their graduate courses of study and research. Reasonable accommodation within the meaning of this subdivision may include, but is not necessarily limited to, allowances for the pregnant student's health and safety, such as allowing the student to maintain a safe distance from hazardous substances, allowing the student to make up tests and assignments that are missed for pregnancy-related reasons, or allowing the student to take a leave of absence. Reasonable accommodation shall include excusing absences that are medically necessary, as required under Title IX.

(3) A graduate student who chooses to take a leave of absence because the graduate student is pregnant or has recently given birth shall be allowed a period consistent with the policies of the postsecondary educational institution, or a period of 12 additional months, whichever period is longer, to prepare for and take preliminary and qualifying examinations and an extension of at least 12 months toward normative time to degree while in candidacy for a graduate degree, unless a longer extension is medically necessary.

(4) A graduate student who is not the birth parent and who chooses to take a leave of absence because of the birth of the student's child shall be allowed a period consistent with the policies of the postsecondary educational institution, or a period of one month, whichever period is longer, to prepare for and take preliminary and qualifying examinations, and an extension of at least one month toward normative time to degree while in candidacy for a graduate degree, unless a longer period or extension is medically necessary to care for the student's partner or their child.

(5) An enrolled graduate student in good academic standing who chooses to take a leave of absence because the student is pregnant or has recently given birth shall return to the student program in good academic standing following a leave period consistent with the policies of the postsecondary educational institution or of up to one academic year, whichever period is longer, subject to the reasonable administrative requirements of the institution, unless there is a medical reason for a longer absence, in which case the student's standing in the graduate program shall be maintained during that period of absence.

(6) An enrolled graduate student in good academic standing who is not the birth parent and who chooses to take a leave of absence because of the birth of the student's child shall return to the student's program in good academic standing following a leave period consistent with the policies of the postsecondary educational institution, or of up to one month, whichever period is longer, subject to the reasonable administrative requirements of the institution.

(c) Each postsecondary educational institution shall have a written policy for graduate students on pregnancy discrimination and procedures for addressing pregnancy discrimination complaints under Title IX or this section. A copy of this policy shall be made available to faculty, staff, and employees in

their required training. This policy shall be made available to all graduate students attending orientation sessions at a postsecondary educational institution.

(d) Each public postsecondary educational institution shall notify pregnant and parenting students of the protections provided by Title IX through prominently posting a notice of the Title IX protections on the institution's internet website.

(e) Each public postsecondary educational institution with an on-campus medical center shall provide notice of the protections provided by Title IX through the medical center to a student who requests information regarding policies or protections for students with children or pregnant students and when otherwise appropriate.

SEC. 95. Section *68120* of the Education Code is amended to read:

68120.

(a) Notwithstanding any other law, no mandatory systemwide fees or tuition or mandatory campus-based fees of any kind shall be required ~~of~~ or collected by the Regents of the University of California, the Board of Directors of the Hastings College of the Law, the Trustees of the California State University, the Board of Governors of the California Community Colleges, or any campus of the University of California, the California State University, or the California Community Colleges from any surviving spouse or surviving child of a deceased person who met all of the following requirements:

(1) The deceased person was a resident of this state.

(2) The deceased person was employed by a public agency or was a contractor, or an employee of a contractor, performing services for a public agency, or was a firefighter employed by the federal government whose duty assignment involved the performance of firefighting services in this state.

(3) The deceased person's principal duties consisted of active law enforcement service or active fire suppression and prevention. This section ~~shall~~does not apply to a person whose principal duties were clerical, even if the person was subject to occasional call or was occasionally called upon to perform duties within the scope of active law enforcement or active fire suppression and prevention.

(4) The deceased person was killed in the performance of active law enforcement or active fire suppression and prevention duties, died as a result of an accident or an injury caused by external violence or physical force incurred in the performance of the person's active law enforcement or active fire suppression and prevention duties, or died as a result of an industrial injury or illness arising out of and in the course of active law enforcement or fire suppression and prevention duties.

(b) Notwithstanding subdivision (a), a person who qualifies for the waiver of mandatory systemwide fees and tuition and mandatory campus-based fees under this section as a surviving child of a contractor, or of an employee of a contractor, who performed services for a public agency shall, in addition to the requirements set forth in subdivision (a), meet both of the following requirements:

(1) Enrollment as an undergraduate student at a campus of the University of California or the California State University or as a student at a community college campus.

(2) Documentation that the student's annual income, including the value of any support received from a parent, does not exceed the maximum household income and asset level for an applicant for a Cal Grant B award, as set forth in Section 69432.7.

(c) As used in this section:

(1) "Contractor" or "employee of a contractor" does not include a security guard or security officer, as defined in Section 7582.1 of the Business and Professions Code.

(2) "Public agency" means the state or any city, county, city and county, district, or other local authority or public body of or within the state.

(3) "Spouse" has the same meaning as defined in Section 22171.

(4) "Surviving child" means either of the following:

(A) A surviving natural or adopted child of the deceased person.

(B) A surviving stepchild who meets both of the following requirements:

(i) The stepchild was living or domiciled with the deceased person at the time of the deceased person's death.

(ii) The stepchild was claimed on the tax form most recently filed by the deceased person prior to that person's death, or the stepchild received 50 percent or more of the stepchild's support from that deceased person in the tax year immediately preceding the death of the deceased person, or both.

SEC. 96. Section *69617* of the Education Code is amended to read:

69617.

(a) (1) Subject to moneys appropriated by the Legislature for the purposes of this section, the Student Aid Commission shall administer the Golden State Teacher Grant Program. Under the program, the Student Aid Commission shall provide one-time grant funds of ~~up to~~ twenty thousand dollars ($20,000) to each student enrolled on or after January 1, 2020, in a professional preparation program ~~within an accredited California institution of higher education~~ leading to a preliminary teaching credential, approved by the Commission on Teacher Credentialing, if the student commits to working in a high-need field at a priority school for four years after the student receives the teaching credential.

(2) ~~Funds appropriated for the Golden State Teacher Grant Program in the Budget Act of 2020 shall be available for encumbrance or expenditure by the commission until June 30, 2023.~~

(3) ~~Grant funds shall be used to supplement and not supplant other sources of grant financial aid.~~

(b) The total number of one-time grant ~~funds~~awards issued pursuant to this section shall not exceed ~~the amount appropriated for the Golden State Teacher Grant Program in the Budget Act of 2020~~4,487.

(c)

(1) A grant recipient shall agree to teach in a high-need field at a priority school for four years and shall have five years, upon completion of the recipient's professional preparation program, to meet that obligation. Except as provided in paragraph (4), a grant recipient shall agree to repay the state ~~25 percent of the total received grant funds~~five thousand dollars ($5,000) annually, up to full repayment of ~~the received grant funds~~twenty thousand dollars ($20,000), for each year the recipient fails to do one or more of the following:

(A) Be enrolled in or have successfully completed a teacher preparation program approved by the Commission on Teacher Credentialing.

(B) While enrolled in the teacher preparation program, maintain good academic standing.

(C) Upon completion of the teacher preparation program, satisfy the state basic skills proficiency test requirement pursuant to Sections 44252 and 44252.5.

(D) Complete the required teaching service following completion of the recipient's teacher preparation program.

(2) Nonperformance of the commitment to teach in a high-need field at a priority school for four years shall be certified by the State Department of Education.

(3) Nonperformance of the commitment to earn a preliminary teaching credential in a high-need field shall be certified by the Commission on Teacher Credentialing to the Student Aid Commission.

(4) Any exceptions to the requirement for repayment shall be defined by the Student Aid Commission, and may include, but shall not necessarily be limited to, counting a school year towards the required four-year teaching requirement if a grant recipient is unable to complete the school year when any of the following occur:

(A) The grant recipient has completed at least one-half of the school year.

(B) The employer deems the grant recipient to have fulfilled the grant recipient's contractual requirements for the school year for the purposes of salary increases, probationary or permanent status, and retirement.

(C) The grant recipient was not able to teach due to the financial circumstances of the school district, including a decision to not reelect the employee for the next succeeding school year.

(D) The grant recipient has a condition covered under the federal Family and Medical Leave Act of 1993 (29 U.S.C. Sec. 2601 et seq.) or similar state law.

(E) The grant recipient was called or ordered to active duty status for more than 30 days as a member of a reserve component of the Armed Forces of the United States.

(d) The Student Aid Commission may use up to 1.5 percent of funding appropriated for purposes of this section for outreach and administration.

(e) For purposes of this section, "high-need field" means any of the following:

(1) Bilingual education.

(2) Mathematics or science, technology, engineering, and mathematics (STEM), including ~~computer science and~~ career technical education in STEM areas.

(3) Science.

(4) Special education.

(5) Multiple subject instruction.

(6) Other subjects as designated annually by the Commission on Teacher Credentialing based on an analysis of the availability of teachers in California pursuant to Section 44225.6.

(f)

(1) A "priority school" means a school with a high percentage, as determined by the Commission on Teacher Credentialing in consultation with the State Department of Education, of teachers holding emergency-type permits ~~over the last three years~~, based on the most recent data available to the Commission on Teacher Credentialing and the State Department of Education. By January 1, 2020, the Commission on Teacher Credentialing shall publish a list of priority schools.

(2) ~~The Commission on Teacher Credentialing shall publish a list of priority schools by January 1 of each year for which moneys have been appropriated by the Legislature to support grants pursuant to this section.~~

(3)(2) For purposes of this section, "emergency-type permits" include, but not are limited to, any of the following:

(A) Provisional internships.

(B) Short-term staff permits.

(C) Credential waivers.

(D) Substitute permits.

(g) ~~The commission may adopt regulations necessary for the implementation of this program.~~

SEC. 97. Section *76004* of the Education Code is amended to read:

76004.

Notwithstanding Section 76001 or any other law:

(a) The governing board of a community college district may enter into a College and Career Access Pathways (CCAP) partnership with the governing board of a school district for the purpose of offering or expanding dual enrollment opportunities for pupils who may not already be college bound or who are underrepresented in higher education, with the goal of developing seamless pathways from high school, including continuation high school, to community college for career technical education or preparation for transfer, improving high school graduation rates, or helping high school pupils achieve college and career readiness.

(b) A participating community college district may enter into a CCAP partnership with a school district partner that is governed by a CCAP partnership agreement approved by the governing boards of both districts. As a condition of adopting a CCAP partnership agreement, the governing board of each district shall do both of the following:

(1) For career technical education pathways to be provided under the partnership, consult with, and consider the input of, the appropriate local workforce development board to determine the extent to which the pathways are aligned with regional and statewide employment needs. The governing board of each district shall have final decisionmaking authority regarding the career technical education pathways to be provided under the partnership.

(2) Present, take comments from the public on, and approve or disapprove the dual enrollment partnership agreement at an open public meeting of the governing board of the district.

(c)

(1) The CCAP partnership agreement shall outline the terms of the CCAP partnership and shall include, but not necessarily be limited to, the total number of high school pupils to be served and the total number of full-time equivalent students projected to be claimed by the community college district for those pupils; the scope, nature, time, location, and listing of community college courses to be offered; and criteria to assess the ability of pupils to benefit from those courses. The CCAP partnership agreement shall also establish protocols for information sharing, in compliance with all applicable state and federal privacy laws, joint facilities use, and parental consent for high school pupils to enroll in community college courses. The protocols shall only require a high school pupil participating in a CCAP partnership to submit one parental consent form and principal recommendation for the duration of the pupil's participation in the CCAP partnership.

(2) The CCAP partnership agreement shall identify a point of contact for the participating community college district and school district partner.

(3) A copy of the CCAP partnership agreement shall be filed with the office of the Chancellor of the California Community Colleges and with the department before the start of the CCAP partnership. The chancellor may void any CCAP partnership agreement it determines has not complied with the intent of the requirements of this section.

(d) A community college district participating in a CCAP partnership shall not provide physical education course opportunities to high school pupils pursuant to this section or any other course opportunities that do not assist in the attainment of at least one of the goals listed in subdivision (a).

(e) A community college district shall not enter into a CCAP partnership with a school district within the service area of another community college district, except where an agreement exists, or is established, between those community college districts authorizing that CCAP partnership.

(f) A high school pupil enrolled in a course offered through a CCAP partnership shall not be assessed any fee that is prohibited by Section 49011.

(g)

(1) A community college district participating in a CCAP partnership may assign priority for enrollment and course registration to a pupil seeking to enroll in a community college course that is required for the pupil's CCAP partnership program that is equivalent to the priority assigned to a pupil attending a middle college high school as described in Section 11300 and consistent with middle college high school provisions in Section 76001.

(2) Units completed by a pupil pursuant to a CCAP partnership agreement may count towards determining a pupil's registration priority for enrollment and course registration at a community college.

(h) The CCAP partnership agreement shall certify that any community college instructor teaching a course on a high school campus has not been convicted of any sex offense as defined in Section 87010, or any controlled substance offense as defined in Section 87011.

(i) The CCAP partnership agreement shall certify that any community college instructor teaching a course at the partnering high school campus has not displaced or resulted in the termination of an existing high school teacher teaching the same course on that high school campus.

(j) The CCAP partnership agreement shall certify that a qualified high school teacher teaching a course offered for college credit at a high school campus has not displaced or resulted in the termination of an existing community college faculty member teaching the same course at the partnering community college campus.

(k) The CCAP partnership agreement shall include a plan by the participating community college district to ensure all of the following:

(1) A community college course offered for college credit at the partnering high school campus does not reduce access to the same course offered at the partnering community college campus.

(2) A community college course that is oversubscribed or has a waiting list shall not be offered in the CCAP partnership.

(3) Participation in a CCAP partnership is consistent with the core mission of the community colleges pursuant to Section 66010.4, and that pupils participating in a CCAP partnership will not lead to enrollment displacement of otherwise eligible adults in the community college.

(l) The CCAP partnership agreement shall certify that both the school district and community college district partners comply with local collective bargaining agreements and all state and federal reporting requirements regarding the qualifications of the teacher or faculty member teaching a CCAP partnership course offered for high school credit.

(m) The CCAP partnership agreement shall specify both of the following:

(1) Which participating district will be the employer of record for purposes of assignment monitoring and reporting to the county office of education.

(2) Which participating district will assume reporting responsibilities pursuant to applicable federal teacher quality mandates.

(n) The CCAP partnership agreement shall certify that any remedial course taught by community college faculty at a partnering high school campus shall be offered only to high school pupils who do not meet their grade level standard in math, English, or both on an interim assessment in grade

10 or 11, as determined by the partnering school district, and shall involve a collaborative effort between high school and community college faculty to deliver an innovative remediation course as an intervention in the pupil's junior or senior year to ensure the pupil is prepared for college-level work upon graduation.

(o)

(1) A community college district may limit enrollment in a community college course solely to eligible high school pupils if the course is offered at a high school campus, either in person or using an online platform, during the regular schoolday and the community college course is offered pursuant to a CCAP partnership agreement.

(2) For purposes of allowances and apportionments from Section B of the State School Fund, a community college district conducting a closed course on a high school campus pursuant to paragraph (1) shall be credited with those units of full-time equivalent students attributable to the attendance of eligible high school pupils.

(p) A community college district may allow a special part-time student participating in a CCAP partnership agreement established pursuant to this article to enroll in up to a maximum of 15 units per term if all of the following circumstances are satisfied:

(1) The units constitute no more than four community college courses per term.

(2) The units are part of an academic program that is part of a CCAP partnership agreement established pursuant to this article.

(3) The units are part of an academic program that is designed to award students both a high school diploma and an associate degree or a certificate or credential.

(q) The governing board of a community college district participating in a CCAP partnership agreement established pursuant to this article shall exempt special part-time students described in subdivision (p) from the fee requirements in Sections 76060.5, 76223, 76300, 76350, and 79121.

(r) A district shall not receive a state allowance or apportionment for an instructional activity for which the partnering district has been, or shall be, paid an allowance or apportionment.

(s)

(1) The attendance of a high school pupil at a community college as a special part-time or full-time student pursuant to this section is authorized attendance for which the community college shall be credited or reimbursed pursuant to Section 48802 or 76002, provided that no school district has received reimbursement for the same instructional activity.

(2) For purposes of calculating classroom-based average daily attendance for classroom-based instruction apportionments, at least 80 percent of the instructional time offered by a charter school pursuant to an authorized CCAP partnership agreement shall be at the schoolsite, and the charter school shall require the attendance of a pupil for a minimum of 50 percent of the minimum instructional time required to be offered pursuant to paragraph (1) of subdivision (a) of Section 47612.5, if the pupil is also a special part-time student enrolled in a community college pursuant to this section and the pupil will receive academic credit upon satisfactory completion of enrolled courses.

(t)

(1) For each CCAP partnership agreement entered into pursuant to this section, the affected community college district and school district shall report annually to the office of the Chancellor of the California Community Colleges all of the following information:

(A) The total number of high school pupils by schoolsite enrolled in each CCAP partnership, aggregated by gender and ethnicity, and reported in compliance with all applicable state and federal privacy laws.

(B) The total number of community college courses by course category and type and by schoolsite enrolled in by CCAP partnership participants.

(C) The total number and percentage of successful course completions, by course category and type and by schoolsite, of CCAP partnership participants.

(D) The total number of full-time equivalent students generated by CCAP partnership community college district participants.

(E) The total number of full-time equivalent students served online generated by CCAP partnership community college district participants.

(2) On or before January 1, 2021, the chancellor shall prepare a summary report that includes an evaluation of the CCAP partnerships, an assessment of trends in the growth of special admits systemwide and by campus, and, based upon the data collected pursuant to this section, recommendations for program improvements, including, but not necessarily limited to, both of the following:

(A) Any recommended changes to the statewide cap on special admit full-time equivalent students to ensure that adults are not being displaced.

(B) Any recommendation concerning the need for additional student assistance or academic resources to ensure the overall success of the CCAP partnerships.

(3) The chancellor shall ensure that the number of full-time equivalent students generated by CCAP partnerships is reported pursuant to the reporting requirements in Section 76002.

(4) On or before July 31, 2020, the chancellor shall revise the special part-time student application process to allow a pupil to complete one application for the duration of the pupil's attendance at a community college as a special part-time student participating in a CCAP partnership agreement.

(u) The annual report required by subdivision (t) shall also be transmitted to all of the following:

(1) The Legislature, in compliance with Section 9795 of the Government Code.

(2) The Director of Finance.

(3) The Superintendent.

(v) A community college district that violates this article, including, but not necessarily limited to, any restriction imposed by the board of governors pursuant to this article, shall be subject to the same penalty as may be imposed pursuant to subdivision (d) of Section 78032.

(w) The statewide number of full-time equivalent students claimed as special admits shall not exceed 10 percent of the total number of full-time equivalent students claimed statewide.

(x) ~~Nothing in~~ This section is not intended to affect a dual enrollment partnership agreement existing on the effective date of this section under which an early college high school, a middle college high school, or California Career Pathways Trust existing on the effective date of this section is operated. An early college high school, middle college high school, or California Career Pathways Trust partnership agreement existing on the effective date of this section shall not operate as a CCAP partnership unless it complies with this section.

(y) The governing body of a charter school may enter into a CCAP partnership agreement with the governing board of a community college district pursuant to this section. That CCAP partnership agreement shall comply with all applicable requirements of this section.

(z) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 98. Section *78042* of the Education Code is amended to read:

78042.

(a) A district shall seek approval to offer a baccalaureate degree program through the appropriate accreditation body.

(b) When seeking approval from the Board of Governors of the California Community Colleges, a district shall maintain the primary mission of the California Community Colleges specified in paragraph (3) of subdivision (a) of Section 66010.4. The district, as part of the baccalaureate degree pilot program, shall have the additional mission to provide high-quality undergraduate education at an affordable price for students and the state.

(c) As a condition of eligibility for consideration to participate in the statewide baccalaureate degree pilot program, a district shall have a written policy that requires all potential students who wish to apply for a Board of Governors Fee Waiver pursuant to Section 76300 to complete and submit either a Free Application for Federal Student Aid or a California Dream Act application in lieu of completing the Board of Governors Fee Waiver application.

(d) A district shall not offer more than one baccalaureate degree program, as determined by the governing board of the district and approved by the Board of Governors of the California Community Colleges, and subject to the following limitations:

(1) A district shall identify and document unmet workforce needs in the subject area of the baccalaureate degree to be offered and offer a baccalaureate degree at a campus in a subject area with unmet workforce needs in the local community or region of the district.

(2) A baccalaureate degree pilot program shall not offer a baccalaureate degree program or program curricula already offered by the California State University or the University of California.

(3) A district shall have the expertise, resources, and student interest to offer a quality baccalaureate degree in the chosen field of study.

(4) A district shall not offer more than one baccalaureate degree program within the district, which shall be limited to one campus within the district.

(5) A district shall notify a student who applies to the district's baccalaureate degree pilot program that the student is required to commence the student's baccalaureate degree by the beginning of the 2022–23 academic year, as specified in Section 78041.

(e) A district shall maintain separate records for students who are enrolled in courses classified in the upper division and lower division of a baccalaureate degree program. A student shall be reported as a community college student for enrollment in a lower division course and as a baccalaureate degree program student for enrollment in an upper division course.

(f) A governing board of a district seeking authorization to offer a baccalaureate degree pilot program shall submit all of the following for review by the Chancellor of the California Community Colleges and approval by the Board of Governors of the California Community Colleges:

(1) Documentation of the district's written policy required by subdivision (c).

(2) The administrative plan for the baccalaureate degree pilot program, including, but not limited to, the governing board of the district's funding plan for its specific district.

(3) A description of the baccalaureate degree pilot program's curriculum, faculty, and facilities.

(4) The enrollment projections for the baccalaureate degree pilot program.

(5) Documentation regarding unmet workforce needs specifically related to the proposed baccalaureate degree pilot program, and a written statement supporting the necessity of a four-year degree for that program.

(6) Documentation of consultation with the California State University and the University of California regarding collaborative approaches to meeting regional workforce needs.

(g)

(1) On or before March 31, 2015, the Board of Governors of the California Community Colleges shall develop, and adopt by regulation, a funding model for the support of the statewide baccalaureate degree pilot program that is based on a calculation of the number of full-time equivalent students enrolled in all district pilot programs.

(2) Funding for each full-time equivalent student shall be at a marginal cost calculation, as determined by the Board of Governors of the California Community Colleges, that shall not exceed the community college credit instruction marginal cost calculation for a full-time equivalent student, as determined pursuant to paragraph (2) of subdivision (d) of Section 84750.5.

(3) A student in a baccalaureate degree pilot program authorized by this article shall not be charged fees higher than the mandatory systemwide fees charged for baccalaureate degree programs at the California State University.

(4) Fees for coursework in a baccalaureate degree pilot program shall be consistent with Article 1 (commencing with Section 76300) of Chapter 2 of Part 47.

(5) A district shall, in addition to the fees charged pursuant to paragraph (4), charge a fee for upper division coursework in a baccalaureate degree pilot program of eighty-four dollars ($84) per unit.

(h)

(1) The Legislative Analyst's Office shall conduct both an interim and a final statewide evaluation of the statewide baccalaureate degree pilot program implemented pursuant to this article.

(2) The results of the interim evaluation shall be reported as a progress report, in writing, to the Legislature and the Governor on or before July 1, 2018. The interim evaluation shall include, but is not limited to, all of the following:

(A) How many, and which specific, districts applied for a baccalaureate degree pilot program, and the baccalaureate degree pilot programs they applied for.

(B) Which potential four-year baccalaureate degrees were denied and why they were denied.

(C) Baccalaureate degree pilot program costs and the funding sources that were used to finance these programs.

(D) Current trends in workforce demands that require four-year degrees in the specific degree programs being offered through the statewide baccalaureate degree pilot program.

(E) Current completion rates, if available, for each cohort of students participating in a baccalaureate degree pilot program.

(F) Information on the impact of the baccalaureate degree pilot program on underserved and underprepared students.

(3) The results of the final evaluation shall be reported, in writing, to the Legislature and the Governor on or before February 1, 2020. The final evaluation shall include, but is not limited to, all of the following:

(A) The number of new district baccalaureate degree pilot programs implemented, including information identifying the number of new programs, applicants, admissions, enrollments, and degree recipients.

(B) The extent to which the baccalaureate degree pilot programs established under this article fulfill identified workforce needs for new baccalaureate degree programs, including statewide supply and demand data that considers capacity at the California State University, the University of California, and in California's independent colleges and universities.

(C) Information on the place of employment of students and the subsequent job placement of graduates.

(D) Baccalaureate degree program costs and the funding sources that were used to finance these programs, including a calculation of cost per degree awarded.

(E) The costs of the baccalaureate degree programs to students, the amount of financial aid offered, and student debt levels of graduates of the programs.

(F) Time-to-degree rates and completion rates for the baccalaureate degree pilot programs.

(G) The extent to which the programs established under this article are in compliance with the requirements of this article.

(H) Information on the impact of the baccalaureate degree pilot program on underserved and underprepared students.

(I) Recommendations on whether and how the statewide baccalaureate degree pilot program can or should be extended and expanded.

(4) A district shall submit the information necessary to conduct the evaluations required by paragraph (1), as determined by the Legislative Analyst's Office, to the Chancellor of the California Community Colleges, who shall provide the information to the Legislative Analyst's Office upon request.

(5) A report to be submitted pursuant to paragraph (2) or (3) shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 99. Section *78300* of the Education Code is amended to read:

78300.

(a) The governing board of a community college district may, without the approval of the board of governors, establish and maintain community service classes in civic, vocational, literacy, health, family and consumer sciences, technical, and general education, including, but not limited to, classes in the fields of visual and performing arts, handicraft, science, literature, nature study, nature contacting, aquatic sports, and athletics. These classes shall be designed to provide instruction and to contribute to the physical, mental, moral, economic, or civic development of the individuals or groups enrolled in them.

(b) Community service classes shall be open for the admission of adults and of those minors who, in the judgment of the governing board, may profit from them.

(c) Governing boards shall not expend General Fund moneys to establish and maintain community service classes. Governing boards may charge students enrolled in community service classes a fee not to exceed the cost of maintaining community service classes, or may provide instruction in community service classes for remuneration by contract, or with contributions or donations of individuals or groups. The board of governors shall adopt guidelines defining the acceptable reimbursable costs for which a fee may be charged, and shall collect data and maintain uniform accounting procedures to ensure that General Fund moneys are not used for community ~~services~~service classes.

SEC. 100. Section *78401* of the Education Code is amended to read:

78401.

(a) The governing board of a community college district may, with the approval of the board of governors, establish and maintain classes for adults for the purpose of providing instruction in civic, vocational, literacy, health, family and consumer sciences, technical, and general education.

(b) Classes for adults shall conform to any course of study and graduation requirements otherwise imposed by law or under the authority of law.

(c) Classes for adults shall be open for the admission of adults and of any minors who, in the judgment of the governing board, may be qualified for admission to them.

(d) The board of governors shall establish standards, including standards of attendance, curriculum, administration, and guidance and counseling service for classes for adults as a basis for the several apportionments of state funds provided for the support of these classes.

(e) The governing board of a community college district maintaining an adult school shall prescribe the requirements for the granting of diplomas.

(f) Commencing with the 2019–20 fiscal year, the Chancellor's Office of the California Community Colleges and the State Department of Education shall coordinate so that students enrolled in classes established pursuant to subdivision (a) shall be assigned a statewide student identifier consistent with the identifiers assigned to pupils in K-12 education programs, if the student is not already identified by a social security number in a community college district's data system. For ~~students~~a student who formerly attended a California public school in kindergarten or any of grades 1 to 12, inclusive, or participated in another adult education program, the same statewide student identifier utilized for that student in the past programs shall be assigned. The chancellor's office shall collect and maintain the identifiers of adult school students in the Adult Education Program data system.

SEC. 101. Section *79020* of the Education Code is amended to read:

79020.

Except as otherwise provided the community colleges shall continue in session or close on specified holidays as follows:

(a) The community colleges shall close on January 1st, the third Monday in January, commencing in the 1989–90 fiscal year, known as "Dr. Martin Luther King, Jr. Day," February 12th known as "Lincoln Day," the third Monday in February known as "Washington Day," the last Monday in May known as "Memorial Day," July 4th, the first Monday in September known as "Labor Day," November 11th known as "Veterans Day," that Thursday in November proclaimed by the President as "Thanksgiving Day," and December 25th.

(b) Any contractual provision between any community college district and its employees in effect on the effective date of the act that adds this subdivision shall prevail over any conflict regarding Dr. Martin Luther King, Jr. Day until the termination date of the contract or upon termination by mutual agreement of the parties, whichever occurs first.

(c) The Governor in appointing any other day for a public fast, thanksgiving, or holiday may provide whether the community colleges shall close on the day. If the Governor does not provide whether the community colleges shall close, they shall continue in session on all special or limited holidays appointed by the Governor, but shall close on all other days appointed by the Governor for a public fast, thanksgiving, or holiday.

(d) The community colleges shall close on every day appointed by the President as a public fast, thanksgiving, or holiday, unless it is a special or limited holiday.

(e) The community colleges shall continue in session on all legal holidays other than those designated by or pursuant to this section, and shall hold proper exercises commemorating the day.

(f) When any of the holidays on which the schools would be closed fall on Sunday, the community colleges shall close on the Monday following, except that (1) if Lincoln Day falls on a Sunday, the community colleges may observe this holiday on the preceding or following Friday, the following Monday, or the following Tuesday, and maintain classes on the date specified in subdivision (a) where applicable, or (2) if Lincoln Day falls on a Monday, the community colleges may observe this holiday on the preceding or following Friday, that Monday, or the following Tuesday, and maintain classes on the date specified in subdivision (a) where applicable.

(g) When any of the holidays on which the schools would be closed, except Lincoln Day, fall on Saturday, the community colleges shall close on the preceding Friday, and that Friday shall be declared a state holiday.

(h) If any holiday on which the community colleges are required to close pursuant to subdivision (a) occurs under federal law on a date different than the date specified in subdivision (a), the governing board of any community college district may close the community colleges of the district on the date recognized by federal law and maintain classes on the date specified in subdivision (a).

(i) When Veterans Day would fall on Tuesday, the governing board of a community college district may close the colleges on the preceding Monday, and maintain classes on the date specified in subdivision (a). When Veterans Day would fall on Wednesday, the governing board of a community college district may close the colleges on either the preceding Monday or the following Friday, and maintain classes on the date specified in subdivision (a). When Veterans Day would fall on Thursday, the governing board of a community college district may close the colleges on the following Friday, and maintain classes on the date specified in subdivision (a).

(j) When Lincoln Day would fall on Tuesday, the governing board of a community college district may close the colleges on the preceding Monday, the preceding Friday, or the following Friday, and maintain classes on the date specified in subdivision (a) where appropriate. When Lincoln Day would fall on Wednesday, the governing board of a community college district may close the colleges on the preceding Monday, the preceding Friday, or the following Friday, and maintain classes on the date specified in subdivision (a). When Lincoln Day would fall on Thursday, the governing board of a community college district may close the colleges on the preceding Friday or the following Friday, and maintain classes on the date specified in subdivision (a). When Lincoln Day falls on Saturday, the governing board of a community college district may close the colleges on the preceding Friday or the following Friday, and maintain classes on the date specified in subdivision (a) where appropriate.

(k) In addition to the holidays specified in subdivision (a), a community college may close on March 31, known as “Cesar Chavez Day,” if the governing board, pursuant to a memorandum of understanding reached pursuant to Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, agrees to close the community college for that purpose.

(l) In addition to the holidays specified in subdivision (a), a community college may close on the fourth Friday in September, known as “Native American Day,” if the governing board, pursuant to a memorandum of understanding reached pursuant to Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, agrees to close the community college for that purpose.

(m) In addition to the holidays specified in subdivision (a), Glendale Community College may close on April 24, known as “Armenian Genocide Remembrance Day,” if the governing board, pursuant to a memorandum of understanding reached pursuant to Chapter 10.7 (commencing with Section 3540) of Division 4 of Title 1 of the Government Code, agrees to close the community college for that purpose.

(n) ~~Nothing in this section is to~~This section shall not be interpreted as authorizing a community college district governing board to maintain community colleges in its district for a lesser number of days during the college year than the minimum established by law.

SEC. 102. Section *84750.4* of the Education Code is amended to read:

84750.4.

(a)

(1) The board of governors, in accordance with this section, and in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, so as to ensure their participation in the development and review of policy proposals, shall develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature, and for the purpose of allocating the state general apportionment revenues.

(2) It is the intent of the Legislature in enacting this section to adopt a formula for general purpose apportionments that encourages access for underrepresented students, provides additional funding in recognition of the need to provide additional support for low-income students, rewards colleges' progress on improving student success metrics, and improves overall equity and predictability so that community college districts may more readily plan and implement instruction and programs.

(3) It is the intent of the Legislature to determine the amounts appropriated for purposes of this section through the annual Budget Act. This section shall not be construed as limiting the authority of either the Governor to propose, or the Legislature to approve, appropriations for the California Community Colleges programs or purposes.

(4) ~~It is the intent of the Legislature that for the 2020–21 fiscal year, 70 percent of funding for the Student Centered Funding Formula is for the base allocation provided to districts, 20 percent is for the supplemental allocation provided to districts, and 10 percent is for student success allocation provided to districts.~~

(b)

(1) Commencing with the 2018–19 fiscal year, and each fiscal year thereafter, the chancellor's office shall annually calculate a base allocation, a supplemental allocation, and a student success allocation for each community college district in the state pursuant to this section. This calculation applies only to the allocation of credit revenue. Noncredit instruction, and instruction in career development and college preparation full-time equivalent students (FTES) shall be funded pursuant to the requirements of paragraphs (3) and (4), respectively, of subdivision (d) of Section 84750.5, as that section read on January 1, 2018.

(2) For ~~purposes of this section, unless otherwise specified in the annual Budget Act, the cost-of-living adjustment shall be the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year.~~the 2019–20 fiscal year, the marginal funding rates for the base allocation, supplemental allocation, and student success allocation shall be set to align with the total computational revenue computed by the Department of Finance for community college apportionments as computed for purposes of the 2019–20 Budget Act, in the following manner, after accounting for funding for the hold harmless provisions in subdivisions (g) and (h):

(A) Seventy percent of the total computational revenue shall be distributed to the base allocation pursuant to subdivision (c) and subparagraph (C) of paragraph (1) of subdivision (d).

(B) Twenty percent of the total computational revenue shall be distributed to the supplemental allocation pursuant to subdivision (e).

(C)

(i) Ten percent of the total computational revenue shall be distributed to the student success allocation pursuant to subdivision (f).

(ii) Of the funding distributed pursuant to clause (i), 75 percent shall be allocated for purposes of paragraph (1) of subdivision (f) and 25 percent shall be allocated for purposes of paragraph (2) of subdivision (f).

(3) It is the intent of the Legislature that the final rates set pursuant to paragraph (2) be established in statute for the 2020–21 fiscal year.

(c) For purposes of computing the base allocation, the marginal funding rate for credit revenue per FTES shall be as follows:

(1) For the 2018–19 fiscal year, three thousand seven hundred twenty-seven dollars ($3,727).

(2) For the 2019–20 fiscal year, ~~four thousand nine dollars ($4,009)~~the rate set for this purpose pursuant to subparagraph (A) of paragraph (2) of subdivision (b).

(3) Commencing with the 2020–21 fiscal year, the rate specified in paragraph (2) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(d)

(1) The base allocation shall be computed for each community college district as follows:

(A) Each community college district shall receive a basic allocation based on the number of colleges and comprehensive centers in the community college district that is consistent with the basic allocation formula established by the board of governors pursuant to paragraph (2) of subdivision (d) of Section 84750.5 as of the 2015–16 fiscal year.

(B) Unless otherwise specified in subparagraph (C), each community college district shall receive an allocation based on credit base revenues associated with funded FTES as computed pursuant to subparagraph (A) of paragraph (2) at the rate pursuant to subdivision (c).

(C) Notwithstanding the rate in subdivision (c), for community college districts that had higher rates used to calculate their 2017–18 general purpose apportionments, the following rates shall be used to calculate their base allocations:

(i) For the 2018–19 fiscal year, as follows:

(I) For Foothill-De Anza Community College District, the rate shall be no less than three thousand seven hundred forty-five dollars ($3,745).

(II) For Lake Tahoe Community College District, the rate shall be no less than three thousand eight hundred eighteen dollars ($3,818).

(III) For Lassen Community College District, the rate shall be no less than three thousand seven hundred ninety-four dollars ($3,794).

(IV) For Marin Community College District, the rate shall be no less than four thousand two hundred sixty-one dollars ($4,261).

(V) For MiraCosta Community College District, the rate shall be no less than three thousand seven hundred thirty-four dollars ($3,734).

(VI) For San Francisco Community College District, the rate shall be no less than three thousand seven hundred fifty-six dollars ($3,756).

(VII) For San Jose-Evergreen Community College District, the rate shall be no less than three thousand seven hundred forty-four dollars ($3,744).

(VIII) For Santa Monica Community College District, the rate shall be no less than three thousand seven hundred seventy-six dollars ($3,776).

(IX) For South Orange Community College District, the rate shall be no less than three thousand eight hundred twenty-six dollars ($3,826).

(X) For West Kern Community College District, the rate shall be no less than four thousand nine hundred thirty-four dollars ($4,934).

(ii) For the 2019–20 fiscal year, ~~as follows:~~the rates set for this purpose pursuant to subparagraph (A) of paragraph (2) of subdivision (b).

(I) ~~For Foothill-De Anza Community College District, the rate shall be no less than four thousand twenty-eight dollars ($4,028).~~

(II) ~~For Lake Tahoe Community College District, the rate shall be no less than four thousand one hundred seven dollars ($4,107).~~

(III) ~~For Lassen Community College District, the rate shall be no less than four thousand eighty-one dollars ($4,081).~~

(IV) ~~For Marin Community College District, the rate shall be no less than four thousand five hundred eighty-three dollars ($4,583).~~

(V) ~~For MiraCosta Community College District, the rate shall be no less than four thousand sixteen dollars ($4,016).~~

(VI) ~~For San Francisco Community College District, the rate shall be no less than four thousand forty dollars ($4,040).~~

(VII) ~~For San Jose-Evergreen Community College District, the rate shall be no less than four thousand twenty-seven dollars ($4,027).~~

(VIII) ~~For Santa Monica Community College District, the rate shall be no less than four thousand sixty-two dollars ($4,062).~~

(IX) ~~For South Orange Community College District, the rate shall be no less than four thousand one hundred fifteen dollars ($4,115).~~

(X) ~~For West Kern Community College District, the rate shall be no less than five thousand three hundred seven dollars ($5,307).~~

(iii) Commencing with the 2020–21 fiscal year, the rates specified in clause (ii) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(2) To calculate the base allocation for each community college district, the chancellor's office shall calculate the three-year rolling average comprised of funded FTES from the current year, the prior year, and the year prior to the prior year, as follows:

(A) Commencing with the 2018–19 fiscal year, the chancellor's office shall compute the sum of annually funded credit FTES from the current year, the prior year, and the year prior to the prior year, and divide the sum by three.

(B)

(i) In computing the three-year average pursuant to subparagraph (A), credit FTES associated with enrollment growth proposed in the annual Budget Act shall be excluded from the three-year average and shall instead be added to the computed three-year rolling average.

(ii) In computing the three-year average pursuant to subparagraph (A), credit FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be excluded.

(C) The sum of a community college district's computed three-year FTES rolling average and current year funded FTES growth shall be multiplied by a community college district's applicable base allocation funding rate pursuant to subdivision (c), or subparagraph (C) of paragraph (1), as applicable, to compute a community college district's base allocation.

(D) Community college districts are entitled to the restoration of any reductions in their base allocation due to decreases in FTES during the three years following the initial year of decrease if there is a subsequent increase in FTES.

(E) ~~For the calculation of the three-year rolling average for the base allocation for the 2020–21 fiscal year, the sum of funded credit FTES for the 2019–20 fiscal year, as adjusted for shifts in summer enrollment between fiscal years, may be used in place of funded credit FTES for the 2020–21 fiscal year.~~

(3) In addition to the amounts computed pursuant to paragraphs (1) and (2), each community college district shall receive an allocation based on credit base revenues associated with funded FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004. FTES generated by students who meet the requirements of subdivision (a) of Section 84810.5 and special admit students pursuant to Sections 76002, 76003, and 76004 shall be multiplied by a community college district's applicable credit revenue rate computed for the 2017–18 fiscal year pursuant to Section 84750.5, as that section read on January 1, 2018, as adjusted for 2018–19 fiscal year cost-of-living adjustment and other base adjustments, and adjusted for the changes in the cost-of-living and other base adjustments in subsequent annual budget acts.

(4) The chancellor shall allocate any funding appropriated in the Budget Act for enrollment growth to support the following:

(A) First, for the stated percentage of enrollment growth in the Budget Act and consistent with the growth formula used by the board of governors in the 2015–16 fiscal year.

(B) Second, for the amount of uncapped growth attributable to increases in the amount of a community college district's supplemental allocation.

(C) Third, for the amount of uncapped growth attributable to increases in the amount of a community college district's student success allocation.

(e) Commencing with the 2018–19 fiscal year, a supplemental allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1) The marginal funding rate per point for computing a supplemental allocation shall be as follows:

(A) For the 2018–19 fiscal year, nine hundred nineteen dollars ($919).

(B) For the 2019–20 fiscal year, ~~nine hundred forty-eight dollars ($948)~~the rate set for this purpose pursuant to subparagraph (B) of paragraph (2) of subdivision (b).

(C) (i) Commencing with the 2020–21 fiscal year, the rate specified in subparagraph (B) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(ii) ~~For the calculation of the supplemental allocation for the 2020–21 fiscal year, data from the 2018–19 fiscal year, for purposes of paragraphs (2), (3), and (4), may be used in place of data from the 2019–20 fiscal year.~~

(2) Each community college district shall be granted one point for each student who is a recipient of financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) based on headcount data of students in the prior year.

(3) Each community college district shall be granted one point for each student who is granted an exemption from nonresident tuition pursuant to Section 68130.5, based on headcount data of students in the prior year.

(4) Each community college district shall be granted one point for each student who receives a fee waiver pursuant to Section 76300, based on headcount data of students in the prior year.

(5) For the purposes of calculating the supplemental allocation, the number of students shall be defined as the number of students served by the community college district.

(6) It is the intent of the Legislature that the annual Budget Act fully fund increases in the supplemental allocations computed under this section.

(f) Commencing with the 2018–19 fiscal year, a student success allocation shall be computed for each community college district based on the total points calculated for each community college district in accordance with all of the following:

(1)

(A)

(i) The marginal funding rate per point for computing student success allocation revenue shall be as follows:

(I) For the 2018–19 fiscal year, four hundred forty dollars ($440).

(II) For the 2019–20 fiscal year, ~~five hundred fifty-nine dollars ($559)~~the rate set for this purpose pursuant to subparagraph (C) of paragraph (2) of subdivision (b).

(III) Commencing with the 2020–21 fiscal year, the rate specified in subclause (II) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(ii) (I) Commencing with the 2019–20 fiscal year, to calculate the student success allocation for each community college district, the chancellor's office shall calculate a three-year rolling average for each metric described in this paragraph. To compute the three-year average for each metric, the chancellor's office shall compute the sum of data for that metric from the prior year, the year prior to the prior year, and the year prior to the year prior to the prior year, and divide the sum by three.

(II) ~~For the calculation of the three-year rolling average for the student success allocation for the 2020–21 fiscal year, data from the 2018–19 fiscal year, for purposes of subparagraphs (B), (C), (D), (E), and (F), may be used in place of data from the 2019–20 fiscal year.~~

(B) Each community college district shall be granted, for each student, points for one of the following, with the community college district receiving points based on the outcome that would generate the highest number of points and with the points counted only if the student was enrolled in the community college district in the academic year in which the award was granted:

(i) Three points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(ii) Four points for each chancellor's office approved associate degree for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(iii)

(I) Two points for each chancellor's office approved credit certificate requiring 18 or more units granted, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(II) Chancellor's office approved credit certificates requiring 16 or more units granted may be used to compute these points if the chancellor's office adopts regulations authorizing the approval and issuance of certificates requiring 16 or more units.

(C) Each community college district shall be granted two points for each student who successfully completes both transfer-level mathematics and English courses within the student's first academic year of enrollment, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(D)

(i) Each community college district shall be granted one and one-half points for each student who successfully transfers to a four-year university, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(ii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that has not demonstrated a track record of providing its students with a baccalaureate degree that leads to a majority of the private for-profit college's baccalaureate degree program students obtaining a regional living wage within one year of completing their degree program.

(iii) The chancellor's office may reduce a community college district's transfer points if a community college district enters into, or expands, a transfer partnership with a private for-profit college that does not meet the qualifications to offer its students federal financial aid.

(iv)

(I) For the 2018–19 fiscal year, the data for this metric shall be compiled using publicly available data on transfer students to in-state private and out-of-state institutions, based upon the definition of transfer students reflected in the Transfer Volume to In-State Private and Out-of-State Baccalaureate Granting Institutions Report from the community college management information system as of January 1, 2019, publicly reported transfer data from the California State University, and publicly reported transfer data from the University of California.

(II) Commencing with the 2019–20 fiscal year, the data for this metric shall be based upon a student meeting the following criteria:

(ia) The student has an enrollment record in a community college district in the year prior to the prior year.

(ib) The student has completed 12 or more semester units, or the equivalent, systemwide through the end of the prior year.

(ic) The student does not have an enrollment record systemwide in the prior year.

(id) The student enrolled in a four-year university in the prior year.

(ie) The student has completed 12 or more semester units, or the equivalent, in the community college district in the year prior to the prior year.

(E) Each community college district shall be granted one point for each student who successfully completes nine or more career technical education units, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(F) Each community college district shall be granted one point for each student who obtains a regional living wage within one year of community college completion, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(2)

(A)

(i) Each community college district shall also be granted additional points for an equity component of the student success allocation. The marginal funding per point for the equity component of the student success allocation revenue shall be as follows:

(I) For the 2018–19 fiscal year, one hundred eleven dollars ($111).

(II) For the 2019–20 fiscal year, ~~one hundred forty-one dollars ($141)~~the rate set for this purpose pursuant to subparagraph (C) of paragraph (2) of subdivision (b).

(III) Commencing with the 2020–21 fiscal year, the rate specified in subclause (II) adjusted for changes in the cost-of-living adjustment and other base adjustments in subsequent annual budget acts.

(ii) (I) Commencing with the 2019–20 fiscal year, to calculate the equity component of the student success allocation for each community college district, the chancellor's office shall calculate a three-year rolling average for each metric described in this paragraph. To compute the three-year average for each metric, the chancellor's office shall compute the sum of data for that metric from the prior year, the year prior to the prior year, and the year prior to the year prior to the prior year, and divide the sum by three.

(II) ~~For the calculation of the three-year rolling average for the equity component of the student success allocation for the 2020–21 fiscal year, data from the 2018–19 fiscal year, for purposes of subparagraphs (B) and (C), may be used in place of data from the 2019–20 fiscal year.~~

(B) Each community college district shall receive points for a student who received a fee waiver pursuant to Section 76300 and generated points for any of the metrics described in paragraph (1), based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A). For each student identified pursuant to this subparagraph, the community college district shall receive the number of points equal to the number of points that the community college was granted for that student for each of the metrics described in paragraph (1).

(C)

(i) Each community college district shall receive points for a student who received financial aid under the Federal Pell Grant program (20 U.S.C. Sec. 1070a) and generated points for any of the metrics described in paragraph (1), based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(ii) Each community college district shall receive, for each student identified pursuant to clause (i), points for one of the following, with the community college district receiving points based on the outcome that would generate the highest number of points and with the points counted only if the student was enrolled in the community college district in the academic year in which the award was granted:

(I) Four and one-half points for each chancellor's office approved associate degree or approved baccalaureate degree granted, excluding an associate degree for transfer granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(II) Six points for each chancellor's office approved associate for transfer degree granted pursuant to Article 3 (commencing with Section 66745) of Chapter 9.2 of Part 40 of Division 5, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(III) Three points for each chancellor's office approved credit certificate requiring 16 or more units granted, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(iii) Each community college district shall receive, for each student identified pursuant to clause (i), the number of points equal to the following:

(I) Three points for each student who successfully completes transfer-level mathematics and English courses within the student's first academic year of enrollment, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(II) Two and one-quarter points for each student who successfully transfers to a four-year university, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(III) One and one-half points for each student who successfully completes nine or more career technical education units, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(IV) One and one-half points for each student who obtains a regional living wage within one year of community college completion, based on the three-year rolling average for this metric calculated pursuant to clause (ii) of subparagraph (A).

(3) It is the intent of the Legislature that the annual Budget Act fully fund increases in the student success allocations computed under this section.

(g) To establish a hold harmless protection for community college districts pursuant to the funding allocation established in this section, a minimum funding level for all community college districts shall be computed as follows:

(1) For the 2018–19 and 2019–20 fiscal years, a level of funding to ensure that all community college districts receive at a minimum the total computational revenue the district received in the 2017–18 fiscal year, defined as a district's final entitlement for general purpose apportionment based on FTES and the number of colleges and comprehensive centers the district operates.

(2) Commencing with the 2020–21 fiscal year, and each year thereafter, community college districts shall receive the higher of (A) the funding level determined by the formula established in this section, or (B) the level of funding determined by multiplying the community college district's new FTES by the associated credit, noncredit, and career development and college preparation rate received by the district in the 2017–18 fiscal year. The level of funding shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year.

(3)

(A) From the 2019–20 fiscal year to the ~~2025–26~~2023–24 fiscal year, inclusive, for the San Francisco Community College District and the Compton Community College District, the rates for computing the hold harmless provisions pursuant to paragraphs (1) and (2) shall be multiplied each year by the cost-of-living adjustment identified in the annual Budget Act and adjusted for increases to FTES. The level of funding for the San Francisco Community College District and the Compton Community College District shall be adjusted to include a basic allocation based on the number of colleges and comprehensive centers in the district consistent with the basic allocation rates used in the 2017–18 fiscal year multiplied by the 2018–19 fiscal year cost-of-living adjustment, and adjusted for changes in the cost-of-living in subsequent annual budget acts. The intent of these adjustments is to provide the San Francisco Community College District and the Compton Community College District with the greater of the amount that would have been calculated pursuant to the requirements of Section 84750.5, as that section read on January 1, 2018, adjusted for annual changes in the cost-of-

living adjustment identified in the annual Budget Act and adjusted for increases in FTES, or the amount computed pursuant to the funding formula established in this section.

(B) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for ~~seven~~five fiscal years beginning in the 2017–18 fiscal year, the San Francisco Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2012–13 fiscal year, if there is a subsequent increase in FTES.

(C)

(i) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for ~~seven~~five fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the board of governors shall provide allocations to the Compton Community College District in an amount not less than the total amount that the district would receive if the level of attendance of FTES was the same level of attendance as in the 2017–18 fiscal year. The amount shall be adjusted to reflect cost-of-living adjustments, deficits in apportionments, or both, as appropriate for the applicable fiscal years.

(ii) For purposes of computing the FTES attributable to this paragraph and subdivision (d), for ~~seven~~five fiscal years beginning in the fiscal year the Compton Community College District is accredited under the governing authority of the Board of Trustees of the Compton Community College District, the Compton Community College District shall be entitled to restoration of any reduction in apportionment revenue due to decreases in FTES, up to the level of attendance of FTES funded in the 2017–18 fiscal year, if there is a subsequent increase in FTES.

(iii) In computing statewide entitlements to funding based upon the attendance of FTES, the Compton Community College District shall not be credited with more FTES than were actually enrolled and in attendance.

(4)

(A) Commencing with the 2020–21 fiscal year, decreases in a community college district's total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall result in the associated reduction beginning in the year following the initial year of decreases~~, adjusted for changes in the cost-of-living adjustment~~.

(B) For the 2019–20 fiscal year, a community college district's total revenue computed pursuant to the sum of subdivisions (d), (e), and (f), or computed pursuant to this subdivision shall be no less than its 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for the cost-of-living adjustments for fiscal years 2018–19 and 2019–20.

(h) For the fiscal years 2018–19 to ~~2023–24~~2021–22, inclusive, each community college district whose increase in 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5, compared to apportionment funding computed pursuant to this section, is less than the year-over-year cost-of-living adjustments applicable to those fiscal years, shall receive discretionary resources in an amount needed to ensure that the community college district receives no less than its 2017–18 general purpose apportionment funding computed pursuant to Section 84750.5 adjusted for annual year-over-year cost-of-living adjustments.

(i) The board of governors shall develop the criteria and standards within the statewide minimum requirements established pursuant to this section.

(j)

(1) Except as specifically provided in statute, regulations of the board of governors for determining and allocating the state general apportionment to the community college districts shall not require community college district governing boards to expend the allocated revenues in specified categories of operation.

(2) Except as otherwise provided by statute, current categorical programs providing direct services to students, including extended opportunity programs and services, and disabled student programs and services, shall continue to be funded separately through the annual Budget Act, and shall not be assumed under the budget formula otherwise specified by this section.

(k) It is the intent of the Legislature to allow for changes to the criteria and standards developed pursuant to subdivisions (a) and (h) in order to recognize increased operating costs and to improve instruction.

(l) Notwithstanding Subchapter 1 (commencing with Section 51000) of Chapter 2 of Division 6 of Title 5 of the California Code of Regulations and Section 84751, the chancellor shall allocate the ongoing funds first appropriated to paragraph (1) of subdivision (e) of provision (2) of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2015 (Chapters 10 and 11 of the Statutes of 2015) to all community college districts, including districts that have offsetting local revenues that exceed the funding calculated pursuant to the district's budget formula, on a per FTES basis by modifying each district's budget formula pursuant to this section. Any revisions to the budget formula made for the purposes of this subdivision shall be made and reported consistent with the requirements of subdivision (i).

(m)

(1)

(A) The governing board of each community college district shall certify it will do all the following, no later than January 1, 2019:

(i) Adopt goals for the community college district that meet the following requirements:

(I) Are aligned with the systemwide goals identified in the Vision for Success, which were adopted by the Board of Governors of the California Community Colleges in 2017.

(II) Are measurable numerically.

(III) Specify the specific timeline for achievement.

(ii) For the meeting when the goals are considered for adoption, include in the written agenda an explanation of how the goals are consistent and aligned with the systemwide goals.

(iii) Submit the written item and summary of action to the chancellor's office.

(B) The chancellor's office shall make available guidance to assist governing boards of community college districts in meeting the requirements of this section. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(2) Each community college district shall align its comprehensive plan pursuant to paragraph (9) of subdivision (b) of Section 70901 with the adopted local plan goals and align its budget with the comprehensive plan. The funds apportioned to a community college district pursuant to this section, and for excess tax districts, the Student Equity and Achievement Program, shall be available to implement the activities required pursuant to this paragraph.

(3) If a community college district is identified as needing further assistance to make progress towards achieving specified goals, the chancellor's office, with the approval from the board of governors, may direct the community college district to use up to 1 percent of the district's

apportionments allocation on technical assistance and professional development to support efforts to meet the district's efforts towards their goals.

(4)

(A) The chancellor's office shall develop processes to monitor the approval of new awards, certificates, and degree programs. The chancellor's office shall also develop a process to monitor the number of students who transfer to for-profit postsecondary educational institutions and report on the growth of transfer to these institutions compared to four-year public postsecondary educational institutions.

(B) The chancellor's office shall also develop minimum standards, in consultation with the oversight committee established pursuant to Section 84750.41, for the approval of certificates and awards that would count towards the funding formula pursuant to this section.

(C) The board of governors shall include instructions in the audit report required by Section 84040 related to the implementation of the funding formula pursuant to this section. The chancellor may require a community college district to repay any funding associated with an audit exception identified in a community college district's audit report pursuant to this subparagraph.

(5) Notwithstanding Section 10231.5 of the Government Code, on or before October 15, 2019, and each year thereafter, the chancellor's office shall report to the Legislature, consistent with Section 9795 of the Government Code, on the course sections and FTES added at each community college that received apportionment growth funding in the prior fiscal year, including the number of course sections and if any course sections and FTES were added that are within the primary missions of the segment and those that are not within the primary missions of the segment.

(6)

(A) On or before July 1, 2022, the chancellor's office shall report to the Legislature and the Department of Finance, consistent with Section 9795 of the Government Code, a description on how community college districts are making progress on advancing the goals outlined in the system's strategic vision plan.

(B) The requirement for submitting a report imposed under subparagraph (A) is inoperative on July 1, 2026, pursuant to Section 10231.5 of the Government Code.

(7) Commencing with the 2019–20 fiscal year, the chancellor's office shall publicly post the data, by community college district, used to calculate the supplemental and student success allocations pursuant to subdivisions (e) and (f) on the internet website of the chancellor's office. The chancellor's office shall publicly post a preliminary version of the data for the most recently completed fiscal years by November 15 of each year, and a final version of that data by March 15 of each year.

(n) For purposes of this section, the following terms have the following meanings:

(1) "Career development and college preparation" means courses in programs that conform to the requirements of Section 84760.5.

(2) "Chancellor's office" means the Office of the Chancellor of the California Community Colleges.

(3) "Primary missions of the segment" means credit courses and those noncredit courses specified in paragraphs (2) to (6), inclusive, of subdivision (a) of Section 84757.

SEC. 103. Section *87489* of the Education Code is amended to read:

87489.

(a) For purposes of this section, the following terms have the following meanings:

(1) “Faculty employees” means full-time and temporary community college faculty members.

(2) “Employment certification form” means the form used by the United States Department of Education to certify an individual’s employment at a public service organization for the purposes of the Public Service Loan Forgiveness ~~program~~Program.

(3) “Public Service Loan Forgiveness ~~program~~Program” means the federal loan forgiveness program established pursuant to Section 685.219 of Title 34 of the Code of Federal Regulations.

(b)

(1) The chancellor’s office shall develop materials designed to increase awareness of the Public Service Loan Forgiveness Program, including at least all of the following:

(A) A one-page form letter, for use by community college districts to notify faculty employees who may be eligible for the Public Service Loan Forgiveness ~~program~~Program, that briefly summarizes the program, provides information on what an eligible faculty employee is required to do in order to participate, and recommends that the faculty employee contact the faculty employee’s loan servicer or servicers for additional information.

(B) A detailed fact sheet describing the Public Service Loan Forgiveness ~~program~~Program.

(C) A document containing answers to frequently asked questions about the Public Service Loan Forgiveness ~~program~~Program.

(2) The chancellor’s office shall provide the materials described in paragraph (1) to each community college district for distribution to faculty employees.

(c)

(1) A community college district shall annually provide to all faculty employees the materials described in subdivision (b) in written or electronic form.

(2) In addition to the materials provided annually pursuant to paragraph (1), a community college district shall provide a newly hired faculty employee with those same materials within 30 days of the faculty employee’s first day of employment by mail, by electronic mail, or during an in-person new employee orientation.

(d)

(1) A community college district shall annually provide a faculty employee who is enrolled in the Public Service Loan Forgiveness ~~program~~Program with notice of renewal and a copy of the employment certification form, with the employer portion of the form already completed.

(2) A community college district shall not unreasonably delay in completing the employer portion of the employment certification form.

(e)

(1) For the purpose of qualifying for the Public Service Loan Forgiveness ~~program~~Program, a community college district shall, in completing the employer portion of the employment certification form, credit a faculty employee with at least 3.35 hours worked for each hour of lecture or classroom time. This paragraph does not supersede any higher adjustment factor established by a collective bargaining agreement or employer policy in recognition of the amount of out-of-class work that is associated with instruction, including, but not limited to, performance of office hours.

(2) A community college district shall, in completing the employer portion of the employment certification form, credit a faculty employee with noninstructional assignments hour for hour with no adjustment factor.

SEC. 104. Section *94801.5* of the Education Code, as added by Section 2 of Chapter 520 of the Statutes of 2019, is amended to read:

94801.5.

(a) An out-of-state private postsecondary educational institution shall register with the bureau, pay a fee pursuant to Section 94930.5, and comply with all of the following:

(1) The institution shall provide the bureau with all of the following information for consideration of initial registration by the bureau pursuant to paragraph (2).

(A) Evidence of institutional accreditation.

(B) Evidence that the institution is approved to operate in the state where the institution maintains its main administrative location.

(C) The agent for service of process consistent with Section 94943.5.

(D) A copy of the institution's catalog and, if the institution uses enrollment agreements, a copy of a sample enrollment agreement.

(E) Whether or not the institution, or a predecessor institution under substantially the same control or ownership, had its authorization or approval revoked or suspended by a state or by the federal government, or, within five years before submission of the registration, was subject to an enforcement action by a state or by the federal government that resulted in the imposition of limits on enrollment or student aid, or is subject to such an action that is not final and that was ongoing at the time of submission of the registration.

(F) Whether or not the institution, or a controlling officer of, or a controlling interest or controlling investor in, the institution or in the parent entity of the institution, had been subject to any education, consumer protection, unfair business practice, fraud, or related enforcement action by a state or federal agency within five years ~~prior to~~before submitting the registration. If so, the institution shall provide the bureau a copy of the operative complaint with the registration.

(G) Whether or not the institution is currently on probation, show cause, or subject to other adverse action, or the equivalent thereof, by its accreditor or has had its accreditation revoked or suspended within the five years ~~prior to~~before submitting the registration.

(H) Whether or not the institution, within five years ~~prior to~~before submitting the registration, has settled, or been adjudged to have liability for, a civil complaint alleging the institution's failure to provide educational services, including a complaint alleging a violation of Title IX of the federal Education Amendments of 1972 (*Public Law 92-318*) or a similar state law, or a complaint alleging a violation of a law concerning consumer protection, unfair business practice, or fraud, filed by a student or former student, an employee or former employee, or a public official, for more than two hundred fifty thousand dollars ($250,000). The institution shall provide the bureau a copy of the complaint filed by the plaintiff and a copy of the judgment or settlement agreement for any such judgment or settlement, and the bureau shall consider, pursuant to paragraph (2), all material terms and aspects of the settlement, including, for example, whether a student plaintiff remained enrolled or reenrolled at the institution.

(I) Any additional documentation the bureau deems necessary for consideration in the registration process.

(2) When considering whether to approve, deny, or condition initial registration based upon the information provided by an institution pursuant to paragraph (1), the bureau shall do all of the following:

(A) Not consider any individual submission made under paragraph (1) to be solely determinative of the institution's eligibility for registration but, exercising its reasonable discretion, approve, reject, or condition registration based upon a review of all of the information provided to it under paragraph (1).

(B) Provide an institution with reasonable notice and opportunity to comment before the bureau regarding any determination to deny, condition, or reject initial registration before that determination becomes final. After the determination becomes final, the institution may seek review of the bureau's decision through an action brought pursuant to Section 1085 of the Code of Civil Procedure.

(C) Require the initial registration, if approved, ~~shall~~to memorialize that the institution agrees, as a condition of its registration, to be bound by this section and that its registration may be rejected, conditioned, or revoked for failure to comply with this section, as provided by subdivision (b). The agreement shall be signed by a responsible officer of the institution.

(3) An institution that is registered with the bureau and enrolls a student residing in California shall report in writing to the bureau, within 30 days, the occurrence of any of the following:

(A) The institution has its authorization or approval revoked or suspended by a state or by the federal government, or has been subject to an enforcement action by a state or by the federal government that resulted in the imposition of limits on enrollment or student aid.

(B) The institution or a controlling officer of, or a controlling interest or controlling investor in, the institution or in the parent entity of the institution is subject to any education, consumer protection, unfair business practice, fraud, or related enforcement action by a state or federal agency. If so, the institution shall provide the bureau a copy of the operative complaint.

(C) The institution is currently on probation, show cause, or subject to other adverse action, or the equivalent thereof, by its accreditor or the accreditation of the institution is revoked or suspended.

(D) The institution settles, or is adjudged to have liability for, a civil complaint alleging the institution's failure to provide educational services, including a complaint alleging a violation of Title IX of the federal Education Amendments of 1972 (*Public Law 92-318*) or a similar state law, or a complaint alleging a violation of a law concerning consumer protection, unfair business practice, or fraud, filed by a student or former student, an employee or former employee, or a public official, for more than two hundred fifty thousand dollars ($250,000). The institution shall provide to the bureau a copy of the complaint filed by the plaintiff and a copy of the judgment or settlement agreement for any such judgment or settlement, and the bureau shall consider, pursuant to subdivision (b), all material terms and aspects of the settlement, including, for example, whether a student plaintiff remained enrolled or reenrolled at the institution.

(4) The requirements of the Student Tuition Recovery Fund, established in Article 14 (commencing with Section 94923), and regulations adopted by the bureau related to the fund, for its students residing in California.

(5) The institution shall provide disclosures pursuant to the requirements for the Student Tuition Recovery Fund, established in Article 14 (commencing with Section 94923), and regulations adopted by the bureau related to the fund, for its students residing in California.

(b)

(1) Upon receipt of any of the notifications in paragraph (3) of subdivision (a), the bureau shall, within 30 days of receiving the notice, request the institution to explain in writing why the institution should be permitted to continue to enroll California residents. If the bureau, after reviewing the information submitted in response to the request and after consultation with the Attorney General, issues a written finding that there is no immediate risk to California residents from the institution continuing to enroll new students, the institution shall be permitted, pending completion of a review by the bureau, to continue to enroll new students or the bureau may, in its discretion, limit enrollments.

(2) Any institution under review pursuant to paragraph (1) may have its registration revoked by the bureau if, after further review, the bureau issues a written finding that there is a substantial risk posed to California residents by the institution continuing to enroll California residents.

(3) An institution ~~shall have~~has the right to reasonable notice and opportunity to comment to and before the bureau regarding any determination to revoke registration or to limit enrollment before that determination becomes final. An institution may seek review of a bureau order limiting new student enrollment or revoking registration under this subdivision through an action brought pursuant to Section 1085 of the Code of Civil Procedure.

(4) ~~Nothing in~~ This subdivision shall not be construed as preventing the bureau from revoking an institution's registration on any other grounds specified in this chapter. ~~Nothing in~~ This section shall not be construed as prohibiting or impairing the ability of an institution registered pursuant to this section or eligible to register pursuant to this section from applying to be an approved institution pursuant to this chapter.

(c) This section ~~shall~~does not apply to nonpublic higher education institutions that grant undergraduate degrees, graduate degrees, or both, that are formed as nonprofit corporations, and that are accredited by an agency recognized by the United States Department of Education.

(d) An institution described in subdivision (a) that fails to comply with this section is not authorized to operate in this state. Any institution whose registration is denied or revoked is authorized to reapply for registration after 12 months have elapsed from the date of the denial or revocation of registration.

(e) A registration with the bureau pursuant to this section ~~shall be~~is valid for five years.

(f) The bureau shall develop through emergency regulations effective on and after July 1, 2021, a registration form. The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, or general welfare for purposes of Sections 11346.1 and 11349.6 of the Government Code. These emergency regulations shall become law through the regular rulemaking process by January 1, 2022.

(g) The bureau shall disclose on its internet website a list of institutions registered pursuant to this section through reasonable means and disclose a designated email address for California residents to send a complaint to the bureau about an institution registered pursuant to this section. Complaints received through this email address shall be investigated in the same manner as complaints received by the bureau for institutions approved to operate pursuant to this chapter, but bureau enforcement in response to such complaints against institutions registered pursuant to this section shall be governed by subdivision (b).

(h) This section shall become operative on July 1, 2022.

SEC. 105. Section *2170* of the Elections Code is amended to read:

2170.

(a) "Conditional voter registration" means a properly executed affidavit of registration that is delivered by the registrant to the county elections official during the 14 days immediately preceding an election or on election day and which may be deemed effective pursuant to this article after the elections official processes the affidavit, determines the registrant's eligibility to register, and validates the registrant's information, as specified in subdivision (c).

(b) In addition to other methods of voter registration provided by this code, an elector who is otherwise qualified to register to vote under this code and Section 2 of Article II of the California Constitution may complete a conditional voter registration and cast a provisional ballot, or nonprovisional ballot under subdivision (f), during the 14 days immediately preceding an election or on election day pursuant to this article.

(c)

(1) A conditional voter registration shall be deemed effective if the county elections official is able to determine before or during the canvass period for the election that the registrant is eligible to register to vote and that the information provided by the registrant on the registration affidavit matches information contained in a database maintained by the Department of Motor Vehicles or the federal Social Security Administration.

(2) If the information provided by the registrant on the registration affidavit cannot be verified pursuant to paragraph (1) but the registrant is otherwise eligible to vote, the registrant shall be issued a unique identification number pursuant to Section 2150 and the conditional voter registration shall be deemed effective.

(d) The county elections official shall offer conditional voter registration and voting pursuant to this article, in accordance with all of the following procedures:

(1) The elections official shall provide conditional voter registration and voting pursuant to this article at all permanent and satellite offices of the county elections official and all polling places in the county.

(2) The elections official shall advise registrants that a conditional voter registration will be effective only if the registrant is determined to be eligible to register to vote for the election and the information provided by the registrant on the registration affidavit is verified pursuant to subdivision (c).

(3) The elections official shall conduct the receipt and handling of each conditional voter registration and offer and receive a corresponding ballot in a manner that protects the secrecy of the ballot and allows the elections official to process the registration, determine the registrant's eligibility to register, and validate the registrant's information before counting or rejecting the corresponding ballot.

(4) After receiving a conditional voter registration, the elections official shall process the registration, determine the registrant's eligibility to register, and attempt to validate the registrant's information.

(5) If a conditional registration is deemed effective, the elections official shall include the corresponding ballot in the official canvass.

(e) After receiving a conditional voter registration, the elections official shall provide a provisional ballot in accordance with the following procedures:

(1) If the elections office, satellite office, or polling place is equipped with an electronic poll book, or other means to determine the voter's precinct, the elections official shall provide the voter with a ballot for the voter's precinct if the ballot is available. The ballot may be cast by any means available at the elections office, satellite office, or polling place.

(2) If the elections official is unable to determine the voter's precinct, or a ballot for the voter's precinct is unavailable, the elections official shall provide the voter with a ballot and inform the voter that only the votes for the candidates and measures on which the voter would be entitled to vote in the voter's assigned precinct may be counted pursuant to paragraph (3) of subdivision (c) of Section 14310. The ballot may be cast by any means available at the elections office, satellite office, or polling place.

(3) Notwithstanding paragraph (2), if the elections official is able to determine the voter's precinct, but a ballot for the voter's precinct is unavailable, the elections official may inform the voter of the location of the voter's polling place. A voter described in this paragraph shall not be required to vote at the voter's polling place and may instead, at the voter's choosing, cast a ballot pursuant to paragraph (2).

(4) This subdivision does not apply to elections conducted pursuant to Section 4005 or 4007.

(f) An elections official may offer a nonprovisional ballot to a registrant if the official does both of the following:

(1) Uses the statewide voter registration database developed in compliance with the requirements of the federal Help America Vote Act of 2002 (52 U.S.C. Sec. 20901 et seq.) to do all of the following before issuing the nonprovisional ballot:

(A) Verify that the registrant is deemed eligible to register to vote.

(B) Verify that the registrant has not voted in the state in that election.

(C) Verify that the registrant has not been included on a roster for that election in another county in the state that is not conducting elections pursuant to Section 4005.

(D) Update the voter's record to indicate that the voter has voted in that election.

(2) If the registrant has been included on a roster for that election in that county, the official updates that roster to indicate that the voter has voted and shall not be issued another nonprovisional ballot for that election.

SEC. 106. Section *3019* of the Elections Code is amended to read:

3019.

(a)

(1) Upon receiving a vote by mail ballot, the elections official shall compare the signature on the identification envelope with either of the following to determine if the signatures compare:

(A) The signature appearing on the voter's affidavit of registration or any previous affidavit of registration of the voter.

(B) The signature appearing on a form issued by an elections official that contains the voter's signature and that is part of the voter's registration record.

(2) In comparing signatures pursuant to this section, the elections official may use facsimiles of voters' signatures, provided that the method of preparing and displaying the facsimiles complies with the law.

(3) In comparing signatures pursuant to this section, an elections official may use signature verification technology. If signature verification technology determines that the signatures do not compare, the elections official shall visually examine the signatures and verify that the signatures do not compare.

(4) The variation of a signature caused by the substitution of initials for the first or middle name, or both, is not grounds for the elections official to determine that the signatures do not compare.

(b) If upon conducting the comparison of signatures pursuant to subdivision (a) the elections official determines that the signatures compare, the elections official shall deposit the ballot, still in the identification envelope, in a ballot container in the elections official's office.

(c) If upon conducting the comparison of signatures pursuant to subdivision (a) the elections official determines that the signatures do not compare, the identification envelope shall not be opened and the ballot shall not be counted. The elections official shall write the cause of the rejection on the face of the identification envelope only after completing the procedures described in subdivision (d).

(d)

(1) A minimum of eight days prior to the certification of the election, the elections official shall provide notice to all voters identified pursuant to subdivision (c) of the opportunity to verify their signatures no later than 5 p.m. two days prior to the certification of the election.

(2) The notice and instructions shall be in substantially the following form:

"READ THESE INSTRUCTIONS CAREFULLY. FAILURE TO FOLLOW THESE INSTRUCTIONS MAY CAUSE YOUR VOTE BY MAIL BALLOT NOT TO COUNT.

1. We have determined that the signature you provided on your vote by mail ballot does not match the signature(s) on file in your voter record. In order to ensure that your vote by mail ballot will be counted, the signature verification statement must be completed and returned as soon as possible.

2. The signature verification statement must be received by the elections official of the county where you are registered to vote no later than 5 p.m. two days prior to certification of the election.

3. You must sign your name where specified on the signature verification statement (Voter's Signature).

4. Place the signature verification statement into a mailing envelope addressed to your local elections official. Mail, deliver, or have the completed statement delivered to the elections official. Be sure there is sufficient postage if mailed and that the address of the elections official is correct.

5. If you do not wish to send the signature verification statement by mail or have it delivered, you may submit your completed statement by email or facsimile transmission to your local elections official, or submit your completed statement to a polling place within the county or a ballot dropoff box before the close of the polls on election day."

(3) The notice and instructions shall be translated in all languages required in that county by Section 203 of the federal Voting Rights Act of 1965 (52 U.S.C. Sec. 10503).

(4) The elections official shall not reject a vote by mail ballot identified pursuant to subdivision (c) if each of the following conditions is satisfied:

(A) The voter delivers, in person, by mail, by fax, or by email, a signature verification statement signed by the voter and the elections official receives the statement no later than 5 p.m. two days prior to the certification of the election, or the voter, before the close of the polls on election day, completes and submits a signature verification statement to a polling place within the county or a ballot dropoff box.

(B) Upon receipt of the signature verification statement, the elections official shall compare the signature on the statement with the signature on file in the voter's record.

(i) If upon conducting the comparison of signatures the elections official determines that the signatures compare, the elections official shall deposit the ballot, still in the identification envelope, in a ballot container in the elections official's office.

(ii) If upon conducting the comparison of the signatures the elections official determines that the signatures do not compare, the identification envelope shall not be opened and the ballot shall not be counted. The elections official shall write the cause of the rejection on the face of the identification envelope.

(5) The signature verification statement shall be in substantially the following form and may be included on the same page as the notice and instructions specified in paragraph (2):

"SIGNATURE VERIFICATION STATEMENT

I, _____, am a registered voter of _____ County, State of California. I declare under penalty of perjury that I requested and returned a vote by mail ballot. I am a resident of the precinct in which I have voted, and I am the person whose name appears on the vote by mail ballot envelope. I understand that if I commit or attempt any fraud in connection with voting, or if I aid or abet fraud or attempt to aid or abet fraud in connection with voting, I may be convicted of a felony punishable by imprisonment for 16

months or two or three years. I understand that my failure to sign this statement means that my vote by mail ballot will be invalidated.

_____

_____

Address”

(6) An elections official shall include the vote by mail ballot signature verification statement and instructions provided in this subdivision on the ~~election~~elections official’s internet website and shall provide the elections official’s mailing address, email address, and facsimile transmission number on the internet web page containing the statement and instructions.

(7) If the elections official determines that the signatures compare, the official shall use the signature in the signature verification statement, even if returned untimely, to update the voter’s signature for future elections.

(e)

(1)

(A) Notwithstanding any other law, if an elections official determines that a voter has failed to sign the identification envelope, the elections official shall not reject the vote by mail ballot if the voter does any of the following:

(i) Signs the identification envelope at the office of the elections official during regular business hours no later than 5 p.m. two days prior to the certification of the election.

(ii) No later than 5 p.m. two days prior the certification of the election, completes and submits an unsigned ballot statement in substantially the following form:

“UNSIGNED BALLOT STATEMENT

I, _____, am a registered voter of _____ County, State of California. I declare under penalty of perjury that I requested and returned a vote by mail ballot and that I have not and will not vote more than one ballot in this election. I am a resident of the precinct in which I have voted, and I am the person whose name appears on the vote by mail ballot envelope. I understand that if I commit or attempt any fraud in connection with voting, or if I aid or abet fraud or attempt to aid or abet fraud in connection with voting, I may be convicted of a felony punishable by imprisonment for 16 months or two or three years. I understand that my failure to sign this statement means that my vote by mail ballot will be invalidated.

_____

_____

Address”

(iii) Before the close of the polls on election day, completes and submits an unsigned ballot statement, in the form described in clause (ii), to a polling place within the county or a ballot dropoff box.

(B) A minimum of eight days prior to the certification of the election, the elections official shall provide notice and instructions to all voters identified pursuant to this subdivision of the opportunity to provide a signature no later than 5 p.m. two days prior to the certification of the election.

(C) If timely submitted, the elections official shall accept any completed unsigned ballot statement. Upon receipt of the unsigned ballot statement, the elections official shall compare the voter’s signature on the statement in the manner provided by this section.

(i) If the elections official determines that the signatures compare, the elections official shall attach the unsigned ballot statement to the identification envelope and deposit the ballot, still in the identification envelope, in a ballot container in the elections official's office.

(ii) If the elections official determines that the signatures do not compare, the identification envelope shall not be opened and the elections official shall provide notice to the voter pursuant to subdivisions (c) and (d).

(D) An elections official may use methods other than those described in subparagraph (A) to obtain a voter's signature on an unsigned identification envelope.

(2) Instructions shall accompany the unsigned ballot statement in substantially the following form:

"READ THESE INSTRUCTIONS CAREFULLY BEFORE COMPLETING THE STATEMENT. FAILURE TO FOLLOW THESE INSTRUCTIONS MAY CAUSE YOUR BALLOT NOT TO COUNT.

1. In order to ensure that your vote by mail ballot will be counted, your statement should be completed and returned as soon as possible, but no later than 5 p.m. two days prior to the certification of the election.

2. You must sign your name on the line above (Voter's Signature).

3. Place the statement into a mailing envelope addressed to your local elections official. Mail, deliver, or have delivered the completed statement to the elections official. Be sure there is sufficient postage if mailed and that the address of the elections official is correct.

4. If you do not wish to send the statement by mail or have it delivered, you may submit your completed statement by facsimile or email transmission to your local elections official, or submit your completed statement to a polling place within the county or a ballot dropoff box before the close of the polls on election day."

(3) The notice and instructions shall be translated in all languages required in that county by Section 203 of the federal Voting Rights Act of 1965 (52 U.S.C. Sec. 10503).

(4) An elections official shall include the unsigned ballot statement and instructions described in this subdivision on the elections official's internet website and shall provide the elections official's mailing address, email address, and facsimile transmission number on the internet web page containing the statement and instructions.

(f) A ballot shall not be removed from its identification envelope until the time for processing ballots. A ballot shall not be rejected for cause after the identification envelope has been opened.

SEC. 107. Section *3019.5* of the Elections Code is amended to read:

3019.5.

(a) A county elections official shall establish a free access system that allows a vote by mail voter to learn if the voter's vote by mail ballot was counted and, if not, the reason why the ballot was not counted. For each election, the elections official shall make the free access system available to a vote by mail voter upon completion of the official canvass and for 30 days after completion of the official ~~canvas~~ canvass.

(b) For purposes of establishing the free access system for vote by mail ballots required by subdivision (a), a county elections official may use the free access system for provisional ballots established by the county pursuant to Section 302 of the federal Help America Vote Act of 2002 (52 U.S.C. Sec. 21082).

(c) If a county elections official elects not to mail a county voter information guide to a voter pursuant to Section 13305, the elections official shall use any savings achieved to offset the costs associated with establishing the free access system for vote by mail ballots required by subdivision (a).

(d) When a county elections official updates the county's election management system or voter look-up tool on the county's internet website with new voter information, the elections official shall provide the updated information to the Secretary of State to update the information that the Secretary of State provides to the public.

SEC. 108. Section *6000.2* of the Elections Code is amended to read:

6000.2.

(a) A candidate for the office of the President of the United States shall provide to the Secretary of State proof, in substantially the following form, of meeting at least one of the criteria set forth in Section 6000.1:

GENERALLY ADVOCATED FOR OR RECOGNIZED CANDIDATE

_____, a candidate for the office of the President of the United States of America, is a generally advocated for or recognized candidate, as defined in Section 6000.1 of the Elections Code, and has met at least one of the following criteria:

[ ] The candidate is qualified for funding under the Federal Election Campaign Act of 1974 (52 U.S.C. Sec. 30101, et seq.). Attach supporting documentation and provide a description: _____

[ ] The candidate has appeared as a candidate in a national presidential debate hosted by a political party qualified to participate in a primary election, as defined in subdivision (b) of Section 6000.1 of the Elections Code, with at least two participating candidates, which is publicly available for viewing by voters in more than one state during the current presidential election cycle. Attach supporting documentation and provide a description: _____

[ ] The candidate has been placed or has qualified for placement on a presidential primary ballot or a caucus ballot of a major or minor ballot-qualified political party in at least one other state in the current presidential election cycle. Attach supporting documentation and provide a description: _____

[ ] The candidate has been or has qualified to be a candidate in a caucus of a major or minor ballot-qualified political party in at least one other state in the current presidential election cycle. Attach supporting documentation and provide a description: _____

[ ] The candidate has all of the following (attach documentation and provide a description for each item):

(1) A current presidential campaign internet website or webpage hosted by the candidate or a qualified political party.

(2) A written request submitted on the candidate's behalf to the Secretary of State requesting that the candidate be placed on the presidential primary ballot. The written request is from a party qualified to participate in a primary election, as set forth in ~~the~~ Section 5100 of the Elections Code.

Dated this _____ day of _____, 20__.

_____

(b) The candidate shall file the form set forth in subdivision (a) and any attached supporting documentation with the Secretary of State and specify the California qualified political party ballot on which the candidate seeks to appear on or before the 98th day before the presidential primary election.

SEC. 109. Section *6360* of the Elections Code is amended to read:

6360.

Nomination papers properly prepared, circulated, signed, and verified shall be left~~,~~ for examination~~,~~ with the county elections official of the county in which they are circulated~~,~~ at least 81 days prior to the presidential primary.

SEC. 110. Section *6581* of the Elections Code is amended to read:

6581.

Nomination papers properly prepared, circulated, signed, and verified shall be left~~,~~ for examination~~,~~ with the elections official of the county in which they are circulated at least 81 days prior to the presidential primary.

SEC. 111. Section *6781* of the Elections Code is amended to read:

6781.

Nomination papers properly prepared, circulated, signed, and verified shall be left for examination with the elections official of the county in which they are circulated~~,~~ at least 81 days prior to the presidential primary.

SEC. 112. Section *15620* of the Elections Code is amended to read:

15620.

(a) Following completion of the official canvass, any voter may, within five days thereafter but not later than 5 p.m. on the fifth day, file with the elections official responsible for conducting an election in the county wherein the recount is sought a written request for a recount of the votes cast for candidates for any office, for slates of presidential electors, or for or against any measure, if the office, slate, or measure is not voted on statewide. The request shall specify on behalf of which candidate, slate of electors, or position on a measure (affirmative or negative) it is filed.

(b) If an election is conducted in more than one county, the request for the recount may be filed by any voter within five days but not later ~~that~~than 5 p.m. on the fifth day, beginning on the 31st day after the election, with the elections official of, and the recount may be conducted within, any or all of the affected counties.

(c) For the purposes of this section, "completion of the official canvass" shall be presumed to be that time when the elections official signs the certified statement of the results of the election except that, in the case of a city election, if a city council canvasses the returns itself and does not order the elections official to conduct the canvass, "completion of the official canvass" shall be presumed to be that time when the governing body declares the persons elected or the measures approved or defeated.

SEC. 113. Section *1010.5* of the Evidence Code is amended to read:

1010.5.

A communication between a patient and an educational psychologist, licensed under ~~Article 5~~Chapter 13.5 (commencing with Section ~~4986) of Chapter 13 of~~4989.10) of Division 2 of the Business and Professions Code, shall be privileged to the same extent, and subject to the same limitations, as a communication between a patient and a psychotherapist described in subdivisions (c), (d), and (e) of Section 1010.

SEC. 114. Section *1038.2* of the Evidence Code is amended to read:

1038.2.

As used in this article, the following terms have the following meanings:

(a) "Confidential communication" means all information, including, but not limited to, written and oral communication, transmitted between the victim and the human trafficking caseworker in the course of their relationship and in confidence by a means which, so far as the victim is aware, discloses the information to no third persons other than those who are present to further the

interests of the victim in the consultation or those to whom disclosures are reasonably necessary for the transmission of the information or an accomplishment of the purposes for which the human trafficking caseworker is consulted and made with the victim's knowledge and consent. "Confidential communication" includes all information regarding the facts and circumstances relating to all incidences of human trafficking, as well as all information about the children of the victim and the relationship of the victim to the human trafficker.

(b) "Holder of the privilege" means:

(1) The victim if the victim has no guardian or conservator.

(2) A guardian or conservator of the victim if the victim has a guardian or conservator.

(3) The personal representative of the victim if the victim is deceased.

(c) "Human trafficking caseworker" means a person working for a human trafficking victim service organization, whether financially compensated or not, for the purpose of rendering advice or assistance to victims of human trafficking, who meets the requirements of paragraph (1) or (2) and who also meets the requirements of paragraph (3), if applicable:

(1) Has an advanced degree or license, such as a master's degree in counseling, social work, or a related field and at least one year of experience in a caseworker role working directly with victims of human trafficking.

(2) Has at least 40 hours of training as specified in this paragraph and is supervised by an individual who qualifies as a human trafficking caseworker under paragraph (1). The training, supervised by a person qualified under paragraph (1), shall include, but need not be limited to, the following areas:

(A) History of human trafficking.

(B) Civil and criminal law relating to human trafficking.

(C) Systems of oppression.

(D) Peer counseling techniques.

(E) Resources available to victims of human trafficking.

(F) Crisis intervention and counseling techniques.

(G) Role playing.

(H) Intersections of human trafficking and other crimes.

(I) Client and system advocacy.

(J) Referral services.

(K) Connecting to local, regional, and national human trafficking coalitions.

(L) Explaining privileged communications.

(3) If the caseworker has been employed by a human trafficking service organization for a period of less than six months, that caseworker is supervised by another human trafficking caseworker who has at least one year of experience working with human trafficking victims.

(d) "Human trafficking victim service organization" means a nongovernmental organization or entity that provides shelter, program, or other support services to victims of human trafficking and their children and that does all of the following:

(1) Employs staff that meet the requirements of a human trafficking caseworker as set forth in this section.

(2) Operates a telephone hotline, advertised to the public, for survivor crisis calls.

(3) Offers psychological support and peer counseling provided in accordance with this section.

(4) Makes staff available during normal business hours to assist victims of human trafficking who need shelter, programs, or other support services.

(e) "Victim" means a person who consults a human trafficking caseworker for the purpose of securing advice or assistance concerning a mental, physical, emotional, or other condition related to their experience as a victim of human trafficking.

SEC. 115. Section *3011* of the Family Code is amended to read:

3011.

(a) In making a determination of the best interests of the child in a proceeding described in Section 3021, the court shall, among any other factors it finds relevant and consistent with Section 3020, consider all of the following:

(1) The health, safety, and welfare of the child.

(2)

(A) A history of abuse by one parent or any other person seeking custody against any of the following:

(i) A child to whom the parent or person seeking custody is related by blood or affinity or with whom the parent or person seeking custody has had a caretaking relationship, no matter how temporary.

(ii) The other parent.

(iii) A parent, current spouse, or cohabitant, of the parent or person seeking custody, or a person with whom the parent or person seeking custody has a dating or engagement relationship.

(B) As a prerequisite to considering allegations of abuse, the court may require independent corroboration, including, but not limited to, written reports by law enforcement agencies, child protective services or other social welfare agencies, courts, medical facilities, or other public agencies or private nonprofit organizations providing services to victims of sexual assault or domestic violence. As used in this paragraph, "abuse against a child" means "child abuse and neglect" as defined in Section 11165.6 of the Penal Code and abuse against any of the other persons described in clause (ii) or (iii) of subparagraph (A) means "abuse" as defined in Section 6203.

(3) The nature and amount of contact with both parents, except as provided in Section 3046.

(4) The habitual or continual illegal use of controlled substances, the habitual or continual abuse of alcohol, or the habitual or continual abuse of prescribed controlled substances by either parent. Before considering these allegations, the court may first require independent corroboration, including, but not limited to, written reports from law enforcement agencies, courts, probation departments, social welfare agencies, medical facilities, rehabilitation facilities, or other public agencies or nonprofit organizations providing drug and alcohol abuse services. As used in this paragraph, "controlled substances" has the same meaning as defined in the California Uniform Controlled Substances Act~~, Division~~ (Division 10 (commencing with Section 11000) of the Health and Safety ~~Code~~Code).

(5)

(A) When allegations about a parent pursuant to paragraphs (2) or (4) have been brought to the attention of the court in the current proceeding, and the court makes an order for sole or joint custody to that parent, the court shall state its reasons in writing or on the record. In these

circumstances, the court shall ensure that any order regarding custody or visitation is specific as to time, day, place, and manner of transfer of the child as set forth in subdivision (c) of Section 6323.

(B) This paragraph does not apply if the parties stipulate in writing or on the record regarding custody or visitation.

(b) Notwithstanding subdivision (a), the court shall not consider the sex, gender identity, gender expression, or sexual orientation of a parent, legal guardian, or relative in determining the best interests of the child.

SEC. 116. Section *17306.1* of the Family Code is amended to read:

17306.1.

(a) Commencing with the 2019–20 fiscal year, the department shall implement a revised local child support agency funding methodology that was developed in consultation with the California Child Support Directors Association. The methodology shall consist of both of the following components in the 2019–20 fiscal year:

(1) Casework operations, which consists of a statewide standard case-to-staff ratio, the respective labor costs for each local child support agency, and an operating expense and equipment complement based on a percentage of staffing costs. The department shall propose a specific ratio informed by the working sessions described in subdivision (c) and as part of the required update to the Legislature required by subdivision (d).

(2) Call center operations, which consists of a standard statewide ratio of ~~calls-to-call~~calls to call center agents, the respective labor costs for each local child support agency, and an operating expense and equipment complement based on a percentage of staffing costs.

(b) Any increased state costs that result, either directly or indirectly, from implementation of the funding methodology described in subdivision (a) shall be implemented to the extent of an appropriation of funds in the annual Budget Act.

(c)

(1) The Department of Child Support Services shall convene a series of stakeholder working sessions to develop the ongoing methodology, which shall take effect in the 2020–21 fiscal year. There shall be at least three working sessions during the ~~Summer and Fall~~summer and fall of 2019, beginning as early as possible after July 1, 2019.

(2) The working sessions shall include, but not be limited to, representatives from the Child Support Directors Association, the Legislative Analyst's Office, the Department of Finance, consultants from the Assembly and Senate Health and Human Services budget subcommittees, any other interested Legislative consultants, antipoverty advocates, advocacy organizations representing custodial and ~~non-custodial~~noncustodial parents, including ~~father's~~fathers' rights advocates, impacted families, and any other interested advocates or stakeholders for the child support program.

(3) The working sessions shall do all of the following:

(A) Further refine or change the local child support agency funding methodology defined in subdivision (a), including accounting for performance incentives to be provided in future years.

(B) Discuss additional strategies that might improve the customer service, pragmatic collectability, and cost efficiency of the child support program and assess fiscal impact to operations and collections.

(C) Consider any policy changes that may affect the workload and associated funding needs of the local child support agencies and assess fiscal impact to operations and collections.

(D) Consider the ways that child support collection improves outcomes for children, impacts the well-being of children in relationship to their parents who are ordered to pay support, particularly their fathers, and impacts the racial wealth gap and further analyze the impact that child support has on parents ordered to pay support who do not have the capacity to pay.

(d) The department shall provide a written update describing recommended changes to the funding methodology described in subdivision (a) to the relevant policy committees and budget subcommittee of the Legislature on February 1, 2020. The written update shall include, but not be limited to, a description of the programmatic and policy changes discussed in the working sessions, the feasibility of implementing the discussed programmatic and policy changes, the impact that the discussed programmatic and policy changes would have on operations, collections, and families served, and additional required statutory changes.

SEC. 117. Section *18027* of the Financial Code is amended to read:

18027.

Corporations subject to this division are not subject to the provisions or regulations of the California Financing Law~~,~~ (Division 9 (commencing with Section 22000)).

SEC. 118. Section *2210* of the Fish and Game Code is amended to read:

2210.

(a) In addition to any other penalty provided by law, a person who violates this article, or any rule or regulation adopted pursuant to this article, shall be liable for a civil penalty of no more than twenty-five thousand dollars ($25,000) for each day the person is in violation.

(b) An action against a person who violates this article, or any rule or regulation adopted pursuant to this article, may be brought by the Attorney General, the department, the Department of Food and Agriculture, a district attorney, a city attorney, or a city prosecutor in a city or city and county that has a full-time city prosecutor.

(c) Civil penalties collected pursuant to this section shall be deposited according to the following:

(1)

(A) Subject to subparagraph (B), moneys collected by the Attorney General shall be deposited in the General Fund.

(B) If the department, as the investigating agency, refers the matter to the Attorney General for prosecution, 50 percent of the moneys collected shall be deposited in the Fish and Game Preservation Fund and 50 percent shall be deposited in the General Fund.

(2) Moneys collected by the department shall be deposited in the Fish and Game Preservation Fund. The moneys collected pursuant to this section shall be allocated, upon appropriation by the Legislature, to the department for law enforcement purposes.

(3) Moneys collected by the Department of Food and Agriculture shall be deposited in the Circus Cruelty Prevention Account, which is hereby created in the Department of Food and Agriculture Fund, created pursuant to Section 221 of the Food and Agricultural Code. Moneys in the Circus Cruelty Prevention Account shall be available, upon appropriation by the Legislature, to the Department of Food and Agriculture for the purposes of enforcing this ~~chapter~~article.

(4)

(A) Subject to subparagraph (B), moneys collected by a district attorney, a city attorney, or a city prosecutor in a city or city and county that has a full-time city prosecutor shall be deposited in that city's, county's, or city and county's general fund.

(B) If the department, as the investigating agency, refers the matter to the office of a prosecutor described in subparagraph (A), 50 percent of the moneys collected shall be deposited in the Fish and Game Preservation Fund and 50 percent shall be deposited in the city's, county's, or city and county's general fund.

SEC. 119. Section *4101.3* of the Food and Agricultural Code is amended to read:

4101.3.

(a) Notwithstanding any other law, the California Science Center is hereby authorized to enter into a site lease with the California Science Center Foundation, a California Nonprofit Corporation, with the approval of the Natural Resources Agency, the Department of Finance, and the Department of General Services, for the purpose of the foundation developing, constructing, equipping, furnishing, and funding the project known as Phase II of the California Science Center. The overall construction cost and scope shall be consistent with the amount authorized in the Budget Act of 2002, provided that ~~nothing in~~ this section shall not prevent the foundation from expending additional nonstate funds to complete Phase II provided that the additional expenditures do not result in additional state operation and maintenance costs. Any additional expenditure of nonstate funds by the foundation shall not increase the state's contribution.

(b) For the purpose of carrying out subdivision (a), all of the following ~~shall~~ apply:

(1) In connection with the development described in subdivision (a), above, the foundation may, in its determination, select the most qualified construction manager/general contractor to oversee and manage the work and prepare the competitive bid packages for all major subcontractors to be engaged in the construction of the Phase II Project. Any construction manager/general contractor selected shall be required to have a California general contractor's license.

(2) Before commencement of construction of the Phase II Project, the California Science Center shall enter into a lease-purchase agreement upon approval by the Department of Finance with the foundation on terms that are compatible with the Phase I Project financing. The term of the lease-purchase agreement shall be a term not to exceed 25 years. Lease payments on behalf of the state shall be commensurate with the twenty-two million nine hundred forty-five thousand two hundred sixty-three dollars ($22,945,263), (nineteen million one hundred thirty-seven thousand dollars ($19,137,000) plus 19.9 percent augmentation authority) construction cost allocation of the state. Lease payments may also include any cost of financing that the foundation may incur related to tax-exempt financing. The California Science Center shall be authorized to direct the Controller to send the rental payments under the lease-purchase agreement directly to the foundation's bond trustee.

(3) The foundation shall ensure that the Phase II Project is inspected during construction by the state in the manner consistent with state infrastructure projects. The foundation shall also indemnify and defend and save harmless the Department of General Services for any and all claims and losses accruing and resulting from or arising out of the foundation's use of the state's plans and specifications. The foundation and the California Science Center, upon consultation with the Director of General Services and the Department of Finance, shall agree on a reasonable level of state oversight throughout the construction of the Phase II Project in order to assist the foundation in the completion of the project within the intended scope and cost.

(4) At the end of the term of the site lease and the lease-purchase agreement unencumbered title to the land and improvements shall return to the state with jurisdiction held by Exposition Park and the facilities managed by the California Science Center on behalf of Exposition Park.

SEC. 120. Section *6046* of the Food and Agricultural Code is amended to read:

6046.

(a) There is hereby created in the department the Pierce's Disease Control Program.

(b) The ~~Secretary~~secretary shall appoint a statewide coordinator and provide an appropriate level of support staffing and logistical support for combating Pierce's disease and its vectors.

(c)

(1) There is hereby created the Pierce's Disease Management Account in the Department of Food and Agriculture Fund.

(2) The account shall consist of money transferred from the General Fund and money made available from federal, industry, and other sources. Money made available from federal, industry, and other sources shall be available for expenditure without regard to fiscal year for the purpose of combating Pierce's disease or its vectors and for the purpose described in Section 6047.30. State general funds to be used for research shall be expended only when the secretary has received commitments from nonstate sources for at least a 25-percent match for each state dollar to be expended.

(d) The funds appropriated pursuant to this section to the Department of Food and Agriculture Fund for the purpose of combating Pierce's disease and its vectors shall be used for costs that are incurred by the state or by local entities for the purpose of research and other efforts to combat Pierce's disease and its vectors.

(e) Whenever, in any county, funds are allocated by the department for local assistance regarding Pierce's disease and its vectors, those funds shall be made available to a local public entity, or local public entities, designated by that county's board of supervisors.

(f) Funds appropriated for local assistance shall not be allocated to the local public entity until the local public entity creates a Pierce's disease work plan that is approved by the department. Any funds allocated by the department to a designated local public entity shall be used for activities consistent with the local Pierce's disease work plan or other programs or work plans approved by the department. It shall be the responsibility of the designated local public entity to develop and implement the local Pierce's disease work plan. Upon request, the department shall provide consultation to the local public entity regarding its work plan.

(g) The work plan created by the designated local public entity shall include, but is not limited to, all of the following:

(1) In coordination with the department, the development and delivery of producer outreach information and training to local communities, groups, and individuals to organize their involvement with the work plan and to raise awareness regarding Pierce's disease and its vectors.

(2) In coordination with the department, the development and delivery of ongoing training of the designated local public entity's employees in the biology, survey, and treatment of Pierce's disease and its vectors.

(3) The identification within the designated local public entity of a local Pierce's disease coordinator.

(4) The proposed treatment of Pierce's disease and its vectors. A treatment program shall comply with all applicable laws and regulations and shall be conducted in an environmentally responsible manner.

(5) In coordination with the department, the development and implementation of a data collection system to track and report new infestations of Pierce's disease and its vectors in a manner respectful of property and other rights of those affected.

(h) On an annual basis, while funds appropriated by this section are available for encumbrance, the department shall review the progress of each local public entity's activities regarding Pierce's disease and its vectors and, as needed, make recommendations regarding those activities to the local public entity.

(i)

(1) The department shall report to the Legislature each January 1 while this section is operative, regarding its expenditures, progress, and ongoing priorities in combating Pierce's disease and its vectors in California.

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

(j) This article shall become inoperative on March 1, 2026, and as of January 1, 2027, is repealed, unless a later enacted statute that is enacted before January 1, 2027, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 121. Section *9221* of the Food and Agricultural Code is amended to read:

9221.

An application for a license for any establishment that produces, or proposes to produce, animal blood and blood component products shall be made on forms issued by the secretary. The application shall contain all of the following:

(a) The name and address of the person who owns the place, establishment, or institution in which it is proposed to produce animal blood and blood component products.

(b) The name and address of the person who shall be in charge of the production of animal blood and blood component products.

(c) The type of animal blood and blood component products that shall be produced.

(d) A full description of the building, including its location, facilities, equipment, and apparatus, to be used in the production of animal blood and blood component products.

(e) A written protocol that addresses all of the following:

(1) Maximum length of time for donation by animal donors, or minimum health parameters for animal donors.

(2) Frequency and volume of blood collected from animal blood donors.

(3) Socialization and exercise programs for animal blood donors.

(4) Method of identification of each animal, including microchip or tattoo.

(5) Ongoing veterinary care, including an annual physical exam and vaccination schedule for animals held in blood donor facilities.

(6) Husbandry standards for feeding, watering, sanitation, housing, handling, and care in transit, with minimums based on the standards set forth pursuant to the federal Animal Welfare Act in Part 3 (commencing with Section 3.1) of Subchapter A of Chapter 1 of Title 9 of the Code of Federal Regulations.

(7) Implementation of a permissive adoption program.

(f) An "oversight letter" identifying the oversight veterinarian who will be responsible for oversight of the facility. The letter shall be from the oversight veterinarian, and shall be maintained on file by the secretary. Oversight veterinarians shall be licensed to practice veterinary medicine in California. In the event of a change of the oversight veterinarian, it is the oversight veterinarian's responsibility to give notice to the secretary of the termination of the oversight veterinarian within 30 days of the termination date of the oversight veterinarian. An oversight letter from the incoming oversight veterinarian shall be submitted to the secretary within 30 days of the termination date of the prior oversight veterinarian.

(g) Additional information that the secretary finds is necessary for the proper administration and enforcement of this chapter.

SEC. 122. Section *29302* of the Food and Agricultural Code is amended to read:

29302.

(a) Unless otherwise stated, it shall be an infraction for any person to fail to comply with any requirement of this chapter, or regulations adopted pursuant to this chapter, after a warning notice of seven days is given. However, there shall be no warning notice for infractions involving the following sections:

(1) Subdivisions (b) and (c) of Section 29046.

(2) Subdivisions (b) and (c) of Section 29056.

(3) Section 29072.

(4) Section 29111.

(5) Section 29113.

(6) Section 29120.

(7) Section 29126.

(8) Section 29127.

(9) Section 29145.

(10) Section 29150.

(11) Section 29170.

(12) Section 29171.

(13) Section 29172.

(14) Section 29173.

(15) Section 29204.

(b) Violations shall be referred to the district attorney in the affected county, or to the Attorney General if the district attorney is not able to prosecute the matter. For purposes of this chapter, each incident shall constitute a separate infraction. When violations of provisions governing hives or colonies are involved, each separate hive or colony shall constitute a separate infraction. Notwithstanding any other law, the maximum penalty of each infraction shall be one hundred dollars ($100) for the first hive or colony, plus one dollar ~~($1.00)~~($1) for each additional hive or colony not in compliance, as applicable to a maximum penalty not to exceed one thousand dollars ($1,000), except that a violation of Section 29070 or 29070.5 shall be subject to a maximum fifty dollar ($50) fine. ~~Nothing in this section shall~~This section does not prevent the secretary or the commissioner from initiating any procedures for issuance of a prior warning notice or notice to correct.

SEC. 123. Section *6253.21* of the Government Code is amended to read:

6253.21.

(a) Notwithstanding any other provision of this chapter to the contrary, information regarding family childcare providers, as defined in subdivision (b) of Section 8431 of the Education Code, shall not be subject to public disclosure pursuant to this chapter, except as provided in subdivisions (b) and (c).

(b) Consistent with Section 8432 of the Education Code, copies of names, home and mailing addresses, county, home, if known, work, and cellular telephone numbers, and email addresses of

persons described in subdivision (a) shall be made available, upon request, to provider organizations that have been determined to be a provider organization pursuant to subdivision (a) of Section 8432 of the Education Code. Information shall be made available consistent with the deadlines set in Section 8432 of the Education Code. This information shall not be used by the receiving entity for any purpose other than for purposes of organizing, representing, and assisting family childcare providers.

(c) Consistent with Section 8432 of the Education Code, copies of names, home and mailing addresses, county, home, if known, work, and cellular telephone numbers, and email addresses of persons described in subdivision (a) shall be made available to a certified provider organization, as defined in subdivision (a) of Section 8431 of the Education Code. Information shall be made available consistent with the deadlines set in Section 8432 of the Education Code. This information shall not be used by the receiving entity for any purpose other than for purposes of organizing, representing, and assisting family childcare providers.

(d) This section does not prohibit or limit the disclosure of information otherwise required to be disclosed by the California Child Day Care Facilities Act (Chapter 3.4 (commencing with Section 1596.70) of, Chapter 3.5 (commencing with Section 1596.90) of, and Chapter 3.6 (commencing with Section 1597.30) of, Division 2 of the Health and Safety Code), or to an officer or employee of another state public agency for performance of their official duties under state law.

(e) All confidentiality requirements applicable to recipients of information pursuant to Section 1596.86 of the Health and Safety Code shall apply to protect the personal information of providers of small family ~~day care~~daycare homes, as defined in Section 1596.78 of the Health and Safety Code, that is disclosed pursuant to subdivisions (b) and (c).

(f) A family childcare provider, as defined by subdivision (b) of Section 8431 of the Education Code, may opt out of disclosure of their home and mailing address, home, work, and cellular telephone numbers, and email address from the lists described in subdivisions (c) and (d) of Section 8432 of the Education Code by complying with the procedure set forth in subdivision (k) of Section 8432 of the Education Code.

SEC. 124. Section *6254.35* of the Government Code is amended to read:

6254.35.

(a) For purposes of this section, the following definitions ~~shall~~ apply:

(1) “Customer” means a person or entity that has transacted or is transacting business with or has used or is using the services of a public bank or a person or entity for whom the public bank has acted as a fiduciary with respect to trust property.

(2) “Investment recipient” means an entity in which the public bank invests.

(3) “Loan recipient” means an entity or individual which has received a loan from the public bank.

(4) “Personal data” means social security numbers, tax identification numbers, physical descriptions, home addresses, home telephone numbers, statements of personal worth or any other personal financial data, employment histories, electronic mail addresses, and information that reveals any electronic network location or identity.

(5) “Public bank” has the same meaning as defined in Section 57600.

(b) Notwithstanding another provision of this chapter, the following information and records of a public bank and the related decisions of the directors, officers, and managers of a public bank shall not be subject to disclosure pursuant to this chapter, unless the information has already been publicly released by the custodian of the information:

(1) Due diligence materials that are proprietary to the public bank.

(2) A memorandum or letter produced and distributed internally by the public bank.

(3) A commercial or personal financial statement or other financial data received from an actual or potential customer, loan recipient, or investment recipient.

(4) Meeting materials of a closed session meeting, or a closed session portion of a meeting, of the board of directors, a committee of the board of directors, or executives of a public bank.

(5) A record containing information regarding a portfolio position in which the public bank invests.

(6) A record containing information regarding a specific loan amount or loan term, or information received from a loan recipient or customer pertaining to a loan or an application for a loan.

(7) A capital call or distribution notice, or a notice to a loan recipient or customer regarding a loan or account with the public bank.

(8) An investment agreement, loan agreement, deposit agreement, or a related document.

(9) Specific account information or other personal data received by the public bank from an actual or potential customer, investment recipient, or loan recipient.

(10) A memorandum or letter produced and distributed for purposes of meetings with a federal or state banking regulator.

(11) A memorandum or letter received from a federal or state banking regulator.

(12) Meeting materials of the internal audit committee, the compliance committee, or the governance committee of the ~~Board of Directors~~board of directors of a public bank.

(c) Notwithstanding subdivision (b), the following information contained in records described in subdivision (b) ~~shall be~~is subject to disclosure pursuant to this chapter and shall not be considered a trade secret exempt from disclosure:

(1) The name, title, and appointment year of each director and executive of the public bank.

(2) The name and address of each current investment recipient in which the public bank currently invests.

(3) General internal performance metrics of the public bank and financial statements of the bank, as specified or required by the public bank's charter or as required by federal law.

(4) Final audit reports of the public bank's independent auditors, although disclosure to an independent auditor of any information described in subdivision (b) shall not be construed to permit public disclosure of that information provided to the auditor.

SEC. 125. Section *6259* of the Government Code is amended to read:

6259.

(a) Whenever it is made to appear by verified petition to the superior court of the county where the records or some part thereof are situated that certain public records are being improperly withheld from a member of the public, the court shall order the officer or person charged with withholding the records to disclose the public record or show cause why the officer or person should not do so. The court shall decide the case after examining the record in camera, if permitted by subdivision (b) of Section 915 of the Evidence Code, papers filed by the parties and any oral argument and additional evidence as the court may allow.

(b) If the court finds that the public official's decision to refuse disclosure is not justified under Section 6254 or 6255, the court shall order the public official to make the record public. If the court determines that the public official was justified in refusing to make the record public, the court shall return the item to the public official without disclosing its content with an order supporting the decision refusing disclosure.

(c) In an action filed on or after January 1, 1991, an order of the court, either directing disclosure by a public official or supporting the decision of the public official refusing disclosure, is not a final judgment or order within the meaning of Section 904.1 of the Code of Civil Procedure from which an appeal may be taken, but shall be immediately reviewable by petition to the appellate court for the issuance of an extraordinary writ. Upon entry of any order pursuant to this section, a party shall, in order to obtain review of the order, file a petition within 20 days after service upon the party of a written notice of entry of the order, or within such further time not exceeding an additional 20 days as the trial court may for good cause allow. If the notice is served by mail, the period within which to file the petition shall be increased by five days. A stay of an order or judgment shall not be granted unless the petitioning party demonstrates it will otherwise sustain irreparable damage and probable success on the merits. Any person who fails to obey the order of the court shall be cited to show cause why that person is not in contempt of court.

(d) The court shall award court costs and reasonable attorney's fees to the requester should the requester prevail in litigation filed pursuant to this section. The costs and fees shall be paid by the public agency of which the public official is a member or employee and shall not become a personal liability of the public official. If the court finds that the requester's case is clearly frivolous, it shall award court costs and reasonable attorney's fees to the public agency.

(e) This section shall not be construed to limit a ~~requestor's~~requester's right to obtain fees and costs pursuant to subdivision (d) or pursuant to any other law.

SEC. 126. Section *7603* of the Government Code is amended to read:

7603.

All loans of securities shall be made pursuant to one of the standardized security loan agreement forms, as developed by the administrators of the State Pooled Investment Account ~~(as~~, as authorized by Section 16481 ~~of the Government Code)~~, the Public ~~Employees~~Employees' Retirement System, or the State Teachers' Retirement System and as approved by the Commissioner of Business Oversight.

SEC. 127. Section *8586.7* of the Government Code is amended to read:

8586.7.

(a)

(1) The office and the Department of Forestry and Fire Protection shall jointly establish and lead the Wildfire Forecast and Threat Intelligence Integration Center.

(2) The Wildfire Forecast and Threat Intelligence Integration Center's primary mission shall be to collect, assess, and analyze fire weather data, atmospheric conditions, and other threat indicators that could lead to catastrophic wildfire and to reduce the likelihood and severity of wildfire incidents that could endanger the safety of persons, property, and the environment by developing and sharing intelligence products related to fire weather and fire threat conditions for government decisionmakers.

(3) The Wildfire Forecast and Threat Intelligence Integration Center shall serve as the state's integrated central organizing hub for wildfire forecasting, weather information, and threat intelligence gathering, analysis, and dissemination, and shall also coordinate wildfire threat intelligence and data sharing among federal, state, and local agencies, tribal governments, utilities~~,~~ and other service providers, academic institutions, and nongovernmental organizations.

(b)

(1) The Wildfire Forecast and Threat Intelligence Integration Center shall be comprised of representatives from the following organizations:

(A) The Office of Emergency Services.

(B) The Department of Forestry and Fire Protection.

(C) The Public Utilities Commission.

(D) The Military Department.

(E) The University of California.

(F) The California State University.

(G) The California Utilities Emergency Association.

(H) At least one representative of investor-owned utility companies, appointed by the President of the Public Utilities Commission.

(I) At least one representative of publicly owned utilities, appointed jointly by the Director of Emergency Services and the Director of Forestry and Fire Protection.

(J) Other members as designated jointly by the Director of Emergency Services and the Director of Forestry and Fire Protection.

(2) The office and the Department of Forestry and Fire Protection may invite the following organizations to designate representatives to the Wildfire Forecast and Threat Intelligence Integration Center:

(A) The National Weather Service.

(B) The United States Forest Service.

(c) The Wildfire Forecast and Threat Intelligence Integration Center shall share intelligence and data relevant to wildfire threat, forecasting, detection, and prevention activities received from utility wildfire and emergency operations centers, partner academic institutions, private companies, and other sources in coordination with all of the following:

(1) The Northern California Geographic Area Coordination Center and the Southern California Geographic Area Coordination Center, inclusive of the Department of Forestry and Fire Protection's predictive services unit.

(2) The California Wildland Fire Coordinating Group.

(3) The National Weather Service.

(4) The State Operations Center within the office.

(5) The California State Warning Center within the office.

(d) The Wildfire Forecast and Threat Intelligence Integration Center shall do all of the following:

(1) Provide intelligence and data in compliance with National Fire Danger Rating System standards and guidelines about wildfire threats to government agencies and designated alerting authorities, as that term is defined in paragraph (1) of subdivision (g) of Section 8594.16.

(2) Develop intelligence products for use by public and private sector entities engaged in wildfire risk mitigation efforts.

(e) The Wildfire Forecast and Threat Intelligence Integration Center shall develop a statewide wildfire forecast and threat intelligence strategy to improve how wildfire threats are identified, understood, and shared in order to reduce threats to California government, businesses, and consumers. The strategy shall strengthen wildfire emergency preparedness and response, standardize the implementation of environmental monitoring and assessment, enhance forecasting and detection capabilities, maximize the use of science and technology, and expand public knowledge and awareness of wildfire risks.

(f) The Wildfire Forecast and Threat Intelligence Integration Center shall be a signatory to the interagency California Fire Weather Annual Operating Plan.

(g) Information sharing by the Wildfire Forecast and Threat Intelligence Integration Center shall be conducted in a manner that protects and safeguards sensitive information, preserves business confidentiality, and enables public officials to detect, investigate, respond to, prevent, and recover from catastrophic wildfires that threaten public health and safety and economic stability.

SEC. 128. Section *8592.20* of the Government Code is amended to read:

8592.20.

(a) This article shall be known, and may be cited, as the Manny Alert Act.

(b) It is the intent of the Legislature to explore the establishment of a statewide system under the management of the California Office of Emergency Services that provides the ability for ~~Public Safety Answering Points~~public safety answering points to aid in dispatching activities. The statewide system would enable all Californians, including older adults, individuals with disabilities, and other at-risk persons, to voluntarily provide vital health and safety information to enable first responders to better assist them during an accident or emergency.

(c) It is also the intent of the Legislature that the statewide system would inform law enforcement, fire departments, and emergency medical service personnel, who are planning for or responding to an emergency, with crucial information necessary for interacting with all Californians, especially older adults, individuals with disabilities, and other at-risk persons, so as to maximize the safety of these persons, minimize the likelihood of injury, and promote the safety of all individuals.

SEC. 129. Section *8654.2* of the Government Code is amended to read:

8654.2.

The Legislature finds and declares the following:

(a) Catastrophic threats exist to lives, property, and resources in California, including wildfire. Climate change, an epidemic of dead and dying trees, and the proliferation of new homes in the wildland urban interface magnify this threat and place substantially more people and property at risk than in preceding decades. More than 25 million acres of California wildlands are classified as under very high or extreme fire threat, extending that risk to over one-half of the state.

(b) Certain populations in our state are particularly vulnerable to wildfire threats. These Californians live in communities that face near-term public safety threats given their location. Some residents in these areas are made further vulnerable due to factors such as age and lack of mobility. The tragic loss of life and property in the Town of Paradise during the 2018 Camp Fire demonstrates such vulnerability.

(c) While California has stringent building standards for new construction and requirements for the maintenance of defensible space in wildfire hazard areas, California must develop statewide options to encourage cost-effective structure hardening to create fire resistant homes, businesses, and public buildings within wildfire hazard areas and with a focus on vulnerable communities.

(d) It is the intent of the Legislature to offer financial assistance through a statewide program to communities for ~~all-hazards~~all hazards in support of a comprehensive mitigation strategy and reduce or eliminate potential risks and impacts of disasters in order to promote faster recovery after disasters and, overall, a more resilient state.

(e) It is further the intent of the Legislature to develop a comprehensive financial assistance program to help property owners, whole communities, and local governments retrofit existing housing, commercial, and public properties in wildfire hazard areas to a cost-effective standard that

provides comprehensive risk reduction to protect structures from fires spreading from adjacent structures or vegetation, and to prevent vegetation from spreading fires to adjacent structures.

SEC. 130. Section *8654.3* of the Government Code is amended to read:

8654.3.

For purposes of this section:

(a) "Joint powers authority" means the agency or entity designated or created pursuant to a joint powers agreement between the Office of Emergency Services and the Department of Forestry and Fire Protection, entered into pursuant to Section 8654.4, to implement this article.

(b) "Structure hardening" means the installation, replacement, or retrofitting of building materials, systems, or assemblies used in the exterior design and construction of existing nonconforming structures with features that are in compliance with Chapter 7A (commencing with Section 701A.1) of Part 2 of Title 24 of the California Code of Regulations, or any appropriate successor regulatory code with the primary purpose of reducing risk to structures from wildfire or conforming to the low-cost retrofit list, and updates to that list developed pursuant to paragraph (1) of subdivision (c) of Section 51189.

SEC. 131. Section *8654.5* of the Government Code is amended to read:

8654.5.

(a) The State Fire Marshal, in consultation with the Director of Forestry and Fire Protection and the Director of Housing and Community Development, shall, consistent with Section 8654.2, identify building retrofits and structure hardening measures eligible for financial assistance under the wildfire mitigation program that are both ~~cost-effective~~cost effective and provide for appropriate site or structure fire risk reduction.

(b) The Department of Forestry and Fire Protection shall identify defensible space, vegetation management, and fuel modification activities eligible for financial assistance under the wildfire mitigation program that are both ~~cost-effective~~cost effective and reduce the risk of wildfire for entire neighborhoods and communities.

SEC. 132. Section *8654.7* of the Government Code is amended to read:

8654.7.

(a) The joint powers authority may accept any federal funds granted, by act of Congress or by executive order, for all or any of the purposes of this ~~chapter~~article.

(b) The joint powers authority shall develop criteria and a scoring methodology to prioritize financial assistance provided under the wildfire mitigation program to areas and communities based upon criteria that include, but are not limited to, all of the following:

(1) Area and community vulnerability to wildfire.

(2) The impact of future climate risk factors on area and community wildfire vulnerability assessments.

(3) Factors that lead some populations to experience a greater risk to wildfire, adverse health outcomes, or an inhibited ability to respond to a wildfire, including socioeconomic characteristics of the areas or communities that would be protected by financial assistance. For purposes of this paragraph "relevant socioeconomic characteristics" may include, among other things, data on poverty levels, residents with disabilities, language barriers, residents over 65 or under 5 years of age, and households without a car.

(c) Subdivision (b) ~~shall apply~~applies to all financial assistance provided under the wildfire mitigation program unless the joint powers authority determines that all, or a portion of, subdivision (b) should not apply to an award of federal funds on the basis of terms and conditions imposed by the federal government on that award of federal funds.

SEC. 133. Section *8654.9* of the Government Code is amended to read:

8654.9.

(a) The joint powers authority may enter into cooperative agreements with any of the following eligible entities to perform those functions eligible for financial assistance under the wildfire mitigation program in lieu of, or in addition to, an award of financial assistance~~.~~:

(1) The California Conservation Corps.

(2) University of California fire ~~advisors~~advisers.

(3) Regional conservation corps.

(4) Resource conservation districts.

(5) Fire safe councils.

(6) Fire protection districts.

(7) State conservancies.

(8) Cities.

(9) Counties.

(10) Any other qualified state and local agencies.

(b) The Department of Forestry and Fire Protection may specify the required training, experience, or other qualifications necessary before a person may perform those functions eligible for financial assistance under the wildfire mitigation program pursuant to a cooperative agreement.

SEC. 134. Section *8654.10* of the Government Code is amended to read:

8654.10.

(a) The operation of this article is contingent upon an appropriation by the Legislature in the annual Budget Act or another statute for purposes of this article.

(b) No later than July 1, 2024, the joint powers authority shall submit a report to the Legislature, in compliance with Section 9795, regarding the implementation of the wildfire mitigation financial assistance program administered pursuant to this ~~chapter~~article. The report shall include, but is not limited to, all of the following:

(1) An evaluation of the cost-effectiveness of the wildfire mitigation program compared to other structure hardening, defensible space, vegetation management, and fuel reduction incentive programs.

(2) An evaluation of the overall wildfire risk reduction achieved statewide through awards of financial assistance under the wildfire mitigation program.

(3) Detailed information about the quantity, monetary value, geographic distribution, and categories of awards of financial assistance made under the wildfire mitigation program.

(4) Detailed information about the sources and amounts of funds appropriated or granted to the wildfire mitigation program.

(5) Detailed information about barriers encountered to completing work awarded financial assistance under the wildfire mitigation program, including state, regional, or local permitting requirements.

(6) Any other information the ~~office~~Office of Emergency Services determines is necessary or convenient to evaluate the financial assistance awarded under the program.

(c) This article shall remain in effect only until July 1, 2025, and as of that date is repealed.

SEC. 135. Section *8669.3* of the Government Code is amended to read:

8669.3.

For purposes of this article, the following terms have the following meanings:

(a) "Confidential communication" means any information, including, but not limited to, written or oral communication, transmitted between a law enforcement personnel, a peer support team member, or a crisis hotline or crisis referral service staff member while the peer support team member provides peer support services or the crisis hotline or crisis referral service staff member provides crisis services, and in confidence by a means that, as far as the law enforcement personnel is aware, does not disclose the information to third persons other than those who are present to further the interests of the law enforcement personnel in the delivery of peer support services or those to whom disclosures are reasonably necessary for the transmission of the information or an accomplishment of the purposes for which the peer support team member is providing services. "Confidential communication" does not include a communication in which the law enforcement personnel discloses the commission of a crime or a communication in which the law enforcement personnel's intent to defraud or deceive an investigation into a critical incident is revealed.

(b) "Crisis referral services" include all public or private organizations that provide consultation and treatment resources for personal problems, including mental health issues, chemical dependency, domestic violence, gambling, financial problems, and other personal crises. Neither crisis referral services nor crisis hotlines include services provided by an employee association, labor relations representative, or labor relations organization, or any entity owned or operated by an employee association, labor relations representative, or labor relations organization.

(c) "Critical incident" means an event or situation that involves crisis, disaster, trauma, or emergency.

(d) "Critical incident stress" means the acute or cumulative psychological stress or trauma that law enforcement personnel may experience in providing emergency services in response to a critical incident. The stress or trauma is an unusually strong emotional, cognitive, behavioral, or physical reaction that may interfere with normal functioning and could lead to post-traumatic stress injuries, including, but not limited to, one or more of the following:

(1) Physical and emotional illness.

(2) Failure of usual coping mechanisms.

(3) Loss of interest in the job or normal life activities.

(4) Personality changes.

(5) Loss of ability to function.

(6) Psychological disruption of personal life, including their relationship with a spouse, child, or friend.

(e) "Law enforcement agency" means a local or regional department or agency, or any political subdivision thereof, that employs a peace officer, as defined in Section 830 of the Penal Code.

(f) "Law enforcement personnel" means an officer or employee of a local or regional law enforcement agency.

(g) "Peer support services" means authorized peer support services provided by a peer support team member to law enforcement personnel and their immediate families affected by a critical incident or the cumulative effect of witnessing multiple critical incidents. Peer support services assist those affected by a critical incident in coping with critical incident stress and mitigating reactions to critical incident stress. Peer support services may include one or more of the following:

(1) Precrisis education.

(2) Critical incident stress defusings.

(3) Critical incident stress debriefings.

(4) On-scene support services.

(5) One-on-one support services.

(6) Consultation.

(7) Referral services.

(8) Confidentiality obligations.

(9) The impact of toxic stress on health and well-being.

(10) Grief support.

(11) Substance abuse awareness and approaches.

(12) Active listening skills.

(h) "Peer support program" means a program administered by a law enforcement agency to deliver peer support services to law enforcement personnel.

(i) "Peer support team" means a law enforcement agency response team composed of peer support team members.

(j) "Peer support team member" means a law enforcement agency employee who has completed a peer support training course or courses pursuant to Section 8669.6. Agency selection criteria of peer support team members shall be incorporated into agency policies.

SEC. 136. The heading of Article 7 (commencing with Section 12580) of Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code is amended to read:

Article 7. Supervision of Trustees and Fundraisers for Charitable Purposes Act

SEC. 137. Section *12832* of the Government Code is amended to read:

12832.

Commencing on July 1, 2020, the Department of Youth and Community Restoration and the Department of Forestry and Fire ~~Prevention~~Protection may enter into agreements for the creation and maintenance of work programs, rehabilitative services, and workforce development opportunities for the benefit of individuals subject to the jurisdiction of the department. Pursuant to Section 12825, rehabilitative programs and services in existence on June 30, 2019, that are provided in whole or in part through the Department of Forestry and Fire Protection to the predecessor entity are expressly continued with the Department of Youth and Community Restoration. An agreement to which the predecessor entity and the Department of Forestry and Fire ~~Prevention~~Protection are a party is not void or voidable by reason of the act that added this section, but is continued in full force and effect, with the Department of Youth and Community Restoration assuming all of the rights, obligations, and duties of

the predecessor entity. This assumption by the department does not affect the rights of the parties to the contract, lease, license, or agreement.

SEC. 138. Section *12835* of the Government Code is amended to read:

12835.

Individuals convicted and sentenced by a superior court who are housed at the Department of Youth and Community Restoration pursuant to subdivision (c) of Section 1731.5 or Section 1731.7 of the Welfare and Institutions Code continue to be eligible for parole consideration and the award of credits pursuant to Section 32 of Article I of the California Constitution and shall continue to have the rights and privileges to parole consideration and credit earning pursuant to Sections 2449.1 to 2449.7, inclusive, Sections 3043 to 3043.6, inclusive, and Sections 3490 to 3493, inclusive, of Title 15 of the California Code of Regulations, as may be amended. The Board of Parole Hearings is entitled to access ~~of~~ to all records necessary to determine whether a nonviolent offender housed within the Department of Youth and Community Restoration will be released. The department may adopt regulations in furtherance of the administration of this section.

SEC. 139. Section *12926* of the Government Code is amended to read:

12926.

As used in this part in connection with unlawful practices, unless a different meaning clearly appears from the context:

(a) "Affirmative relief" or "prospective relief" includes the authority to order reinstatement of an employee, awards of backpay, reimbursement of out-of-pocket expenses, hiring, transfers, reassignments, grants of tenure, promotions, cease and desist orders, posting of notices, training of personnel, testing, expunging of records, reporting of records, and any other similar relief that is intended to correct unlawful practices under this part.

(b) "Age" refers to the chronological age of any individual who has reached a 40th birthday.

(c) Except as provided by Section 12926.05, "employee" does not include any individual employed by that person's parent, spouse, or child or any individual employed under a special license in a nonprofit sheltered workshop or rehabilitation facility.

(d) "Employer" includes any person regularly employing five or more persons, or any person acting as an agent of an employer, directly or indirectly, the state or any political or civil subdivision of the state, and cities, except as follows:

"Employer" does not include a religious association or corporation not organized for private profit.

(e) "Employment agency" includes any person undertaking for compensation to procure employees or opportunities to work.

(f) "Essential functions" means the fundamental job duties of the employment position the individual with a disability holds or desires. "Essential functions" does not include the marginal functions of the position.

(1) A job function may be considered essential for any of several reasons, including, but not limited to, any one or more of the following:

(A) The function may be essential because the reason the position exists is to perform that function.

(B) The function may be essential because of the limited number of employees available among whom the performance of that job function can be distributed.

(C) The function may be highly specialized, so that the incumbent in the position is hired based on expertise or the ability to perform a particular function.

(2) Evidence of whether a particular function is essential includes, but is not limited to, the following:

(A) The employer's judgment as to which functions are essential.

(B) Written job descriptions prepared before advertising or interviewing applicants for the job.

(C) The amount of time spent on the job performing the function.

(D) The consequences of not requiring the incumbent to perform the function.

(E) The terms of a collective bargaining agreement.

(F) The work experiences of past incumbents in the job.

(G) The current work experience of incumbents in similar jobs.

(g)

(1) "Genetic information" means, with respect to any individual, information about any of the following:

(A) The individual's genetic tests.

(B) The genetic tests of family members of the individual.

(C) The manifestation of a disease or disorder in family members of the individual.

(2) "Genetic information" includes any request for, or receipt of, genetic services, or participation in clinical research that includes genetic services, by an individual or any family member of the individual.

(3) "Genetic information" does not include information about the sex or age of any individual.

(h) "Labor organization" includes any organization that exists and is constituted for the purpose, in whole or in part, of collective bargaining or of dealing with employers concerning grievances, terms or conditions of employment, or of other mutual aid or protection.

(i) "Medical condition" means either of the following:

(1) Any health impairment related to or associated with a diagnosis of cancer or a record or history of cancer.

(2) Genetic characteristics. For purposes of this section, "genetic characteristics" means either of the following:

(A) Any scientifically or medically identifiable gene or chromosome, or combination or alteration thereof, that is known to be a cause of a disease or disorder in a person or that person's offspring, or that is determined to be associated with a statistically increased risk of development of a disease or disorder, and that is presently not associated with any symptoms of any disease or disorder.

(B) Inherited characteristics that may derive from the individual or family member, that are known to be a cause of a disease or disorder in a person or that person's offspring, or that are determined to be associated with a statistically increased risk of development of a disease or disorder, and that are presently not associated with any symptoms of any disease or disorder.

(j) "Mental disability" includes, but is not limited to, all of the following:

(1) Having any mental or psychological disorder or condition, such as intellectual disability, organic brain syndrome, emotional or mental illness, or specific learning disabilities, that limits a major life activity. For purposes of this section:

(A) "Limits" shall be determined without regard to mitigating measures, such as medications, assistive devices, or reasonable accommodations, unless the mitigating measure itself limits a major life activity.

(B) A mental or psychological disorder or condition limits a major life activity if it makes the achievement of the major life activity difficult.

(C) "Major life activities" shall be broadly construed and shall include physical, mental, and social activities and working.

(2) Any other mental or psychological disorder or condition not described in paragraph (1) that requires special education or related services.

(3) Having a record or history of a mental or psychological disorder or condition described in paragraph (1) or (2), which is known to the employer or other entity covered by this part.

(4) Being regarded or treated by the employer or other entity covered by this part as having, or having had, any mental condition that makes achievement of a major life activity difficult.

(5) Being regarded or treated by the employer or other entity covered by this part as having, or having had, a mental or psychological disorder or condition that has no present disabling effect, but that may become a mental disability as described in paragraph (1) or (2).

"Mental disability" does not include sexual behavior disorders, compulsive gambling, kleptomania, pyromania, or psychoactive substance use disorders resulting from the current unlawful use of controlled substances or other drugs.

(k) "Military and veteran status" means a member or veteran of the United States Armed Forces, United States Armed Forces Reserve, the United States National Guard, and the California National Guard.

(l) "On the bases enumerated in this part" means or refers to discrimination on the basis of one or more of the following: race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, sexual orientation, or military and veteran status.

(m) "Physical disability" includes, but is not limited to, all of the following:

(1) Having any physiological disease, disorder, condition, cosmetic disfigurement, or anatomical loss that does both of the following:

(A) Affects one or more of the following body systems: neurological, immunological, musculoskeletal, special sense organs, respiratory, including speech organs, cardiovascular, reproductive, digestive, genitourinary, hemic and lymphatic, skin, and endocrine.

(B) Limits a major life activity. For purposes of this section:

(i) "Limits" shall be determined without regard to mitigating measures such as medications, assistive devices, prosthetics, or reasonable accommodations, unless the mitigating measure itself limits a major life activity.

(ii) A physiological disease, disorder, condition, cosmetic disfigurement, or anatomical loss limits a major life activity if it makes the achievement of the major life activity difficult.

(iii) "Major life activities" shall be broadly construed and includes physical, mental, and social activities and working.

(2) Any other health impairment not described in paragraph (1) that requires special education or related services.

(3) Having a record or history of a disease, disorder, condition, cosmetic disfigurement, anatomical loss, or health impairment described in paragraph (1) or (2), which is known to the employer or other entity covered by this part.

(4) Being regarded or treated by the employer or other entity covered by this part as having, or having had, any physical condition that makes achievement of a major life activity difficult.

(5) Being regarded or treated by the employer or other entity covered by this part as having, or having had, a disease, disorder, condition, cosmetic disfigurement, anatomical loss, or health impairment that has no present disabling effect but may become a physical disability as described in paragraph (1) or (2).

(6) "Physical disability" does not include sexual behavior disorders, compulsive gambling, kleptomania, pyromania, or psychoactive substance use disorders resulting from the current unlawful use of controlled substances or other drugs.

(n) Notwithstanding subdivisions (j) and (m), if the definition of "disability" used in the federal Americans with Disabilities Act of 1990 (*Public Law 101-336*) would result in broader protection of the civil rights of individuals with a mental disability or physical disability, as defined in subdivision (j) or (m), or would include any medical condition not included within those definitions, then that broader protection or coverage shall be deemed incorporated by reference into, and shall prevail over conflicting provisions of, the definitions in subdivisions (j) and (m).

(o) "Race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, age, sexual orientation, or military and veteran status" includes a perception that the person has any of those characteristics or that the person is associated with a person who has, or is perceived to have, any of those characteristics.

(p) "Reasonable accommodation" may include either of the following:

(1) Making existing facilities used by employees readily accessible to, and usable by, individuals with disabilities.

(2) Job restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, adjustment or modifications of examinations, training materials or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities.

(q) "Religious creed," "religion," "religious observance," "religious belief," and "creed" include all aspects of religious belief, observance, and practice, including religious dress and grooming practices. "Religious dress practice" shall be construed broadly to include the wearing or carrying of religious clothing, head or face coverings, jewelry, artifacts, and any other item that is part of an individual observing a religious creed. "Religious grooming practice" shall be construed broadly to include all forms of head, facial, and body hair that are part of an individual observing a religious creed.

(r)

(1) "Sex" includes, but is not limited to, the following:

(A) Pregnancy or medical conditions related to pregnancy.

(B) Childbirth or medical conditions related to childbirth.

(C) Breastfeeding or medical conditions related to breastfeeding.

(2) "Sex" also includes, but is not limited to, a person's gender. "Gender" means sex, and includes a person's gender identity and gender expression. "Gender expression" means a

person's gender-related appearance and behavior whether or not stereotypically associated with the person's assigned sex at birth.

(s) "Sexual orientation" means heterosexuality, homosexuality, and bisexuality.

(t) "Supervisor" means any individual having the authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or the responsibility to direct them, or to adjust their grievances, or effectively to recommend that action, if, in connection with the foregoing, the exercise of that authority is not of a merely routine or clerical nature, but requires the use of independent judgment.

(u) "Undue hardship" means an action requiring significant difficulty or expense, when considered in light of the following factors:

(1) The nature and cost of the accommodation needed.

(2) The overall financial resources of the facilities involved in the provision of the reasonable accommodations, the number of persons employed at the facility, and the effect on expenses and resources or the impact otherwise of these accommodations upon the operation of the facility.

(3) The overall financial resources of the covered entity, the overall size of the business of a covered entity with respect to the number of employees, and the number, type, and location of its facilities.

(4) The type of operations, including the composition, structure, and functions of the workforce of the entity.

(5) The geographic separateness or administrative or fiscal relationship of the facility or facilities.

(v) "National origin" discrimination includes, but is not limited to, discrimination on the basis of possessing a driver's license granted under Section 12801.9 of the Vehicle Code.

(w) "Race" is inclusive of traits historically associated with race, including, but not limited to, hair texture and protective hairstyles.

(x) "Protective hairstyles" includes, but is not limited to, such hairstyles as braids, ~~locks~~locs, and twists.

SEC. 140. Section *12950.1* of the Government Code is amended to read:

12950.1.

(a)

(1) By January 1, 2021, an employer having five or more employees shall provide at least two hours of classroom or other effective interactive training and education regarding sexual harassment to all supervisory employees and at least one hour of classroom or other effective interactive training and education regarding sexual harassment to all nonsupervisory employees in California. Thereafter, each employer covered by this section shall provide sexual harassment training and education to each employee in California once every two years. New nonsupervisory employees shall be provided training within six months of hire. New supervisory employees shall be provided training within six months of the assumption of a supervisory position. An employer may provide this training in conjunction with other training provided to the employees. The training may be completed by employees individually or as part of a group presentation, and may be completed in shorter segments, as long as the applicable hourly total requirement is met. An employer who has provided this training and education to an employee in 2019 is not required to provide refresher training and education again until two years thereafter. The training and education required by this section shall include information and practical guidance regarding the federal and state statutory

provisions concerning the prohibition against and the prevention and correction of sexual harassment and the remedies available to victims of sexual harassment in employment. The training and education shall also include practical examples aimed at instructing supervisors in the prevention of harassment, discrimination, and retaliation, and shall be presented by trainers or educators with knowledge and expertise in the prevention of harassment, discrimination, and retaliation. The department shall provide a method for employees who have completed the training to save electronically and print a certificate of completion.

(2) An employer shall also include prevention of abusive conduct as a component of the training and education specified in paragraph (1).

(3) An employer shall also provide training inclusive of harassment based on gender identity, gender expression, and sexual orientation as a component of the training and education specified in paragraph (1). The training and education shall include practical examples inclusive of harassment based on gender identity, gender expression, and sexual orientation, and shall be presented by trainers or educators with knowledge and expertise in those areas.

(b) The state shall incorporate the training required by subdivision (a) into the 80 hours of training provided to all new employees pursuant to subdivision (b) of Section 19995.4, using existing resources.

(c) Notwithstanding subdivisions (j) and (k) of Section 12940, a claim that the training and education required by this section did not reach a particular individual or individuals shall not in and of itself result in the liability of any employer to any present or former employee or applicant in any action alleging sexual harassment. Conversely, an employer's compliance with this section does not insulate the employer from liability for sexual harassment of any current or former employee or applicant.

(d) If an employer violates this section, the department may seek an order requiring the employer to comply with these requirements.

(e) The training and education required by this section is intended to establish a minimum threshold and should not discourage or relieve any employer from providing for longer, more frequent, or more elaborate training and education regarding workplace harassment or other forms of unlawful discrimination in order to meet its obligations to take all reasonable steps necessary to prevent and correct harassment and discrimination. This section shall not be construed to override or supersede statutes, including, but not limited to, Section 1684 of the Labor Code, that meet or exceed the training for nonsupervisory employees required under this section.

(f) Except as provided in subdivision (*l*), beginning January 1, 2021, for seasonal, temporary, or other employees that are hired to work for less than six months, an employer shall provide training within 30 calendar days after the hire date or within 100 hours worked, whichever occurs first. In the case of a temporary employee employed by a temporary services employer, as defined in Section 201.3 of the Labor Code, to perform services for clients, the training shall be provided by the temporary services employer, not the client.

(g) Beginning January 1, 2020, sexual harassment prevention training for migrant and seasonal agricultural workers, as defined in the federal Migrant and Seasonal Agricultural Worker Protection Act (29 U.S.C. 1801~~,~~ et seq.), shall be consistent with training for nonsupervisory employees pursuant to paragraph (8) of subdivision (a) of Section 1684 of the Labor Code.

(h)

(1) For purposes of this section only, "employer" means any person regularly employing five or more persons or regularly receiving the services of five or more persons providing services pursuant to a contract, or any person acting as an agent of an employer, directly or indirectly, the state, or any political or civil subdivision of the state, and cities.

(2) For purposes of this section, "abusive conduct" means conduct of an employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to an employer's legitimate business interests. Abusive conduct may include repeated infliction of

verbal abuse, such as the use of derogatory remarks, insults, and epithets, verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating, or the gratuitous sabotage or undermining of a person's work performance. A single act shall not constitute abusive conduct, unless especially severe and egregious.

(i) For purposes of providing training to employees as required by this section, an employer may develop its own training module or may direct employees to view the online training course referenced in subdivision (j) and this shall be deemed to have complied with and satisfied the employers' obligations as set forth in this section and Section 12950.

(j) The department shall develop or obtain two online training courses on the prevention of sexual harassment in the workplace in accordance with the provisions of this section. The course for nonsupervisory employees shall be one hour in length and the course for supervisory employees shall be two hours in length.

(k) The department shall make the online training courses available on its internet website. The online training courses shall contain an interactive feature that requires the viewer to respond to a question periodically in order for the online training courses to continue to play. Any questions resulting from the online training course described in this subdivision shall be directed to the trainee's employer's human resources department or equally qualified professional rather than the department.

(l)

(1) An employer that employs workers pursuant to a multiemployer collective bargaining agreement in the construction industry may satisfy the requirements of subdivision (a) or (f) by demonstrating that the employee has received the training required by subdivision (a) within the past two years under any of the following circumstances:

(A) While the employee was employed by another employer that is also signatory to a multiemployer collective bargaining agreement with the same trade in the building and construction industry.

(B) While the employee was an apprentice registered in a building and construction trades apprenticeship program approved by the Division of Apprenticeship Standards.

(C) Through a building and construction trades apprenticeship program approved by the Division of Apprenticeship Standards, a labor management training trust, or labor management cooperation committee. For purposes of this subdivision, "labor management cooperation committee" shall mean a committee that is established pursuant to Section 175a of Title 29 of the United States Code.

(2) For purposes of this subdivision, "multiemployer collective bargaining agreement" means a bona fide collective bargaining agreement to which multiple employers are signatory, including predecessor and successor agreements.

(3) An employer shall require verification that an employee has undergone prevention of harassment training pursuant to this subdivision within the past two years. The employer shall provide prevention of harassment training pursuant to subdivision (a) for any employee for whom verification cannot be obtained.

(4) A state-approved apprenticeship program, labor management training trust, or labor management cooperation committee shall maintain a certificate of completion of training for each person to whom the entity has provided prevention of harassment training pursuant to this subdivision for a period of not less than four years. The apprenticeship program, labor management training trust, or labor management cooperation committee shall maintain a database of journey-level worker and apprentice training that entity has provided and shall provide verification of an employee's or apprentice's prevention of harassment training status upon the request of an employer that is a party to the multiemployer collective bargaining agreement.

(5)

(A) A qualified trainer may provide prevention of harassment training on behalf of an apprenticeship program, labor management training trust, or labor management cooperation committee.

(B) A "qualified trainer," for purposes of this subdivision, is any person who, through a combination of training and experience, has the ability to train employees about the following:

(i) How to identify behavior that may constitute unlawful harassment, discrimination, or retaliation under both California and federal law.

(ii) What steps to take when harassing behavior occurs in the workplace.

(iii) How to report harassment complaints.

(iv) Supervisory employees' obligation to report harassing, discriminatory, or retaliatory behavior of which they become aware.

(v) How to respond to a harassment complaint.

(vi) The employer's obligation to conduct a workplace investigation of a harassment complaint.

(vii) What constitutes retaliation and how to prevent it.

(viii) Essential components of an antiharassment policy.

(ix) The effect of harassment on harassed employees, coworkers, harassers, and employers.

(C) A "qualified trainer" includes, but is not limited to, an attorney admitted to the State Bar of California with at least two years of experience practicing employment law, a human resources professional with at least two years of practical experience in prevention of harassment training, investigation, and advising employers in the prevention of harassment, or any other person who has received training in the provision of prevention of harassment training from a qualified trainer.

(6) An apprenticeship program, labor management training trust, or labor management cooperation committee may also provide training by use of the online training courses referenced in subdivision (j).

(7) An apprenticeship program, labor management training trust, or labor management cooperation committee shall not incur any liability for providing prevention of harassment training or for maintaining records pursuant to this subdivision.

(m) ~~An employee who has received training in compliance with this section within the prior two years either from a current, a prior, or an alternate or a joint employer, or who received a valid work permit from the Labor Commissioner that required the employee to receive training in compliance with this section within the prior two years, shall be given, and required to read and to acknowledge receipt of, the employer's anti-harassment policy within six months of assuming the employee's new position. That employee shall then be put on a two year tracking schedule based on the employee's last training. The current employer shall have the burden of establishing that the prior training was legally compliant with this section.~~

SEC. 141. Section *13070.5* of the Government Code is amended to read:

13070.5.

The department shall ensure the state carries out its responsibilities in accordance with the federal Single Audit Act (31 U.S.C. Sec. 7501 et seq.). For that purpose, the department shall do all of the following:

(a) Act as the liaison between state agencies, the California State Auditor, and other relevant federal agencies.

(b) Establish guidelines and instructions for state agencies pursuant to this section. The adoption, amendment, or repeal of these guidelines, instructions, or other directives consistent with this section, shall be exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2).

(c) Collect financial information related to federal awards received, including schedules of cash and noncash federal assistance and ~~pass through~~passthrough amounts.

(d) Collect nonfinancial information related to federal awards received, including prior audit findings and management representation letters.

(e) Review and consolidate the financial and nonfinancial information from state agencies under subdivisions (c) and (d) and prepare the Schedule of Federal Awards and related schedules, to be forwarded to the California State Auditor for inclusion in the Single Audit Report.

(f) Upload the completed Single Audit Report to the Federal Clearinghouse on behalf of the state.

SEC. 142. Section *13293.5* of the Government Code is amended to read:

13293.5.

It is a misdemeanor, punishable by imprisonment in the county jail not exceeding six months, or by a fine not exceeding one thousand dollars ($1,000), or by both that imprisonment and fine, ~~to do~~if a person does any of the following:

(a) Fail or refuse to permit the examination of, access to, or reproduction of the records, files, documents, accounts, reports, correspondence, cash drawers, or cash of ~~his or her~~the person's office by the department or in any way interferes with such examination conducted pursuant to this article.

(b) Interfere, intend to deceive or defraud, or obstruct the department in its performance of an audit, evaluation, investigation, or review pursuant to this article.

(c) Manipulate, correct, alter, or change records, documents, accounts, reports, or correspondence prior to or during any audit, evaluation, investigation, or review conducted pursuant to this article.

(d) Distribute, reproduce, release, or fail to safeguard confidential draft documents exchanged between the department and the entity subject to the audit, evaluation, investigation, or review conducted pursuant to this article prior to the release of the department's final report and without the department's express permission.

SEC. 143. Section *13957* of the Government Code is amended to read:

13957.

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

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

(2) Subject to the limitations set forth in Section 13957.2, reimburse the amount of outpatient psychiatric, psychological, or other mental health counseling-related expenses incurred by the

victim or derivative victim, including peer counseling services provided by a rape crisis center as defined by Section 13837 of the Penal Code, and including family psychiatric, psychological, or mental health counseling for the successful treatment of the victim provided to family members of the victim in the presence of the victim, whether or not the family member relationship existed at the time of the crime, that became necessary as a direct result of the crime, subject to the following conditions:

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

(i) A victim.

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

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

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

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

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

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

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

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

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

(3) Subject to the limitations set forth in Section 13957.5, authorize compensation equal to the loss of income or loss of support, or both, that a victim or derivative victim incurs as a direct result of the victim's or derivative victim's injury or the victim's death. If the qualifying crime is a violation of Section 236.1 of the Penal Code, the board may authorize compensation equal to loss of income or support that a victim incurs as a direct result of the victim's deprivation of liberty during the crime, not to exceed the amount set forth in Section 13957.5. If the victim or derivative victim requests that the board give priority to reimbursement of loss of income or support, the board may not pay medical expenses, or mental health counseling expenses, except upon the request of the victim or

derivative victim or after determining that payment of these expenses will not decrease the funds available for payment of loss of income or support.

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

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

(A) Home security device or system.

(B) Replacing or increasing the number of locks.

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

(7)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SEC. 144. Section *14463* of the Government Code is amended to read:

14463.

It is a misdemeanor, punishable by imprisonment in a county jail not exceeding six months, or by a fine not exceeding one thousand dollars ($1,000), or by both that imprisonment and fine, to do any of the following:

(a) Fail or refuse to permit the examination of, access to, or reproduction of the records, files, documents, accounts, reports, correspondence, cash drawers, or cash of their office by the Inspector General or in any way interfere with such examination conducted pursuant to this chapter.

(b) Interfere, intend to deceive or defraud, or obstruct the Inspector General in the performance of an audit, evaluation, investigation, or review pursuant to this chapter.

(c) Manipulate, correct, alter, or change records, documents, accounts, reports, or correspondence before or during any audit, evaluation, investigation, or review conducted pursuant to this chapter.

(d) Distribute, reproduce, release, or fail to safeguard confidential draft documents exchanged between the Inspector General and the entity subject to the audit, evaluation, investigation, or review conducted pursuant to this chapter before the release of the final report and without the Inspector General's express permission.

SEC. 145. Section *15600* of the Government Code is amended to read:

15600.

(a) There is in state government the State Board of Equalization.

(b) The board shall continue to only have the following duties, powers, and responsibilities:

(1) The review, equalization, or adjustment of a property tax assessment pursuant to Section 11 of Article XIII of the California Constitution, and any duty, power, or responsibility conferred by statute on the board in connection with that review, equalization, or adjustment.

(2) The measurement of county assessment levels and adjustment of secured local assessment rolls pursuant to Section 18 of Article XIII of the California Constitution, and any duty, power, or responsibility conferred by statute on the board in connection with that measurement and adjustment.

(3) The assessment of pipelines, flumes, canals, ditches, and aqueducts lying within two or more counties and property, except franchises, owned or used by regulated railway, telegraph, or telephone companies, car companies operating on railways in the state, and companies transmitting or selling gas or electricity pursuant to Section 19 of Article XIII of the California Constitution, as well as the equalization of that assessment, and any duty, power, or responsibility conferred by statute on the board in connection with that assessment.

(4) The assessment of taxes on insurers pursuant to Section 28 of Article XIII of the California Constitution and any duty, power, or responsibility conferred by statute on the board in connection with that assessment and equalization.

(5) The assessment and collection of excise taxes on the manufacture, importation, and sale of alcoholic beverages in this state pursuant to Section 22 of Article XX of the California Constitution, and any duty, power, or responsibility conferred by statute on the board in connection with that assessment and collection.

(6) The administration of the welfare exemption provided by Section 214 of the Revenue and Taxation Code and the veterans' organization exemption provided by Section 215.1 of the Revenue and Taxation Code, including issuing an organizational clearance certificate and reviewing assessors' administration of those exemptions as required pursuant to Sections 254.5 and 254.6 of the Revenue and Taxation Code.

(7) The responsibility for receiving a change in ownership statement required to be filed due to a change in control or a change in ownership of a corporation, partnership, limited liability company, or other legal entity pursuant to Sections 480.1 and 480.2, respectively, of the Revenue and Taxation Code.

(8) The administration of Chapter 8 (commencing with Section 54900) of Part 1 of Division 2 of Title 5 of the Government Code, commonly known as the Tax-Rate Area System.

(c) The board shall retain the duty to adjust the rate of the motor vehicle fuel tax pursuant to subdivision (b) of Section 7360 of the Revenue and Taxation Code for the 2018–19 fiscal year.

(d)

(1) In order to ensure a seamless transition from the State Board of Equalization to the Office of Tax Appeals in the conduct of appeals hearings on and after January 1, 2018, pursuant to Part 9.5 (commencing with Section 15670), the State Board of Equalization, consistent with subdivision (b) of Section 15674, shall continue to have the legal authority to hear, determine, decide, or take any other action with respect to an appeal, as defined in subdivision (a) of Section 15671, regarding matters for which the duties, powers, and responsibilities are transferred to the Office of Tax Appeals pursuant to Section 15672, only if both of the following are satisfied:

(A) The hearing, determination, decision, or any other action with respect to an appeal is placed on the calendar of a meeting of the State Board of Equalization to be held before January 1, 2018.

(B) The appeal is heard, determined, decided, or is otherwise final before January 1, 2018.

(2) On and after January 1, 2018, the State Board of Equalization shall have no legal authority to, and shall not, regarding matters for which the duties, powers, and responsibilities are transferred to the Office of Tax Appeals pursuant to Section 15672, conduct an appeals hearing, make a determination, issue or publish a decision on an appeal, or take any other action with respect to an appeal heard at a meeting of the State Board of Equalization before January 1, 2018, for which the State Board of Equalization's hearing, determination, decision, or any other action is, for any reason, not final before January 1, 2018.

(e)

(1)

(A) The board shall retain all employees serving in state civil service, including temporary employees, who are engaged in the performance of functions described in subdivision (b). The status, positions, and rights of those persons shall not be affected by their retention and shall continue to be retained by them pursuant to the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5), except as to positions the duties of which are vested in a position exempt from civil service.

(B) Notwithstanding subparagraph (A), all employees serving in state civil service, including temporary employees, who are engaged in the performance of functions described in ~~paragraphs~~paragraph (6), (7), or (8) of subdivision (b) that were transferred to the California Department of Tax and Fee Administration pursuant to Section 15570.26 shall be transferred back to the board. The status, positions, and rights of those persons shall not be affected by their transfer and shall continue to be retained by them pursuant to the State Civil Service Act (Part 2 (commencing with Section 18500) of Division 5), except as to positions the duties of which are vested in a position exempt from civil service. The personnel records of all employees transferred pursuant to this subparagraph shall be transferred to the board.

(C) The board shall succeed to all the rights and property of the California Department of Tax and Fee Administration that relate to the performance of functions described in paragraphs (6), (7), and (8) of subdivision (b) and all those related rights and property shall be transferred back to the board. The Department of General Services shall determine where the property is transferred, if necessary.

(2) The board also may employ civil service staff persons to carry out the duties, powers, and responsibilities described in subdivision (b) as approved by the Legislature through the budget.

(3) The board shall retain the authority to appoint an executive director and prescribe and enforce ~~his or her~~the executive director's duties pursuant to Section 15604.

(f) Each member of the board elected by the voters of an equalization district shall have only one office in Sacramento and one district office.

(g) Each board member elected by the voters of an equalization district shall have a staff consisting of two staff persons who are exempt from civil service pursuant to Section 4 of Article VII of the California Constitution and any other civil service positions approved by the Legislature through the budget.

(h)

(1) A board member ~~shall have no~~does not have authority to appoint, remove, discipline, assign, reassign, promote, demote, or issue orders to any employee of the board, including, but not limited to, the career executive assignment positions and other noncivil service managers.

(2) The executive director ~~shall be~~is solely responsible for selecting persons for career executive assignment positions and other noncivil service managers for the board.

(i) A board member shall not modify or approve a budget change proposal for the board or the California Department of Tax and Fee Administration. The executive director shall modify or approve all budget change proposals for the board.

(j) A board member shall not interfere with or influence the process of the board's or the California Department of Tax and Fee Administration's legislative analyses, revenue analyses, or any other form of technical assistance requested by the Governor or the Legislature.

(k) All board member procurements shall be processed through the Department of General Services.

(l)

(1) A member of the board shall not represent a person in a hearing before the board before one year after the expiration of the member's term on the board or one year after separation from the board.

(2) The staff of a member of the board shall not represent a person in a hearing before the board before one year after separation from employment with that member.

(m) This section shall become operative on July 1, 2017.

SEC. 146. Section *15820.926* of the Government Code is amended to read:

15820.926.

(a) The participating county contribution for adult local criminal justice facilities financed under this chapter shall be a minimum of 10 percent of the total project costs. The BSCC may reduce contribution requirements for participating counties with a general population below 200,000 upon petition by a participating county to the BSCC requesting a lower level of contribution.

(b) The BSCC shall determine the funding criteria. Funding consideration shall be given to counties that are seeking to replace existing compacted, outdated, or unsafe housing capacity or are seeking to renovate existing or build new facilities that provide adequate space for the provision of treatment and rehabilitation services, including mental health treatment. Funding preference shall be given to counties that are most prepared to proceed successfully with this financing in a timely manner. The determination of preparedness to proceed shall include, but not be limited to, counties providing documentation of adequate, available matching funds authorized by the county board of supervisors from a source or sources compatible with this financing authority as determined by the State Public Works Board in its sole discretion. A participating county may only add housing capacity using this financing authority if the requesting county clearly documents an existing housing capacity deficiency. Any county requesting to add housing capacity using this financing authority shall be required to certify and covenant in writing that the county is not and will not be leasing housing capacity to any other public or private entity, with the exception of state agencies, for a period of 10 years beyond the completion date of the adult local criminal justice facility. If a county that adds housing capacity using this financing authority enters into a leasing housing capacity agreement that includes any state agency other than the State Department of State Hospitals, the Department of Finance shall report this fact to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the respective fiscal committees of each house of the Legislature at least 30 days prior to the board providing consent to that agreement.

SEC. 147. Section *15820.946* of the Government Code is amended to read:

15820.946.

(a) The participating county contribution for adult local criminal justice facilities financed under this chapter shall be a minimum of 10 percent of the total project costs. The BSCC may reduce contribution requirements for participating counties with a general population below 200,000 upon petition by a participating county to the BSCC requesting a lower level of contribution.

(b) The BSCC shall determine the funding and scoring criteria consistent with the requirements of this chapter. Financing shall be awarded only to those counties that have previously received only a partial award or have never received an award from the state within the financing programs authorized in Chapters 3.11 (commencing with Section 15820.90) to 3.131 (commencing with Section 15820.93), inclusive. The funding criteria shall include, as a mandatory criterion, documentation of the percentage of pretrial inmates in the county jail from January 1, 2015, to December 31, 2015, inclusive, and a description of the county's current risk assessment based pretrial release program. Funding preference shall also be given to counties that are most prepared to proceed successfully with this financing in a timely manner. The determination of preparedness to proceed shall include the following:

(1) Counties providing a board of supervisors' resolution authorizing an adequate amount of available matching funds to satisfy the counties' contribution and approving the forms of the project documents deemed necessary, as identified by the board to the BSCC, to effectuate the financing authorized by this chapter, and authorizing the appropriate signatory or signatories to execute those documents at the appropriate times. The identified matching funds in the resolution shall be compatible with the state's lease-revenue bond financing.

(2) Counties providing documentation evidencing CEQA compliance has been completed. Documentation of CEQA compliance shall be either a final Notice of Determination or a final Notice of Exemption, as appropriate, and a letter from county counsel certifying the associated statute of limitations has expired and either no challenges were filed or identifying any challenges filed and explaining how they have been resolved in a manner that allows the project to proceed as proposed.

(c) Funding consideration shall be given to counties that are seeking to replace compacted, outdated, or unsafe housing capacity that will also add treatment space or counties that are seeking to renovate existing or build new facilities that provide adequate space for the provision of treatment and rehabilitation services, including mental health treatment.

(d) A participating county may replace existing housing capacity, realizing only a minimal increase of capacity, using this financing authority if the requesting county clearly documents an existing housing capacity deficiency.

(e) A participating county with a request resulting in any increase in capacity using this financing authority shall be required to certify and covenant in writing that the county is not, and will not be, leasing housing capacity to any other public or private entity, with the exception of state agencies, for a period of 10 years beyond the completion date of the adult local criminal justice facility. If a county that increases housing capacity using this financing authority enters into a leasing housing capacity agreement that includes any state agency other than the State Department of State Hospitals, the Department of Finance shall report this fact to the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the respective fiscal committees of each house of the Legislature at least 30 days prior to the board providing consent to that agreement.

(f) Any locked facility constructed or renovated with state funding awarded under this program shall include space to provide onsite, in-person visitation capable of meeting or surpassing the minimum number of weekly visits required by state regulations for persons detained in the facility.

(g) Any county applying for financing authority under this program shall include a description of efforts to address sexual abuse in its adult local criminal justice facility constructed or renovated pursuant to this chapter.

SEC. 148. Section *17581.6* of the Government Code is amended to read:

17581.6.

(a) Funding apportioned pursuant to this section shall constitute reimbursement pursuant to Section 6 of Article XIII B of the California Constitution for the performance of any state mandates included in the statutes and executive orders identified in subdivision (f).

(b) Any school district, county office of education, or charter school may elect to receive block grant funding pursuant to this section.

(c)

(1)(A) A school district, county office of education, or charter school that elects to receive block grant funding pursuant to this section in a given fiscal year shall submit a letter requesting funding to the Superintendent of Public Instruction on or before August 30 of that fiscal year.

(B) ~~A charter school regarded as a continuing charter school pursuant to subparagraph (E) of paragraph (5) of subdivision (a) of Section 47605 of the Education Code, subparagraph (B) of paragraph (5) of subdivision (c) of Section 47605.1 of the Education Code, subdivision (d) of Section 47605.9 of the Education Code, or paragraph (3) of subdivision (b) of Section 47612.7 of the Education Code, shall do all of the following in the first year the charter school is affected by an action to restructure:~~

(i) ~~Provide timely notification to the Superintendent of Public Instruction pursuant to Section 47653 of the Education Code.~~

(ii) ~~Submit a letter requesting funding on or before August 30 of the fiscal year for which funding is requested pursuant to subparagraph (A) or 30 days after the charter school is assigned a number by the State Board of Education pursuant to Section 47602 of the Education Code, whichever is later.~~

(iii) ~~As applicable, provide to the Superintendent of Public Instruction the prior year average daily attendance attributable to each restructured charter school to be used in the calculation of funding. The charter school shall provide data in a format prescribed by the Superintendent of Public Instruction. The total average daily attendance attributable to the restructured charter school or schools pursuant to this clause shall not exceed the total prior year average daily attendance of the original charter school. The definitions in Section 47654 of the Education Code apply for purposes of this subparagraph.~~

(2) (A) The Superintendent of Public Instruction shall, in the month of November of each year, apportion block grant funding appropriated pursuant to Item 6100-296-0001 of Section 2.00 of the annual Budget Act to all school districts, county offices of education, and charter schools that submitted letters requesting funding in that fiscal year according to the provisions of that budget item~~, except as provided in subparagraph (B)~~.

(B) ~~In the first year that a charter school is affected by an action to restructure pursuant to Section 47654 of the Education Code, the Superintendent of Public Instruction may apportion funds after November of that fiscal year to a charter school that is eligible for funding pursuant to subparagraph (B) of paragraph (1) and that has submitted a letter requesting funding after August 30 of that fiscal year.~~

(3) A school district or county office of education that receives block grant funding pursuant to this section shall not be eligible to submit claims to the Controller for reimbursement pursuant to Section 17560 for any costs of any state mandates included in the statutes and executive orders identified in subdivision (f) incurred in the same fiscal year during which the school district or county office of education received funding pursuant to this section.

(d) Commencing with the 2017–18 fiscal year, the per unit average daily attendance funding rates specified in the provisions of Item 6100-296-0001 of the annual Budget Act shall be adjusted annually by the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.

(e) Block grant funding apportioned pursuant to this section is subject to annual financial and compliance audits required by Section 41020 of the Education Code.

(f) Block grant funding apportioned pursuant to this section is specifically intended to fund the costs of the following programs and activities:

(1) Academic Performance Index (01-TC-22; Chapter 3 of the Statutes of 1999, First Extraordinary Session; and Chapter 695 of the Statutes of 2000).

(1)(2) Agency Fee Arrangements (00-TC-17 and 01-TC-14; Chapter 893 of the Statutes of 2000 and Chapter 805 of the Statutes of 2001).

(2)(3) AIDS Instruction and AIDS Prevention Instruction (CSM 4422, 99-TC-07, and 00-TC-01; Chapter 818 of the Statutes of 1991; and Chapter 403 of the Statutes of 1998).

(3)(4) Cal Grant: Opt-Out Notice and Grade Point Average Submission (16-TC-02; Chapter 679 of the Statutes of 2014 and Chapter 82 of the Statutes of 2016).

(4)(5) California Assessment of Student Performance and Progress (CAASPP)(14-TC-01 and 14-TC-04; Chapter 489 of the Statutes of 2013; and Chapter 32 of the Statutes of 2014).

(5)(6) California State Teachers' Retirement System (CalSTRS) Service Credit (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383, 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the Statutes of 1999; and Chapter 1021 of the Statutes of 2000).

(6)(7) Caregiver Affidavits (CSM 4497; Chapter 98 of the Statutes of 1994).

(7)(8) Charter Schools I, II, and III (CSM 4437, 99-TC-03, and 99-TC-14; Chapter 781 of the Statutes of 1992; Chapters 34 and 673 of the Statutes of 1998; ~~Chapter 34 of the Statutes of 1998;~~ and Chapter 78 of the Statutes of 1999).

(8)(9) Charter Schools IV (03-TC-03; Chapter 1058 of the Statutes of 2002).

(9)(10) Child Abuse and Neglect Reporting (01-TC-21; Chapters 640 and 1459 of the Statutes of 1987; Chapter 132 of the Statutes of 1991; Chapter 459 of the Statutes of 1992; Chapter 311 of the Statutes of 1998; Chapter 916 of the Statutes of 2000; and Chapters 133 and 754 of the Statutes of 2001).

(10)(11) Collective Bargaining (CSM 4425; Chapter 961 of the Statutes of 1975).

(11)(12) Comprehensive School Safety Plans (98-TC-01 and 99-TC-10; Chapter 736 of the Statutes of 1997; Chapter 996 of the Statutes of 1999; and Chapter 828 of the Statutes of 2003).

(12)(13) Consolidation of Annual Parent Notification/Schoolsite Discipline Rules/Alternative Schools (CSM 4488, CSM 4461, 99-TC-09, 00-TC-12, 97-TC-24, CSM 4453, CSM 4474, CSM 4462; Chapter 448 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 975 of the Statutes of 1980; Chapter 469 of the Statutes of 1981; Chapter 459 of the Statutes of 1985; Chapters 87 and 97 of the Statutes of 1986; Chapter 1452 of the Statutes of 1987; Chapters 65 and 1284 of the Statutes of 1988; Chapter 213 of the Statutes of 1989; Chapters 10 and 403 of the Statutes of 1990; Chapter 906 of the Statutes of 1992; Chapter 1296 of the Statutes of 1993;

Chapter 929 of the Statutes of 1997; Chapters 846 and 1031 of the Statutes of 1998; Chapter 1 of the Statutes of 1999, First Extraordinary Session; Chapter 73 of the Statutes of 2000; Chapter 650 of the Statutes of 2003; Chapter 895 of the Statutes of 2004; and Chapter 677 of the Statutes of 2005).

(13)(14) Consolidation of Law Enforcement Agency Notification and Missing Children Reports (CSM 4505; Chapter 1117 of the Statutes of 1989 and 01-TC-09; Chapter 249 of the Statutes of 1986; and Chapter 832 of the Statutes of 1999).

(14)(15) Consolidation of Notification to Teachers: Pupils Subject to Suspension or Expulsion I and II, and Pupil Discipline Records (00-TC-10 and 00-TC-11; Chapter 345 of the Statutes of 2000).

(15)(16) Consolidated Suspensions, Expulsions, and Expulsion Appeals (96-358-03, 03A, 98-TC-22, 01-TC-18, 98-TC-23, 97-TC-09; Chapters 972 and 974 of the Statutes of 1995; Chapters 915, 937, and 1052 of the Statutes of 1996; Chapter 637 of the Statutes of 1997; Chapter 489 of the Statutes of 1998; Chapter 332 of the Statutes of 1999; Chapter 147 of the Statutes of 2000; and Chapter 116 of the Statutes of 2001) (CSM 4455; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 318 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 622 of the Statutes of 1984; Chapter 942 of the Statutes of 1987; Chapter 1231 of the Statutes of 1990; Chapter 152 of the Statutes of 1992; Chapters 1255, 1256, and 1257 of the Statutes of 1993; and Chapter 146 of the Statutes of 1994) (CSM 4456; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; Chapter 73 of the Statutes of 1980; Chapter 498 of the Statutes of 1983; Chapter 856 of the Statutes of 1985; and Chapter 134 of the Statutes of 1987) (CSM 4463; Chapter 1253 of the Statutes of 1975; Chapter 965 of the Statutes of 1977; Chapter 668 of the Statutes of 1978; and Chapter 498 of the Statutes of 1983).

(16)(17) County Office of Education Fiscal Accountability Reporting (97-TC-20; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 1372 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

(17)(18) Criminal Background Checks (97-TC-16; Chapters 588 and 589 of the Statutes of 1997).

(18)(19) Criminal Background Checks II (00-TC-05; Chapters 594 and 840 of the Statutes of 1998; and Chapter 78 of the Statutes of 1999).

(19)(20) Developer Fees (02-TC-42; Chapter 955 of the Statutes of 1977; Chapter 282 of the Statutes of 1979; Chapter 1354 of the Statutes of 1980; Chapter 201 of the Statutes of 1981; Chapter 923 of the Statutes of 1982; Chapter 1254 of the Statutes of 1983; Chapter 1062 of the Statutes of 1984; Chapter 1498 of the Statutes of 1985; Chapters 136 and 887 of the Statutes of 1986; and Chapter 1228 of the Statutes of 1994).

(20)(21) Differential Pay and Reemployment (99-TC-02; Chapter 30 of the Statutes of 1998).

(21)(22) Expulsion of Pupil: Transcript Cost for Appeals (SMAS; Chapter 1253 of the Statutes of 1975).

(22)(23) Financial and Compliance Audits (CSM 4498 and CSM 4498-A; Chapter 36 of the Statutes of 1977).

(23)(24) Graduation Requirements (CSM 4181; Chapter 498 of the Statutes of 1983).

(24)(25) Habitual Truants (CSM 4487 and CSM 4487-A; Chapter 1184 of the Statutes of 1975).

(25)(26) Immunization Records (SB 90-120; Chapter 1176 of the Statutes of 1977).

(26)(27) Immunization Records—Mumps, Rubella, and Hepatitis B (98-TC-05; 14-MR-04; Chapter 325 of the Statutes of 1978; Chapter 435 of the Statutes of 1979; Chapter 472 of the Statutes of

1982; Chapter 984 of the Statutes of 1991; Chapter 1300 of the Statutes of 1992; Chapter 1172 of the Statutes of 1994; Chapters 291 and 415 of the Statutes of 1995; Chapter 1023 of the Statutes of 1996; and Chapters 855 and 882 of the Statutes of 1997; and Chapter 434 of the Statutes of 2010).

(27)(28) Immunization Records—Pertussis (11-TC-02; Chapter 434 of the Statutes of 2010).

(28)(29) Interdistrict Attendance Permits (CSM 4442; Chapters 172 and 742 of the Statutes of 1986; Chapter 853 of the Statutes of 1989; Chapter 10 of the Statutes of 1990; and Chapter 120 of the Statutes of 1992).

(29)(30) Intradistrict Attendance (CSM 4454; Chapters 161 and 915 of the Statutes of 1993).

(30)(31) Juvenile Court Notices II (CSM 4475; Chapters 1011 and 1423 of the Statutes of 1984; Chapter 1019 of the Statutes of 1994; and Chapter 71 of the Statutes of 1995).

(31)(32) Notification of Truancy (CSM 4133; Chapter 498 of the Statutes of 1983; Chapter 1023 of the Statutes of 1994; and Chapter 19 of the Statutes of 1995).

(32)(33) Parental Involvement Programs (03-TC-16; Chapter 1400 of the Statutes of 1990; Chapters 864 and 1031 of the Statutes of 1998; and Chapter 1037 of the Statutes of 2002).

(33)(34) Physical Performance Tests (96-365-01; Chapter 975 of the Statutes of 1995).

(34)(35) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the Statutes of 1978).

(35)(36) Public Contracts (02-TC-35; Chapter 1073 of the Statutes of 1985; Chapter 1408 of the Statutes of 1988; Chapter 330 of the Statutes of 1989; ~~Chapter~~Chapters 321 and 1414 of the Statutes of 1990; ~~Chapter 321 of the Statutes of 1990;~~ Chapter 799 of the Statutes of 1992; and Chapter 726 of the Statutes of 1994).

(36)(37) Pupil Health Screenings (CSM 4440; Chapter 1208 of the Statutes of 1976; Chapter 373 of the Statutes of 1991; and Chapter ~~750~~759 of the Statutes of 1992).

(37)(38) Pupil Promotion and Retention (98-TC-19; Chapter 100 of the Statutes of 1981; Chapter 1388 of the Statutes of 1982; Chapter 498 of the Statutes of 1983; Chapter 1263 of the Statutes of 1990; and Chapters 742 and 743 of the Statutes of 1998).

(38)(39) Pupil Safety Notices (02-TC-13; Chapter 498 of the Statutes of 1983; Chapter 482 ~~of the Statutes of 1984; Chapter~~and 948 of the Statutes of 1984; ~~Chapter 196 of the Statutes of 1986; Chapter~~Chapters 196 and 332 of the Statutes of 1986; ~~Chapter 445 of the Statutes of 1992; Chapter~~Chapters 445 and 1317 of the Statutes of 1992; Chapter 589 of the Statutes of 1993; Chapter 1172 of the Statutes of 1994; Chapter 1023 of the Statutes of 1996; and Chapter 492 of the Statutes of 2000).

(39)(40) Race to the Top (10-TC-06; Chapters 2 and 3 of the Statutes of 2009, Fourth Extraordinary Session).

(40)(41) School Accountability Report Cards (97-TC-21, 00-TC-09, 00-TC-13, and 02-TC-32; Chapter ~~918~~1463 of the Statutes of ~~1997; Chapter 912~~1989; Chapter 759 of the Statutes of ~~1997; Chapter 824 of the Statutes of 1994~~1992; Chapter 1031 of the Statutes of 1993; Chapter ~~759~~824 of the Statutes of ~~1992; and Chapter 1463~~1994; and Chapters 912 and 918 of the Statutes of ~~1989)~~1997.

(41)(42) School District Fiscal Accountability Reporting (97-TC-19; Chapter 100 of the Statutes of 1981; Chapter 185 of the Statutes of 1985; Chapter 1150 of the Statutes of 1986; Chapters 917 and 1452 of the Statutes of 1987; Chapters 1461 and 1462 of the Statutes of 1988; Chapter 525 of the Statutes of 1990; Chapter 1213 of the Statutes of 1991; Chapter 323 of the Statutes of 1992; Chapters 923 and 924 of the Statutes of 1993; Chapters 650 and 1002 of the Statutes of 1994; and Chapter 525 of the Statutes of 1995).

(42)(43) School District Reorganization (98-TC-24; Chapter 1192 of the Statutes of 1980; and Chapter 1186 of the Statutes of 1994).

(43)(44) Student Records (02-TC-34; Chapter 593 of the Statutes of 1989; Chapter 561 of the Statutes of 1993; Chapter 311 of the Statutes of 1998; and Chapter 67 of the Statutes of 2000).

(44)(45) The Stull Act (98-TC-25; Chapter 498 of the Statutes of 1983; and Chapter 4 of the Statutes of 1999, First Extraordinary Session).

(45)(46) Threats Against Peace Officers (CSM 96-365-02; Chapter 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of 1995).

(46)(47) Training for School Employee Mandated Reporters (14-TC-02; Chapter 797 of the Statutes of 2014).

(47)(48) Uniform Complaint Procedures (03-TC-02; Chapter 1117 of the Statutes of 1982; Chapter 1514 of the Statutes of 1988; and Chapter 914 of the Statutes of 1998).

(48)(49) Williams Case Implementation I, II, and III (05-TC-04, 07-TC-06, and 08-TC-01; Chapters 900, 902, and 903 of the Statutes of 2004; Chapter 118 of the Statutes of 2005; Chapter 704 of the Statutes of 2006; and Chapter 526 of the Statutes of 2007).

(g) Notwithstanding Section 10231.5, on or before November 1 of each fiscal year, the Superintendent of Public Instruction shall produce a report that indicates the total amount of block grant funding each school district, county office of education, and charter school received in that fiscal year pursuant to this section. ~~Funding apportioned pursuant to subparagraph (B) of paragraph (2) of subdivision (c) shall be excluded from this reporting requirement.~~ The Superintendent of Public Instruction shall provide this report to the appropriate fiscal and policy committees of the Legislature, the Controller, the Department of Finance, and the Legislative Analyst's Office.

SEC. 149. Section *17581.7* of the Government Code is amended to read:

17581.7.

(a) Funding apportioned pursuant to this section shall constitute reimbursement pursuant to Section 6 of Article XIII B of the California Constitution for the performance of any state mandates included in the statutes and executive orders identified in subdivision (f).

(b) Any community college district may elect to receive block grant funding pursuant to this section.

(c)

(1) A community college district that elects to receive block grant funding pursuant to this section in a given fiscal year shall submit a letter requesting funding to the Chancellor of the California Community Colleges on or before August 30 of that fiscal year.

(2) The Chancellor of the California Community Colleges shall apportion, in the month of November of each year, block grant funding appropriated in Item 6870-296-0001 of Section 2.00 of the annual Budget Act to all community college districts that submitted letters requesting funding in that fiscal year according to the provisions of that budget item.

(3) A community college district that receives block grant funding pursuant to this section shall not be eligible to submit claims to the Controller for reimbursement pursuant to Section 17560 for any costs of any state mandates included in the statutes and executive orders identified in subdivision (f) incurred in the same fiscal year during which the community college district received funding pursuant to this section.

(d) Commencing with the 2017–18 fiscal year, the per full-time equivalent students funding rate specified in the provisions of Item 6870-296-0001 of Section 2.00 of the annual Budget Act shall be adjusted annually by the percentage change in the annual average value of the Implicit Price Deflator

for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce for the 12-month period ending in the third quarter of the prior fiscal year. This percentage change shall be determined using the latest data available as of May 10 of the preceding fiscal year compared with the annual average value of the same deflator for the 12-month period ending in the third quarter of the second preceding fiscal year, using the latest data available as of May 10 of the preceding fiscal year, as reported by the Department of Finance.

(e) All funding apportioned pursuant to this section is subject to annual financial and compliance audits required by Section 84040 of the Education Code.

(f) Block grant funding apportioned pursuant to this section is specifically intended to fund the costs of the following programs:

(1) Agency Fee Arrangements (00-TC-17 and 01-TC-14; Chapter 893 of the Statutes of 2000; and Chapter 805 of the Statutes of 2001).

(2) Cal Grants (02-TC-28; Chapter 403 of the Statutes of 2000).

(3) California State Teachers' Retirement System (CalSTRS) Service Credit (02-TC-19; Chapter 603 of the Statutes of 1994; Chapters 383, 634, and 680 of the Statutes of 1996; Chapter 838 of the Statutes of 1997; Chapter 965 of the Statutes of 1998; Chapter 939 of the Statutes of 1999; and Chapter 1021 of the Statutes of 2000).

(4) Collective Bargaining and Collective Bargaining Agreement Disclosure (CSM 4425 and 97-TC-08; Chapter 961 of the Statutes of 1975; Chapter 1213 of the Statutes of 1991).

(5) Discrimination Complaint Procedures (~~02-TC-42~~02-TC-46 and portions of 02-TC-25 and 02-TC-31; Chapter 1010 of the Statutes of 1976; Chapter 470 of the Statutes of 1981; Chapter 1117 of the Statutes of 1982; Chapter 143 of the Statutes of 1983; Chapter 1371 of the Statutes of 1984; Chapter 973 of the Statutes of 1988; Chapter 1372 of the Statutes of 1990; Chapter 1198 of the Statutes of 1991; Chapter 914 of the Statutes of 1998; Chapter 587 of the Statutes of 1999; and Chapter 1169 of the Statutes of 2002).

(6) Enrollment Fee Collection and Waivers (99-TC-13 and 00-TC-15).

(7) Health Fee Elimination (CSM 4206; Chapter 1 of the Statutes of 1984, Second Extraordinary Session).

(8) Minimum Conditions for State Aid (02-TC-25 and 02-TC-31; Chapter 802 of the Statutes of 1975; Chapters 275, 783, 1010, and 1176 of the Statutes of 1976; Chapters 36 and 967 of the Statutes of 1977; Chapters 797 and 977 of the Statutes of 1979; Chapter 910 of the Statutes of 1980; Chapters 470 and 891 of the Statutes of 1981; Chapters 1117 and 1329 of the Statutes of 1982; Chapters 143 and 537 of the Statutes of 1983; Chapter 1371 of the Statutes of 1984; Chapter 1467 of the Statutes of 1986; Chapters 973 and 1514 of the Statutes of 1988; Chapters 1372 and 1667 of the Statutes of 1990; Chapters 1038, 1188, and 1198 of the Statutes of 1991; Chapters 493 and 758 of the Statutes of 1995; Chapters 365, 914, and 1023 of the Statutes of 1998; Chapter 587 of the Statutes of 1999; Chapter 187 of the Statutes of 2000; and Chapter 1169 of the Statutes of 2002).

(9) Prevailing Wage Rate (01-TC-28; Chapter 1249 of the Statutes of 1978).

(10) Public Contracts (02-TC-35; Chapter 1073 of the Statutes of 1985; Chapter 1408 of the Statutes 1988; Chapter 330 of the Statutes of 1989; ~~Chapter~~Chapters 321 and 1414 of the Statutes of 1990; ~~Chapter 321 of the Statutes of 1990;~~ Chapter 799 of the Statutes of 1992; and Chapter 726 of the Statutes of 1994).

(11) Reporting Improper Governmental Activities (02-TC-24; Chapter 416 of the Statutes of 2001; and Chapter 81 of the Statutes of 2002).

(12) Threats Against Peace Officers (CSM 96-365-02; Chapter 1249 of the Statutes of 1992; and Chapter 666 of the Statutes of 1995).

(13) Tuition Fee Waivers (02-TC-21; Chapter 36 of the Statutes of 1977; Chapter 580 of the Statutes of 1980; Chapter 102 of the Statutes of 1981; Chapter 1070 of the Statutes of 1982; Chapter 753 of the Statutes of 1988; Chapters 424, 900, and 985 of the Statutes 1989; Chapter 1372 of the Statutes of 1990; Chapter 455 of the Statutes of 1991; Chapter 8 of the Statutes of 1993; Chapter 389 of the Statutes of 1995; Chapter 438 of the Statutes of 1997; Chapter 952 of the Statutes of 1998; Chapters 571 and 949 of the Statutes of 2000; Chapter 814 of the Statutes of 2001; and Chapter 450 of the Statutes of 2002).

(g) Notwithstanding Section 10231.5, on or before November 1 of each fiscal year, the Chancellor of the California Community Colleges shall produce a report that indicates the total amount of block grant funding each community college district received in the current fiscal year pursuant to this section. The chancellor shall provide this report to the appropriate fiscal and policy committees of the Legislature, the Controller, the Department of Finance, and the Legislative Analyst's Office.

SEC. 150. Section *20683.9* of the Government Code is amended to read:

20683.9.

(a) Notwithstanding Sections 20677.8, 20681, 20683.2, and 20694, effective July 1, ~~2022, or July 1, 2023, depending on when the employees' and employer's monthly contribution for prefunding other postemployment benefits is restored, pursuant to Section 22944.5~~2020, the normal rate of contribution for patrol members who are represented by State Bargaining Unit 5 shall be adjusted in accordance with this section when both of the following occur:

(1) The total normal cost rate for the 2016–17 fiscal year has increased or decreased by at least 1 percent.

(2) Fifty percent of that normal cost rate, rounded to the nearest one-quarter of 1 percent, is greater or less than the current employee contribution rate.

(b) On July 1 of the fiscal year after the board determines that the ~~requirement~~requirements of paragraphs (1) and (2) of subdivision (a) above have been met, the normal rate of contribution for patrol members who are represented by State Bargaining Unit 5 shall be adjusted to 50 percent of the normal cost rate rounded to the nearest one-quarter of 1 percent.

(c) Each year thereafter, the rate shall only be adjusted if the board determines the total normal cost rate increases or decreases by more than 1 percent of payroll above the total normal cost rate in effect at the time the employee contribution rate was last adjusted. The increase or decrease to the employee contribution in any given fiscal year shall not exceed 1 percent per year.

(d) The normal rate of contribution established pursuant to this section shall be applied to the compensation in excess of eight hundred sixty-three dollars ($863) per month.

(e) Consistent with the normal rate of contribution for all members identified in this section, the Director of the Department of Human Resources may exercise their discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of "state employee" in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service. ~~The normal rate of contribution shall be the same for all members identified in this subdivision. The contribution rate shall be effective at the beginning of the pay period indicated by the Director of the Department of Human Resources, but shall be no earlier than the beginning of the pay period following the date the board receives notification.~~

(f) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the

expenditure of funds, the provisions shall not become effective unless and until approved by the Legislature in the annual Budget Act.

SEC. 151. Section *20683.91* of the Government Code is amended to read:

20683.91.

(a) Notwithstanding Sections 20677.4 and 20677.7, effective July 1, ~~2022, or July 1, 2023, depending on when the employees' and employer's monthly contribution for prefunding other postemployment benefits is restored, pursuant to Section 22944.5~~2020, the normal rate of contribution for state miscellaneous members who are represented by State Bargaining Unit 5 shall be adjusted in accordance with this section when both of the following occur:

(1) The total normal cost rate for the 2016–17 fiscal year has increased or decreased by at least 1 percent.

(2) Fifty percent of that normal cost rate, rounded to the nearest one-quarter of 1 percent, is greater or less than the current employee contribution rate.

(b) On July 1 of the fiscal year after the board determines that the ~~requirement~~requirements of paragraphs (1) and (2) of subdivision (a) above have been met, the normal rate of contribution for state miscellaneous members who are represented by State Bargaining Unit 5 shall be adjusted to 50 percent of the normal cost rate rounded to the nearest one-quarter of 1 percent.

(c) Each year thereafter, the rate shall only be adjusted if the board determines the total normal cost rate increases or decreases by more than 1 percent of payroll above the total normal cost rate in effect at the time the employee contribution rate was last adjusted. The increase or decrease to the employee contribution in any given fiscal year shall not exceed 1 percent per year.

(d) The normal rate of contribution established pursuant to this section shall be applied to the compensation in excess of three hundred seventeen dollars ($317) per month paid to a member whose service is not included in the federal system or in excess of five hundred thirteen dollars ($513) for one whose service is included in the federal system.

(e) Consistent with the normal rate of contribution for all members identified in this section, the Director of the Department of Human Resources may exercise their discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of "state employee" in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service. ~~The normal rate of contribution shall be the same for all members identified in this subdivision. The contribution rate shall be effective at the beginning of the pay period indicated by the Director of the Department of Human Resources, but shall be no earlier than the beginning of the pay period following the date the board receives notification.~~

(f) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless and until approved by the Legislature in the annual Budget Act.

SEC. 152. Section *20825.15* of the Government Code is amended to read:

20825.15.

(a) In addition to the appropriation required pursuant to Section 20814, the Legislature hereby appropriates twenty-five million dollars ($25,000,000) from the Motor Vehicle Account for each of the 2019–20, 2020–21, 2021–22, and 2022–23 fiscal years to be transferred to the Public Employees' Retirement Fund, consistent with the requirements of this section and at the direction of the

Department of Finance. However, the payments in the 2021–22 and 2022–23 fiscal years shall be subject to the following conditions:

(1) If the projected state revenues at the 2021–22 May Revision to the Governor's Budget are insufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the costs of providing the aforementioned supplemental pension payments, as specified above, in the sole discretion of the Director of ~~the Department of~~ Finance, the twenty-five-million-dollar ($25,000,000) supplemental payment for the 2021–22 and 2022–23 fiscal years shall be deferred to the respective next fiscal years.

(2) If the twenty-five-million-dollar ($25,000,000) supplemental payment in the 2021–22 fiscal year is made and projected state revenues at the 2022–23 May Revision to the Governor's Budget are insufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the costs of providing the aforementioned supplemental pension payments, as specified above, in the sole discretion of the Director of ~~the Department of~~ Finance, the twenty-five-million-dollar ($25,000,000) supplemental payment for the 2022–23 fiscal year shall be deferred to the next fiscal year.

(b) The Department of Finance shall provide the Controller a schedule establishing the timing of specific transfers to be used for these purposes.

(c) The supplemental payment to the Public Employees' Retirement Fund described in subdivision (a) shall be apportioned to the state patrol member plan, and applied to the unfunded liabilities for the state patrol member plan.

SEC. 153. Section *22874.9* of the Government Code is amended to read:

22874.9.

(a) Notwithstanding Sections 22870, 22871, 22873, and 22874, a state employee, defined by subdivision (c) of Section 3513, who is first employed by the state and becomes a state member of the system on or after January 1, 2020, and who is represented by State Bargaining Unit 5, shall not receive any portion of the employer contribution payable for annuitants unless the person is credited with 15 years of state service at the time of retirement.

(b) The percentage of the employer contribution payable for postretirement health and dental benefits for an employee subject to this section shall be based on the completed years of credited state service at retirement as shown in the following table:

Credited Years of Service	Percentage of Employer Contribution
15	50
16.	55
17	60
18	65
19	70
20	75
21	80
22	85
23	90
24	95
25 or more	100

(c) This section ~~shall apply~~applies only to state employees who retire from service. For purposes of this section, "state service" means service rendered as an employee of the state or an appointed or elected officer of the state for compensation.

(d) This section does not apply to:

(1) Former state employees previously employed before January 1, 2020, who return to state employment on or after January 1, 2020.

(2) State employees hired prior to January 1, 2020, who become subject to representation by State Bargaining Unit 5 on or after January 1, 2020.

(3) State employees on an approved leave of absence employed before January 1, 2020, who return to active employment on or after January 1, 2020.

(4) State employees hired after January 1, 2020, who are first represented by a state bargaining unit other than State Bargaining Unit 5, who later become represented by State Bargaining Unit 5.

(e) Notwithstanding Section 22875, this section ~~shall also apply~~also applies to a related state employee who is excepted from the definition of "state employee" in subdivision (c) of Section 3513 and is first employed by the state and becomes a state member of the system on or after January 1, 2020.

SEC. 154. Section *22944.5* of the Government Code is amended to read:

22944.5.

(a)

(1) The state and employees in State Bargaining Unit 2, 7, 8, 9, 10, 13, 18, or 19 shall prefund retiree health care, with the goal of reaching a 50-percent cost sharing of actuarially determined normal costs for both employer and employees by July 1, 2019.

(2) The state and employees in State Bargaining Units 6 and 16 shall prefund retiree health care, with the goal of reaching a 50-percent cost sharing of actuarially determined normal costs for both employer and employees by July 1, 2018.

(3) The state and employees in the judicial branch shall prefund retiree health care, with the goal of reaching a 50-percent cost sharing of actuarially determined normal costs for both employer and employees by July 1, 2017.

(4) The state and employees in State Bargaining Unit 1, 3, 4, ~~5,~~ 11, 12, 14, 15, 17, 20, or 21 shall prefund retiree health care, with the goal of reaching a 50-percent cost sharing of actuarially determined normal costs for both employer and employees by July 1, 2020.

(b)

(1) The employees in State Bargaining Unit 9 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 0.5 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 0.5 percent for a total employee contribution of 1.0 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.0 percent for a total employee contribution of 2.0 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning with the July 2020 pay period and ending on June 30, 2022. The employer's monthly contribution for prefunding other post employment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C).~~

(2) The employees in State Bargaining Unit 10 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 0.7 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 0.7 percent for a total employee contribution of 1.4 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.4 percent for a total employee contribution of 2.8 percent of pensionable compensation.

(D) Effective July 1, 2020, the employer and employee contribution percentages will be increased or decreased to maintain a 50-percent cost sharing of the actuarially determined total normal costs. Adjustments to both the employer and employee contribution percentages will occur if the actuarially determined total normal costs increase or decrease by more than one-half of 1 percent from the total normal cost contribution percentages in effect on July 1, 2019. The increase or decrease to the employer or employee contribution shall not exceed 0.5 percent per year.

(E) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (D), is suspended and shall not be withheld from employees' salaries beginning on the first day of the pay period following ratification and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (D).~~Effective July 1, 2021, 2.8 percent of pensionable compensation.

(3) The employees in State Bargaining Unit 6 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2016, 1.3 percent of pensionable compensation.

(B) Effective July 1, 2017, an additional 1.3 percent for a total employee contribution of 2.6 percent of pensionable compensation.

(C) Effective July 1, 2018, an additional 1.4 percent for a total employee contribution of 4.0 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning on July 1, 2020, and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C).~~

(4) The state employees in the judicial branch shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2016, 1.5 percent of pensionable compensation.

(B) Effective July 1, 2017, up to an additional 1.5 percent for a total employee contribution of up to 3.0 percent of pensionable compensation. The additional amount shall be determined by the Director of Finance no later than April 1, 2017, based on the actuarially determined normal costs identified in the state valuation.

(C) This paragraph does not apply to a judge who is subject to Chapter 11 (commencing with Section 75000) or Chapter 11.5 (commencing with Section 75500) of Title 8.

(5) The employees in State Bargaining Unit 12 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 1.5 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 1.0 percent for a total employee contribution of 2.5 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.0 percent for a total employee contribution of 3.5 percent of pensionable compensation.

(D) Effective July 1, 2020, an additional 1.1 percent for a total employee contribution of 4.6 percent of pensionable compensation.

(E) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 fiscal year, as described in subparagraph (D), is suspended and shall not be withheld from employees' salaries beginning on the first day of the pay period following ratification and ending on June 30, 2021. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 fiscal year, as described in subparagraph (D).~~

(6) The employees in State Bargaining Unit 2 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 0.7 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 0.6 percent for a total employee contribution of 1.3 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 0.7 percent for a total employee contribution of 2.0 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning on the first day of the pay period following ratification and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C).~~

(7) The employees in State Bargaining Unit 7 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 1.3 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 1.4 percent for a total employee contribution of 2.7 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.3 percent for a total employee contribution of 4.0 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning on the first day of the pay period following ratification and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C).~~

(8) The employees in State Bargaining Unit 1, 3, 4, 11, 14, 15, 17, 20, or 21 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2018, 1.2 percent of pensionable compensation.

(B) Effective July 1, 2019, an additional 1.1 percent for a total employee contribution of 2.3 percent of pensionable compensation.

(C) Effective July 1, 2020, an additional 1.2 percent for a total employee contribution of 3.5 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning on July 1, 2020, and ending on June 30,~~

~~2022. The employer's monthly contribution for prefunding other post employment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C).~~

(9) The employees in State Bargaining Unit 8 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 1.5 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 1.5 percent for a total employee contribution of 3.0 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.4 percent for a total employee contribution of 4.4 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 fiscal year, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning on the first day of the pay period following ratification and ending on June 30, 2021. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 fiscal year, as described in subparagraph (C).~~

(10) The employees in State Bargaining Unit 13 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 1.3 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 1.3 percent for a total employee contribution of 2.6 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.3 percent for a total employee contribution of 3.9 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning with the August 2020 pay period and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years as described in subparagraph (C).~~

(11) The employees in State Bargaining Unit 18 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 1.3 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 1.3 percent for a total employee contribution of 2.6 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.4 percent for a total employee contribution of 4.0 percent of pensionable compensation.

(D) ~~After July 1, 2019, the employer and employee contribution percentages will be adjusted based on actuarially determined total normal costs. Adjustments to both the employer and employee contribution percentages will occur if the actuarially determined total normal costs increase by more than 0.5 percent from the total normal cost contribution percentages in effect at the time. Commencing no sooner than July 1, 2021, and on July 1 of each fiscal year thereafter, if it is determined that an adjustment to the contribution rate is necessary, the employer and employee contribution percentages will be increased to maintain a 50-percent cost sharing of actuarially determined total normal costs. The increase to the employer or employee contribution in any given fiscal year shall not exceed 0.5 percent per year.~~

(E) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraphs (C) and (D), is suspended~~

~~and shall not be withheld from employees' salaries beginning on the first day of the pay period following ratification and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraphs (C) and (D).~~

(12) The employees in State Bargaining Unit 19 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, 1.0 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 1.0 percent for a total employee contribution of 2.0 percent of pensionable compensation.

(C) Effective July 1, 2019, an additional 1.0 percent for a total employee contribution of 3.0 percent of pensionable compensation.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C), is suspended and shall not be withheld from employees' salaries beginning with the July 2020 pay period and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (C).~~

(13) The employees in State Bargaining Unit 16 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(A) Effective July 1, 2017, ~~1~~1.0 percent of pensionable compensation.

(B) Effective July 1, 2018, an additional 0.4 percent for a total employee contribution of 1.4 percent of pensionable compensation.

(C) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraph (B), is suspended and shall not be withheld from employees' salaries beginning on the first day of the pay period following ratification and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will continue in the 2020–21 and 2021–22 fiscal years, as described in subparagraph (B).~~

(14) Notwithstanding Section 22944.3 of the Government Code, the state and employees in State Bargaining Unit 5 shall prefund retiree health care, with the goal of reaching a 50-percent cost sharing of actuarially determined total normal costs for both employer and employees by July 1, 2020.

(A) The employees in State Bargaining Unit 5 shall make contributions to prefund retiree health care based on the following schedule, and the state shall make a matching contribution:

(B) Effective July 1, 2020, 0.0 percent of pensionable compensation for employees and 3.4 percent of pensionable statutory salary increases redirected to prefund OPEB paid for by the employer.

(C) After July 1, 2020, the employer and employee contribution percentages will be adjusted based on actuarially determined total normal costs. Adjustments to both the employer and employee contribution percentages will occur if the actuarially determined total normal costs increase or decrease by more than 0.5 percent from the total normal cost contribution percentages in effect at the time. Commencing no sooner than July 1, 2021, and on July 1 of each fiscal year thereafter, if it is determined that an adjustment to the contribution rate is necessary, the employer and employee contribution percentages will be increased or decreased to maintain a 50-percent cost sharing of actuarially determined total normal costs. The increase or decrease to the employer or employee contribution in any given fiscal year shall not exceed 0.5 percent per year.

(D) ~~The employees' monthly contribution for prefunding other postemployment benefits for the 2020–21 and 2021–22 fiscal years, as described in subparagraphs (B) and (C), is suspended and shall not be withheld from employees' salaries beginning with the July 2020 pay period and ending on June 30, 2022. The employer's monthly contribution for prefunding other postemployment benefits will also be suspended during the 2020–21 and 2021–22 fiscal years, as described in subparagraphs (B) and (C), beginning with the July 2020 pay period and ending on June 30, 2022.~~

(E)(D) Effective July 1, 2020, the statutory increase redirected as a result of subdivision (a) of Section 19827 shall count towards the employee contribution percentage when determining the 50-percent cost sharing of actuarially determined total normal costs.

(F) ~~Effective July 1, 2022, if the Director of Finance does not restore the state and employee share of other postemployment benefits, the employer and employee contributions shall be restored and the parties shall incorporate the 3.4 percent employee share of pensionable compensation into the salary survey conducted pursuant to Section 19827 of Government Code. If projected state revenues continue to be insufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the aforementioned other postemployment benefits contributions, the employee and employer other postemployment benefits contributions and inclusion of the 3.4 percent employee share for other postemployment benefits into the salary survey shall become effective on July 1, 2023. Determination of funding availability relative to this section shall be at the sole discretion of the Director of Finance.~~

(G) ~~Upon the other postemployment benefits contributions being restored pursuant to subparagraph (F), the employees in State Bargaining Unit 5 and the state shall make contributions to prefund retiree health care based on the following schedule:~~

(i) ~~Effective July 1, 2022, or July 1, 2023, employees shall contribute 1.1 percent of pensionable compensation and the employer shall contribute 5.7 percent of pensionable compensation, for a total of 6.8 percent pensionable compensation.~~

(ii) ~~Effective July 1, 2023, or July 1, 2024, employees shall contribute 2.3 percent of pensionable compensation and the employer shall contribute 4.5 percent of pensionable compensation, for a total of 6.8 percent pensionable compensation.~~

(iii) ~~Effective July 1, 2024, or July 1, 2025, employees shall contribute 3.4 percent of pensionable compensation and the employer shall contribute 3.4 percent of pensionable compensation, for a total of 6.8 percent pensionable compensation.~~

(c) This section only applies to employees who are eligible for health benefits, including permanent intermittent employees.

(d) Contributions paid pursuant to this section shall be deposited in the Annuitants' Health Care Coverage Fund and shall not be refundable under any circumstances to an employee or the employee's beneficiary or survivor.

(e) If the provisions of this section are in conflict with the provisions of a memorandum of understanding ~~or addenda, or both,~~ reached pursuant to Section 3517.5, ~~that~~the memorandum of understanding ~~or addenda, or both,~~ shall be controlling without further legislative action, except that if those provisions of ~~the~~a memorandum of understanding ~~or addenda~~ require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(f) This section ~~shall also apply~~also applies to a state employee related to a bargaining unit described in subdivision (a) who is excepted from the definition of "state employee" in subdivision (c) of Section 3513.

(g)

(1) With the goal of reaching a 50-percent cost sharing of actuarially determined normal costs for both employer and employees by July 1, 2020, the Director of the Department of Human Resources may establish the total employee contribution to prefund retiree health care as a percentage of pensionable compensation for the following:

(A) A state employee who is not related to a bargaining unit described in subdivision (a) and who is excepted from the definition of “state employee” in subdivision (c) of Section 3513.

(B) An officer or employee of the executive branch of state government who is not a member of the civil service.

(2) An employee or officer to whom this subdivision applies shall make contributions to prefund retiree health care based on the percentages established in paragraph (1), and the state shall match the contributions.

SEC. 155. Section *27361.4* of the Government Code, as added by Section 4 of Chapter 41 of the Statutes of 2019, is amended to read:

27361.4.

(a) The board of supervisors of any county may provide for an additional fee of one dollar ($1) for filing every instrument, paper, or notice for record, in order to defray the cost of converting the county recorder’s document storage system to micrographics. Upon completion of the conversion and payment of the costs therefor, this additional fee shall no longer be imposed.

(b) The board of supervisors of any county may provide for an additional fee, other than the fees authorized in subdivisions (a) and (c), of one dollar ($1) for filing every instrument, paper, or notice for record provided that the resolution providing for the additional fee establishes the days of operation of the county recorder’s offices as every business day except for legal holidays and those holidays designated as judicial holidays pursuant to Section 135 of the Code of Civil Procedure.

(c) The board of supervisors of any county may provide for an additional fee, other than the fees authorized in subdivisions (a) and (b), of one dollar ($1) for filing every instrument, paper, or notice for record provided that the resolution providing for the additional fee requires that the instrument, paper, or notice be indexed within two business days after the date of recordation.

(d) This section shall become operative on January 1, 2026.

~~(Amended by Stats. 1993, Ch. 710, Sec. 1. Effective January 1, 1994.)~~

SEC. 156. Section *31631.5* of the Government Code is amended to read:

31631.5.

(a)

(1) Notwithstanding any other provision of this chapter, a board of supervisors or the governing body of a district may require that members pay 50 percent of the normal cost of benefits. However, that contribution shall be no more than 14 percent above the applicable normal rate of contribution of members established pursuant to this article for local general members, no more than 33 percent above the applicable normal rate of contribution of members established pursuant to Article 6.8 (commencing with Section ~~21639~~31639) for local police officers, local firefighters, county peace officers, and no more than 37 percent above the applicable normal rate of contribution of members established pursuant to Article 6.8 (commencing with Section 31639) for all local safety members other than police officers, firefighters, and county peace officers.

(2) Before implementing any change pursuant to this subdivision for any represented employees, the public employer shall complete the good faith bargaining process as required by law, including any impasse procedures requiring mediation and factfinding. This subdivision shall become

operative on January 1, 2018. This subdivision shall not apply to any bargaining unit when the members of that unit are paying at least 50 percent of the normal cost of their pension benefit or are subject to an agreement reached pursuant to paragraph (1). Applicable normal rate of contribution of members means the statutorily authorized rate applicable to the member group as the statutes read on December 31, 2012.

(b) ~~Nothing in this section shall~~This section does not modify a board of supervisors' or the governing body of a district's authority under law as it existed on December 31, 2012, including any restrictions on that authority, to change the amount of member contributions.

SEC. 157. The heading of Article 12 (commencing with Section 53170) of Chapter 1 of Part 1 of Division 2 of Title 5 of the Government Code, as added by Section 1 of Chapter 885 of the Statutes of 2018, is amended and renumbered to read:

Article 13. Local Identification Cards

SEC. 158. Section *54221* of the Government Code is amended to read:

54221.

As used in this article, the following definitions shall apply:

(a)

(1) "Local agency" means every city, whether organized under general law or by charter, county, city and county, district, including school, sewer, water, utility, and local and regional park districts of any kind or class, joint powers authority, successor agency to a former redevelopment agency, housing authority, or other political subdivision of this state and any instrumentality thereof that is empowered to acquire and hold real property.

(2) The Legislature finds and declares that the term "district" as used in this article includes all districts within the state, including, but not limited to, all special districts, sewer, water, utility, and local and regional park districts, and any other political subdivision of this state that is a district, and therefore the changes in paragraph (1) made by the act adding this paragraph that specify that the provisions of this article apply to all districts, including school, sewer, water, utility, and local and regional park districts of any kind or class, are declaratory of, and not a change in, existing law.

(b)

(1) "Surplus land" means land owned in fee simple by any local agency for which the local agency's governing body takes formal action in a regular public meeting declaring that the land is surplus and is not necessary for the agency's use. Land shall be declared either "surplus land" or "exempt surplus land," as supported by written findings, before a local agency may take any action to dispose of it consistent with an agency's policies or procedures. A local agency, on an annual basis, may declare multiple parcels as "surplus land" or "exempt surplus land."

(2) "Surplus land" includes land held in the Community Redevelopment Property Trust Fund pursuant to Section 34191.4 of the Health and Safety Code and land that has been designated in the long-range property management plan approved by the Department of Finance pursuant to Section 34191.5 of the Health and Safety Code, either for sale or for future development, but does not include any specific disposal of land to an identified entity described in the plan.

(3) ~~Nothing in this article prevents~~This article does not prevent a local agency from obtaining fair market value for the disposition of surplus land consistent with Section 54226.

(c)

(1) Except as provided in paragraph (2), "agency's use" shall include, but not be limited to, land that is being used, is planned to be used pursuant to a written plan adopted by the local agency's

governing board for, or is disposed to support pursuant to subparagraph (B) of paragraph (2) agency work or operations, including, but not limited to, utility sites, watershed property, land being used for conservation purposes, land for demonstration, exhibition, or educational purposes related to greenhouse gas emissions, and buffer sites near sensitive governmental uses, including, but not limited to, waste water treatment plants.

(2)

(A) "Agency's use" shall not include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development. Property disposed of for the sole purpose of investment or generation of revenue shall not be considered necessary for the agency's use.

(B) In the case of a local agency that is a district, excepting those whose primary mission or purpose is to supply the public with a transportation system, "agency's use" may include commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development or be for the sole purpose of investment or generation of revenue if the agency's governing body takes action in a public meeting declaring that the use of the site will do one of the following:

(i) Directly further the express purpose of agency work or operations.

(ii) Be expressly authorized by a statute governing the local agency, provided the district complies with Section 54233.5 where applicable.

(d) "Open-space purposes" means the use of land for public recreation, enjoyment of scenic beauty, or conservation or use of natural resources.

(e) "Persons and families of low or moderate income" has the same meaning as provided in Section 50093 of the Health and Safety Code.

(f)

(1) Except as provided in paragraph (2), "exempt surplus land" means any of the following:

(A) Surplus land that is transferred pursuant to Section 25539.4 ~~or 37364~~.

(B) Surplus land that is (i) less than 5,000 square feet in area, (ii) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or (iii) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes. If the surplus land is not sold to an owner of contiguous land, it is not considered exempt surplus land and is subject to this article.

(C) Surplus land that a local agency is exchanging for another property necessary for the agency's use.

(D) Surplus land that a local agency is transferring to another local, state, or federal agency for the agency's use.

(E) Surplus land that is a former street, ~~right of way~~right-of-way, or easement, and is conveyed to an owner of an adjacent property.

(F) Surplus land that is put out to open, competitive bid by a local agency, provided all entities identified in subdivision (a) of Section 54222 will be invited to participate in the competitive bid process, for either of the following purposes:

(i) A housing development, which may have ancillary commercial ground floor uses, that restricts 100 percent of the residential units to persons and families of low or moderate income, with at least 75 percent of the residential units restricted to lower income households, as defined in Section 50079.5 of the Health and Safety Code, with an affordable sales price or an affordable rent, as defined in Sections 50052.5 or 50053 of the

Health and Safety Code, for a minimum of 55 years for rental housing and 45 years for ownership housing, and in no event shall the maximum affordable sales price or rent level be higher than 20 percent below the median market rents or sales prices for the neighborhood in which the site is located.

(ii) A mixed-use development that is more than one acre in area, that includes not less than 300 housing units, and that restricts at least 25 percent of the residential units to lower income households, as defined in Section 50079.5 of the Health and Safety Code, with an affordable sales price or an affordable rent, as defined in Sections 50052.5 and 50053 of the Health and Safety Code, for a minimum of 55 years for rental housing and 45 years for ownership housing.

(G) Surplus land that is subject to valid legal restrictions that are not imposed by the local agency and that would make housing prohibited, unless there is a feasible method to satisfactorily mitigate or avoid the prohibition on the site. An existing nonresidential land use designation on the surplus land is not a legal restriction that would make housing prohibited for purposes of this subparagraph. ~~Nothing in this article limits~~This article does not limit a local jurisdiction's authority or discretion to approve land use, zoning, or entitlement decisions in connection with the surplus land.

(H) Surplus land that was granted by the state in trust to a local agency or that was acquired by the local agency for trust purposes by purchase or exchange, and for which disposal of the land is authorized or required subject to conditions established by statute.

(I) Land that is subject to Sections 17388, 17515, 17536, 81192, 81397, 81399, 81420, and 81422 of the Education Code and Part 14 (commencing with Section 53570) of Division 31 of the Health and Safety Code, unless compliance with this article is expressly required.

(J) Real property that is used by a district for agency's use expressly authorized in subdivision (c).

(K) Land that has been transferred before June 30, 2019, by the state to a local agency pursuant to Section 32667 of the Streets and Highways Code and has a minimum planned residential density of at least one hundred dwelling units per acre, and includes 100 or more residential units that are restricted to persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, with an affordable sales price or an affordable rent, as defined in Sections 50052.5 and 50053 of the Health and Safety Code, for a minimum of 55 years for rental housing and 45 years for ownership housing. For purposes of this paragraph, not more than 20 percent of the affordable units may be restricted to persons and families of moderate income and at least 80 percent of the affordable units must be restricted to persons and families of lower income as defined in Section 50079.5 of the Health and Safety Code.

(2) Notwithstanding paragraph (1), a written notice of the availability of surplus land for open-space purposes shall be sent to the entities described in subdivision (b) of Section 54222 prior to disposing of the surplus land, provided the land does not meet the criteria in subparagraph (H) of paragraph (1), if the land is any of the following:

(A) Within a coastal zone.

(B) Adjacent to a historical unit of the State Parks System.

(C) Listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places.

(D) Within the Lake Tahoe region as defined in Section 66905.5.

SEC. 159. Section *54230.5* of the Government Code is amended to read:

54230.5.

(a)

(1) A local agency that disposes of land in violation of this article after receiving a notification from the Department of Housing and Community Development pursuant to subdivision (b) that the local agency is in violation of this article shall be liable for a penalty of 30 percent of the final sale price of the land sold in violation of this article for a first violation and 50 percent for any subsequent violation. An entity identified in Section 54222 or a person who would have been eligible to apply for residency in any affordable housing developed or a housing organization as defined in Section 65589.5, or any beneficially interested person or entity may bring an action to enforce this section. A local agency shall have 60 days to cure or correct an alleged violation before an action may be brought to enforce this section, unless the local agency disposes of the land before curing or correcting the alleged violation, or the department deems the alleged violation not to be a violation in less than 60 days.

(2) A penalty assessed pursuant to this subdivision shall, except as otherwise provided, be deposited into a local housing trust fund. The local agency may elect to instead deposit the penalty moneys into the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund. Penalties shall not be paid out of funds already dedicated to affordable housing, including, but not limited to, Low and Moderate Income Housing Asset Funds, funds dedicated to housing for very low, low-, and moderate-income households, and federal HOME Investment Partnerships Program and Community Development Block Grant Program funds. The local agency shall commit and expend the penalty moneys deposited into the local housing trust fund within five years of deposit for the sole purpose of financing newly constructed housing units that are affordable to extremely low, very low, or low-income households.

(3) Five years after deposit of the penalty moneys into the local housing trust fund, if the funds have not been expended, the funds shall revert to the state and be deposited in the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund for the sole purpose of financing newly constructed housing units located in the same jurisdiction as the surplus land and that are affordable to extremely low, very low, or low-income households. Expenditure of any penalty moneys deposited into the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund pursuant to this subdivision shall be subject to appropriation by the Legislature.

(b)

(1) Prior to agreeing to terms for the disposition of surplus land, a local agency shall provide to the Department of Housing and Community Development a description of the notices of availability sent, and negotiations conducted with any responding entities, in regard to the disposal of the parcel of surplus land and a copy of any restrictions to be recorded against the property pursuant to Section 54233 or 54233.5, whichever is applicable, in a form prescribed by the Department of Housing and Community Development. A local agency may submit this information after it has sent notices of availability required by Section 54222 and concluded negotiations with any responding agencies. A local agency shall not be liable for the penalty imposed by subdivision (a) if the Department of Housing and Community Development does not notify the agency that the agency is in violation of this article within 30 days of receiving the description.

(2) The Department of Housing and Community Development shall do all of the following:

(A) Make available educational resources and materials that ~~informs~~inform each agency of its obligations under this article and that ~~provides~~provide guidance on how to comply with its provisions.

(B) Review information submitted pursuant to paragraph (1).

(C) Submit written findings to the local agency within 30 days of receipt of the description required by paragraph (1) from the local agency if the proposed disposal of the land will violate this article.

(D) Review, adopt, amend, or repeal guidelines to establish uniform standards to implement this section. The guidelines adopted pursuant to this subdivision are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

(E) Provide the local agency reasonable time, but not less than 60 days, to respond to the findings before taking any other action authorized by this section.

(3)

(A) The local agency shall consider findings made by the Department of Housing and Community Development pursuant to subparagraph (B) of paragraph (2) and shall do one of the following:

(i) Correct any issues identified by the Department of Housing and Community Development.

(ii) Provide written findings explaining the reason its process for disposing of surplus land complies with this article and addressing the Department of Housing and Community Development's findings.

(B) If the local agency does not correct issues identified by the Department of Housing and Community Development, does not provide findings explaining the reason its process for disposing of surplus land complies with this article and addressing the Department of Housing and Community Development's findings, or if the Department of Housing and Community Development finds that the local agency's findings are deficient in addressing the issues identified by the Department of Housing and Community Development, the Department of Housing and Community Development shall notify the local agency, and may notify the Attorney General, that the local agency is in violation of this article.

(c) The Department of Housing and Community Development shall implement the changes in this section made by the act adding this subdivision commencing on January 1, 2021.

(d) Notwithstanding subdivision (c), this section shall not be construed to limit any other remedies authorized under law to enforce this article including public records act requests pursuant to Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1.

SEC. 160. Section *54237* of the Government Code is amended to read:

54237.

(a) Notwithstanding Section 11011.1, an agency of the state disposing of surplus residential property shall do so in accordance with the following priorities and procedures:

(1) First, all single-family residences presently occupied by their former owners shall be offered to those former owners at the appraised fair market value.

(2) Second, all single-family residences shall be offered, pursuant to this article, to their present occupants who have occupied the property for two years or more and who are persons and families of low or moderate income.

(3) Third, all single-family residences shall be offered, pursuant to this article, to their present occupants who have occupied the property for five years or more and whose household income does not exceed 150 percent of the area median income.

(4) Fourth, a single-family residence shall not be offered, pursuant to this article, to present occupants who are not the former owners of the property if the present occupants have had an ownership interest in real property in the last three years.

(b) Single-family residences offered to their present occupants pursuant to paragraphs (2) and (3) of subdivision (a) shall be offered to those present occupants at an affordable price. The price shall not be less than the price paid by the agency for original acquisition, unless the acquisition price was greater than the current fair market value, and shall not be greater than fair market value. When a single-family residence is offered to present occupants at a price that is less than fair market value, the selling agency shall impose terms, conditions, and restrictions to ensure that the housing will remain available to persons and families of low or moderate income and households with incomes no greater than the incomes of the present occupants in proportion to the area median income. The Department of Housing and Community Development shall provide to the selling agency recommendations of standards and criteria for these prices, terms, conditions, and restrictions. The selling agency shall provide repairs required by lenders and government housing assistance programs, or, at the option of the agency, provide the present occupants with a replacement dwelling pursuant to Section 54237.5.

(c) If single-family residences are offered to their present occupants pursuant to paragraphs (2) and (3) of subdivision (a), the occupants shall certify their income and assets to the selling agency. When a single-family residence is offered to present occupants at a price that is less than fair market value, the selling agency may verify the certifications, in accordance with procedures used for verification of incomes of purchasers and occupants of housing financed by the California Housing Finance Agency and with regulations adopted for the verification of assets by the United States Department of Housing and Urban Development. The income and asset limitations and term of residency requirements of paragraphs (2) and (3) of subdivision (a) shall not apply to sales that are described as mitigation measures in an environmental study prepared pursuant to the Public Resources Code, if the study was initiated before this measure was enacted.

(d) All other surplus residential properties and all properties described in paragraphs (1), (2), and (3) of subdivision (a) that are not purchased by the former owners or the present occupants shall be then offered as follows:

(1) Except as required by paragraph (2), the property shall be offered to a housing-related private or public entity at a reasonable price, which is best suited to economically feasible use of the property as decent, safe, and sanitary housing at affordable rents and affordable prices for persons and families of low or moderate income, on the condition that the purchasing entity shall cause the property to be rehabilitated and used as follows:

(A) If the housing-related entity is a public entity, the entity shall dedicate profits realized from a subsequent sale, as specified in subdivision (b) of Section 54237.7, to the construction of affordable housing within the Cities of Pasadena, South Pasadena, Alhambra, La Canada Flintridge, and the 90032 postal ZIP Code.

(B) If the entity is a private housing-related entity or a housing-related public entity, the entity shall cause the property to be developed as limited equity cooperative housing with first right of occupancy to present occupants, except that where the development of cooperative or cooperatives is not feasible, the purchasing entity shall cause the property to be used for low and moderate income rental or owner-occupied housing, with first right of occupancy to the present tenants. The price of the property in no case shall be less than the price paid by the entity for original acquisition unless the acquisition price was greater than current fair market value and shall not be greater than fair market value. Subject to the foregoing, it shall be set at the level necessary to provide housing at affordable rents and affordable prices for present tenants and persons and families of low or moderate income. When residential property is offered at a price that is less than fair market value, the selling agency shall impose terms, conditions, and restrictions ~~as~~that will ensure that the housing will remain available to persons and families of low or moderate income. The Department of Housing and Community

Development shall provide to the selling agency recommendations of standards and criteria for prices, terms, conditions, and restrictions.

(2)

(A) If the property is a historic home, the property shall be offered first to a housing-related public entity subject to subparagraph (A) or (B) of paragraph (1) or to a nonprofit private entity dedicated to rehabilitating and maintaining the historic home for public and community access and use subject to subparagraph (B) of paragraph (1).

(B) For purposes of this subdivision, "historic home" means single-family surplus residential property that is listed on, or for which an application has been filed for listing on, at least one of the following by January 1, 2015:

(i) The California Register of Historical Resources, as established pursuant to Article 2 (commencing with Section 5020) of Chapter 1 of Division 5 of the Public Resources Code.

(ii) The National Register of Historic Places, as established pursuant to Chapter 3021 of Title 54 of the United States Code.

(iii) The National Register of Historic Places, as previously established pursuant to the federal National Historic Preservation Act (54 U.S.C. Sec. 300101 et seq.).

(e) A surplus residential property not sold pursuant to subdivisions (a) to (d), inclusive, shall then be sold at fair market value, with priority given first to purchasers who are present tenants in good standing with all rent obligations current and paid in full, second to former tenants who were in good standing at the time they vacated the premises, with priority given to the most recent tenants first, and then to purchasers who will be owner occupants. The selling agency may commence the sale of property that former tenants may possess a right to purchase as provided by this subdivision 30 days after the selling agency has done both of the following:

(1) Posted information regarding the sale under this subdivision on the selling agency's internet website.

(2) Made a good faith effort to provide written notice, by first-class mail, to the last known address of each former tenant.

(f)

(1) Tenants in good standing of nonresidential properties shall be given priority to purchase, at fair market value, the property they rent, lease, or otherwise legally occupy.

(2)

(A) A tenant in good standing of a nonresidential property shall be given priority to purchase, at the lesser of fair market value or value in use, if the tenant is a city or a nonprofit organization qualified as exempt under Section 501(c)(3) of the Internal Revenue Code.

(B) The Department of Transportation shall not sell a nonresidential property to a tenant described in subparagraph (A) at a value below the minimum sales price, as defined by Section 1476 of Title 21 of the California Code of Regulations as that regulation read on July 1, 2019.

(C) If a nonresidential property is offered at a price that is less than fair market value, the selling agency shall impose appropriate terms, conditions, and restrictions.

(D) As used in this paragraph, "value in use" means the value of a nonresidential property assuming a specific use, that may or may not be the property's highest and best use on the effective date of the property's appraisal.

SEC. 161. Section *64502* of the Government Code is amended to read:

64502.

For purposes of this title:

(a) "Affordable housing" is defined as housing that is restricted by recorded document to provide an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code.

(b) "Authority" means the Bay Area Housing Finance Authority established pursuant to Section 64510.

(c) "Board" means the governing board of the Bay Area Housing Finance Authority.

(d) "Executive board" means the executive board of the Association of Bay Area Governments.

(e) "Extremely low income households" has the same meaning as the term ~~as~~is defined in Section 50106 of the Health and Safety Code.

(f) "Lower income households" has the same meaning as that term is defined in Section 50079.5 of the Health and Safety Code.

(g) "Low- or moderate-income households" has the same meaning as "persons and families of low or moderate income," as defined in Section 50093 of the Health and Safety Code.

(h) "San Francisco Bay area" means the entire area within the territorial boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(i) "Very low income households" has the same meaning as the term ~~as~~is defined in Section 50105 of the Health and Safety Code.

SEC. 162. Section *64623* of the Government Code is amended to read:

64623.

(a) Before adopting a resolution establishing or imposing a new commercial linkage fee or approving an increase in an existing commercial linkage fee pursuant to this article, the executive board shall hold a public hearing, at which oral or written presentations can be made, as part of a regularly scheduled meeting. The executive board shall publish a notice of the time and place of the meeting, including a general explanation of the matter to be considered~~, shall be published~~ in accordance with Section 6062a.

(b) Any costs incurred by the executive board in conducting the hearing required pursuant to subdivision (a) may be recovered as part of the commercial linkage fee that is the subject of the hearing.

SEC. 163. Section *64625* of the Government Code is amended to read:

64625.

(a) Any party may protest the imposition of a commercial linkage fee imposed on a commercial development project by the executive board and the authority pursuant to this article as follows:

(1) The party shall pay the total amount of commercial linkage fee required by the resolution enacted pursuant to Section 64621, or ~~providing~~provide satisfactory evidence of arrangements to pay the commercial linkage fee when due, in accordance with Section 64624.

(2) Serving a written notice on the authority board and the legislative body of the relevant underlying land use jurisdiction that contains all of the following information:

(A) A statement that the required payment is tendered or will be tendered when due under protest.

(B) A statement informing the authority board and legislative body of the underlying land use jurisdiction of the factual elements of the dispute and the legal theory forming the basis for the protest.

(b) Compliance by any party with subdivision (a) shall not be the basis for an underlying land use jurisdiction to withhold approval of any map, plan, permit, zone change, license, or other form of permission, or concurrence, whether discretionary, ministerial, or otherwise, incident to, or necessary for, the commercial development project. This section does not limit the ability of an underlying land use jurisdiction to ensure compliance with all applicable provisions of law in determining whether to approve or disapprove a commercial development project.

(c)

(1) A protest filed pursuant to subdivision (a) shall be filed at the time of approval or conditional approval of the commercial development project or within 90 days after the date of the imposition of the commercial linkage fee to be imposed on a commercial development project.

(2) Any party who files a protest pursuant to subdivision (a) may file an action to attack, review, set aside, void, or annul the imposition of the commercial linkage fee imposed on a commercial development project within 60 days after the delivery of the notice required by subdivision (a) of Section 64624. Thereafter, notwithstanding any other law, all persons shall be barred from any action or proceeding or any defense of invalidity or unreasonableness of the imposition. Any proceeding brought pursuant to this subdivision shall take precedence over all matters of the calendar of the court except criminal, probate, eminent domain, forcible entry, and unlawful detainer proceedings.

(d)

(1) If the court grants a judgment to a plaintiff invalidating, as enacted, all or a portion of a resolution establishing, increasing, or imposing a commercial linkage fee, the court shall direct the authority to refund the unlawful portion of the payment, plus interest at an annual rate equal to the average rate accrued by the Pooled Money Investment Account during the time elapsed since the payment occurred, or to return the unlawful portion of the exaction imposed.

(2) If an action is filed within 120 days of the date at which a resolution to establish or modify a commercial linkage fee to be imposed on a commercial development project takes effect, the portion of the payment or exaction invalidated shall also be returned to any other person who, under protest pursuant to this section and under that invalid portion of that same resolution as enacted, tendered the payment or provided for or satisfied the exaction during the period from 90 days before the date of the filing of the action which invalidates the payment or exaction to the date of the entry of the judgment referenced in paragraph (1).

(e) The imposition of a commercial linkage fee occurs, for the purposes of this section, when it is imposed or levied on a specific commercial development project.

SEC. 164. Section *64626* of the Government Code is amended to read:

64626.

(a) In any judicial action or proceeding to validate, attack, review, set aside, void, or annul any resolution providing for the establishment, increase, or imposition of a commercial linkage fee pursuant to this article in which there is an issue whether the fee is a special tax within the meaning of Section 50076, the executive board and the authority shall have the burden of producing evidence to establish that the commercial linkage fee does not exceed the reasonable cost of providing the housing necessitated by the commercial development project for which the commercial linkage fee is imposed, as determined in the regional nexus study pursuant to subdivision (b) of Section 64621.

(b) A party may only initiate ~~any~~an action or proceeding pursuant to subdivision (a) if both of the following requirements are met:

(1) The commercial linkage fee was directly imposed on the party as a condition of project approval, as provided in Section 64624.

(2) At least 30 days before initiating the action or proceeding, the party requests that the executive board and the authority provide a copy of the documents, including, but not limited to, the regional nexus study prepared pursuant to subdivision (b) of Section 64621, that establish that the commercial linkage fee does not exceed the reasonable cost of providing the housing necessitated by the commercial development project for which the commercial linkage fee is imposed. In accordance with subdivision (b) of Section 6253, the executive board and the authority may charge a fee for copying the documents requested pursuant to this paragraph.

(c) For purposes of this section, costs shall be determined in accordance with fundamental fairness and consistency of method as to the allocation of costs, expenses, revenues, and other items included in the calculation.

SEC. 165. Section *64636* of the Government Code is amended to read:

64636.

Any action to determine the validity or adoption of any tax, fee, or other charge provided for in, or the validity of bonds issued pursuant to, this title, or any of the proceedings, contracts, agreements, or other arrangements or matters entered into, shall be commenced within 60 days from the date of the election or the adoption of the resolution approving such matters, as applicable, pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure. After that date, the adoption of such tax, fee, or other charge, the issuance of the bonds, and all proceedings in relation thereto, shall be held valid and incontestable in every respect.

SEC. 166. Section *64650* of the Government Code is amended to read:

64650.

(a)

(1) Revenue generated pursuant to this part shall be used for the construction of new affordable housing, affordable housing preservation, tenant protection programs, planning and technical assistance related to affordable housing, and for infrastructure to support housing and other purposes, as provided for in this section.

(2) For purposes of this section:

(A) "County housing revenue" are those funds distributed pursuant to subparagraph (A) of paragraph (1) of subdivision (d) and subparagraph (A) of paragraph (2) of subdivision (d).

(B) "Regional housing revenues" are those revenues described in subparagraph (B) of paragraph (1) of subdivision (d) and subparagraph (B) of paragraph (2) of subdivision (d).

(b)

(1) The allocation of regional housing revenues to projects and programs shall be first approved by the executive board and subsequently by the authority. If the authority takes an action different from the executive board, the executive board must subsequently approve the action.

(2) Subject to funding eligibility and adjustment pursuant to paragraph (3), the authority shall distribute regional housing revenue in the form of a grant, loan, or other financing tool pursuant to subdivision (k) of Section 64520 in a manner that achieves the following minimum shares over five-year periods commencing after revenue is approved by voters as follows:

(A)

(i) A minimum of two-thirds for production and preservation of affordable housing as follows:

(I) A minimum of 52 percent for the production of rental housing that is restricted by recorded document to be affordable to lower income households for at least 55 years, including, but not limited to, housing serving specific populations such as veterans, seniors, people with disabilities, current or former foster youth, victims of abuse, and people experiencing or at risk of homelessness. “Eligible expenses,” for purposes of this paragraph, include, but are not limited to, development costs, as defined in Section 50065 of the Health and Safety Code.

(II) A minimum of 15 percent for preservation of housing that is restricted by recorded document to be affordable to low- or moderate-income households for 55 years. Funding pursuant to this clause for preservation programs may be used to acquire, rehabilitate, and preserve existing housing units restricted for affordability, as well as housing from the private market, including residential hotels, as defined in paragraph (1) of subdivision (b) of Section 50519 of the Health and Safety Code, in order to prevent the loss of affordability. Funding provided pursuant to this clause shall be subject to both of the following conditions:

(ia) Existing residents of buildings acquired for the purpose of affordable housing preservation shall not be displaced, even if the resident’s household income exceeds the moderate-income limits in Section 50093 of the Health and Safety Code.

(ib) Buildings acquired for the purpose of affordable housing preservation shall achieve 100 percent occupancy by low- or moderate-income households over time through unit turnover.

(ii) Funding subject to this paragraph that is derived from a bond issued pursuant to Section 64631 shall be expended solely to purchase or improve real property, consistent with paragraph (2) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(iii) Funding provided pursuant to this paragraph shall be subject to the following conditions in the event that demolition or rehabilitation of housing units is required:

(I) If the housing units are occupied at the date of acquisition, the housing development shall provide at least the same number of units of equivalent number of bedrooms to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those households in occupancy.

(II) If existing residents must be relocated due to demolition or rehabilitation needs, the developer must provide relocation benefits to the occupants of those housing rental units subject to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1. This subclause ~~shall~~does not supersede any provision of a locally adopted ordinance that requires greater relocation assistance to displaced households.

(III) If existing residents must be relocated due to demolition or rehabilitation needs, the developer shall provide a right of first refusal for a comparable unit available in the new or rehabilitated housing development that is affordable to the household at an affordable rent, as defined in Section 50053 of the Health and Safety Code, or an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code.

(B) A minimum of 5 percent for tenant protection programs for low- and moderate-income households. However, regional housing revenues derived from a bond authorized in Section

64631 shall not be spent for these purposes. Therefore, the executive board and the authority board shall prioritize the use of revenue sources that are eligible for tenant protection programs in order to meet the minimum requirement of this subparagraph, or as that requirement is modified pursuant to paragraph (3), to the extent feasible. Eligible expenses provided pursuant to this paragraph may only be spent on the following:

(i) Preeviction and eviction legal services, counseling, advice and consultation, training, renter education, and representation, and services to improve habitability that protect against displacement of tenants.

(ii) Providing emergency rental assistance for lower income households. Rental assistance provided pursuant to this clause shall not exceed 48 months for each assisted household, except that for severely rent-burdened seniors on fixed incomes, rental assistance may be renewed for successive 48-month terms. For purposes of this clause, a "severely rent-burdened senior" is a senior that pays more than 50 percent of their pretax income on rent.

(iii) Providing relocation assistance for lower income households beyond what is legally required of landlords according to local or state law.

(iv) Collection and tracking of information related to displacement and displacement risk, rents, and evictions in the region.

(C) A maximum of 10 percent for a grant program for local governments that qualify based on criteria established in funding guidelines adopted by the executive board and the authority board, in consultation with the advisory committee. Subject to any limitations on the funding source, eligible expenditures pursuant to this subparagraph must support housing and related uses, including, but not limited to, grants for the following purposes:

(i) Technical assistance, preparation, and adoption of planning documents and process improvements to accelerate and support housing production, preservation, and tenant protections.

(ii) Infrastructure needs associated with increased housing production, including, but not limited to, transportation, schools, and parks.

(iii) One-time uses that address homelessness, including, but not limited to, homeless shelters and infrastructure to support those shelters, and homeless prevention programs.

(iv) Programs to enable low- or moderate-income households to become or remain homeowners, including, but not limited to, below market rate ownership programs, ~~down payment~~downpayment assistance programs, residential rehabilitation loan programs, and grants or loans to assist in the rehabilitation or replacement of existing mobilehomes located in a mobilehome or manufactured home community.

(v) Tenant protection programs, as described in subparagraph (B).

(3) No earlier than five years after approval of a funding measure under Chapter 2 (commencing with Section 64610) and subject to consultation with the advisory committee, the executive board and the authority board may change any of the minimum requirements in subparagraph (A) or (B) of paragraph (2) if the executive board and the authority board each adopt a finding that the region's needs in a given category differ from those requirements. The executive board must approve the finding by a two-thirds vote, which must be subsequently approved by the authority board by a two-thirds vote. Approval of the finding shall be subject to the public participation requirements provided in subdivision (e) of Section 64511.

(4) The authority shall distribute the revenues derived from a commercial linkage fee established, increased, or imposed pursuant to Article 2 (commencing with Section 64620) of Chapter 2 to each city or county in a manner that is consistent with the regional nexus study adopted by the executive

board and the authority board. A city or county that receives revenues pursuant to this paragraph shall use that revenue solely for affordable housing necessitated by a commercial development project on which the fee was imposed, as determined by the executive board and the authority board pursuant to Section 64621.

(c) Except as otherwise provided in paragraph (4) of subdivision (b), the executive board and the authority board may approve funds for a project or program directly to a city, a county, a public entity, or a private project sponsor.

(d)

(1) The authority shall distribute funds received through the funding measures authorized in Sections 64610 and 64611 and Article 3 (commencing with Section 64630) of Chapter 2 as follows:

(A) At least 80 percent of the revenue received shall be allocated to the county of origin for expenditure in that county, consistent with the county expenditure plan adopted pursuant to paragraph (6). Each county board of supervisors shall determine the appropriate entity within their county to administer the funds. Counties may use up to 5 percent of these funds for administrative purposes to assist with the development and implementation of the expenditure plan in their county.

(B) Up to 20 percent of the revenue received shall be collected by the authority for expenditures consistent with the regional expenditure plan adopted pursuant to paragraph (5) and for the purposes set forth in subdivision (a), and shall be eligible to be spent in any county in which the measure is in effect.

(2) The authority shall distribute funds received through the funding measure authorized in Section 64612 as follows:

(A) At least 50 percent of the revenue received shall be allocated to the county of origin for expenditure in the county, consistent with the county expenditure plan adopted pursuant to paragraph (6). Each county board of supervisors shall determine the appropriate entity within their county to administer the funds allocated to their county. Counties may use up to 5 percent of these funds for administrative purposes to assist with the development and implementation of the expenditure plan in their county.

(B) Up to 50 percent of the revenue received shall be collected by the authority for expenditures consistent with the regional expenditure plan adopted pursuant to paragraph (5) and for the purposes set forth in subdivision (a), and shall be eligible to be spent in any county in which the measure is in effect.

(3) No earlier than five years after approval of a funding measure under Chapter 2 (commencing with Section 64610), the executive board and the authority board may review and adjust the minimum requirements regarding the distribution of funds in paragraphs (1) and (2). After consultation with the advisory committee and subject to the public participation requirements of subdivision (e) of Section 64511, the executive board and the authority board may adopt a finding that it is in the best interest of the region to modify the distribution of funds and adopt a revised policy. A vote in support of modifying the distribution of funds in paragraphs (1) and (2) must be approved first by a two-thirds vote of the executive board, followed by a subsequent two-thirds vote of the authority.

(4) County housing revenue may be spent on affordable housing production, affordable housing preservation, and tenant protection programs, as described in subparagraphs (A) and (B) of paragraph (2) of subdivision (b), provided that the expenditures are consistent with the county expenditure plan and the California Constitution.

(A) A county, including a city and county, shall provide a direct allocation to a city in their county if it is one of the three largest cities, including a city and county, in the San Francisco Bay area, as determined by the most recent population estimate by the Department of Finance.

The direct allocation shall be based on the city's share of the county's regional housing need allocation pursuant to Section 65584 for lower income households. A city described in this subparagraph may use up to 5 percent of its direct allocation for administrative purposes to assist with the development and implementation of its expenditure plan.

(B) A county receiving funds from this chapter that does not include one of the three largest cities, including a city and county, in the region shall provide an option for a direct allocation to a city that has been allocated more than 30 percent of that county's regional housing need allocation for lower income households during that regional housing need allocation period. The direct allocation shall be based on the city's share of the county's regional housing need allocation for lower income households. A city described in this subparagraph may use up to 5 percent of its direct allocation for administrative purposes to assist with the development and implementation of its expenditure plan.

(C) A city that receives a direct allocation shall prepare, adopt, and transmit to the county in which it is located an expenditure plan consistent with the provisions in paragraph (6) and prioritize projects that help the city achieve its regional housing need allocation. A city receiving a direct allocation shall be subject to the same minimum shares applicable to counties in clause (i) of subparagraph (B) of paragraph (6), unless the executive board and the authority each adopt a finding, based on a thorough review and after consultation with the advisory committee, that the minimum allocation requirements are not the best use of the funds to address the city's affordable housing needs. The executive board must approve the finding by a two-thirds vote, which must be subsequently approved by the authority board by a two-thirds vote.

(5)

(A) The executive board and the authority board shall, in consultation with the advisory committee, adopt a regional expenditure plan for the use of housing revenue by July 1 of each year, except the executive board and the authority board shall select the deadline to adopt the first regional expenditure plan. The regional expenditure plan may cover multiple years, as determined by the executive board and the authority board. The authority may take action on the regional expenditure plan only after it has been approved by the executive board. If the authority adopts changes to the regional expenditure plan, the changes must be subsequently approved by the executive board.

(B) The regional expenditure plan shall set forth the share of revenue and estimated funding amount to be spent on each of the categories established in subdivision (b), indicate the household income levels to be served within each category of expenditures, and estimate the number of affordable housing units to be built or preserved and the number of tenants to be protected. To the extent feasible, the regional expenditure plan shall include a description of any specific project or program proposed to receive funding, including the location, amount of funding, and anticipated outcomes, as well as the estimated funding level for each of the categories listed in subparagraph (A) or (B) of paragraph (2) of subdivision (b). Beginning the second year, the authority shall include a report in the regional expenditure plan that provides its allocations and expenditures to date of projects and programs funded and the extent to which the minimum targets in subparagraph (A) or (B) of paragraph (2) of subdivision (b) were achieved.

(C) The regional expenditure plan shall include the following information for any specific project that has received an allocation of regional housing revenue during the prior year:

(i) Whether the project proponent has requested a building permit for the project, and if so, the date when it was requested.

(ii) Whether the project proponent is eligible to request a building permit for the project, and if so, the date when it became eligible.

(iii) Whether the project proponent has obtained final approval or certification that the housing development is habitable, such as a certificate of occupancy, and if so, the date when it was obtained.

(6) Each county shall adopt a county expenditure plan applicable to county housing revenue no sooner than 30 days after a draft of the plan has been placed on an agenda of the governing body for discussion. Each county shall transmit the county expenditure plan to the executive board and the authority as follows:

(A) The expenditure plan shall be transmitted by July 1 of each year, except the executive board and the authority board shall select the deadline for the transmission of the first expenditure plan. The deadline for the transmission of the first expenditure plan shall provide at least 90 days for a county to prepare the expenditure plan after the election approving a tax or bond pursuant to this part is certified. An expenditure plan may cover multiple years, as determined by the county.

(B) To be deemed complete, the expenditure plan shall specify the proposed allocation of funds as follows:

(i) The proposed share of revenues that will be allocated to the construction of new affordable housing, affordable housing preservation, and tenant protection programs. Except as provided in subclause (IV), the expenditure plan shall demonstrate that over a five-year period the county will meet the following allocations:

(I) A minimum allocation of 52 percent towards construction of new affordable housing that prioritizes projects that help achieve regional housing need allocation targets for housing affordable to extremely low income, very low income, and lower income households.

(II) A minimum allocation of 15 percent towards affordable housing preservation.

(III) A minimum allocation of 5 percent towards tenant protection programs.

(IV) A county expenditure plan may deviate from the minimum shares required by this clause if the executive board and the authority board each adopt a finding, based on a thorough review and after consultation with the advisory committee, that the minimum allocations are not the best use of the funds to address the county's affordable housing needs. The executive board must adopt the finding by a two-thirds vote, which must be subsequently approved by the authority board by a two-thirds vote.

(ii) To the extent feasible, the plan shall include a description of any specific project or program proposed to receive funding, including the location, amount of funding, and anticipated outcomes, as well as the estimated funding level for each of the categories listed in clause (i).

(iii) Commencing with the second year, each county shall include in its expenditure plan a report on its allocations and expenditures to date of projects and programs funded and the extent to which the minimum targets in clause (i) were achieved.

(7) If the executive board and the authority board each determine by a majority vote that a county has not submitted a complete expenditure plan pursuant to the requirements of subparagraph (B) of paragraph (6), the authority may withhold allocation of revenues to that county until the county submits a complete expenditure plan.

(8) The authority shall post each completed expenditure plan on its internet website.

(9) A county may request the executive board and the authority to administer all or a portion of its county housing revenue. If the executive board and the authority board agree to administer the funds, they shall develop and adopt an annual expenditure plan applicable to that portion of the funds that shall be jointly approved by the executive board and the authority board, in consultation

with the county, and projects allocated according to that plan shall be subject to the same timelines described in paragraph (10).

(10) After county housing revenues are committed to a specific project, they shall remain available for expenditure for three years. A county may authorize expenditures beyond three years pursuant to guidelines that shall be reviewed and adopted by the executive board and the authority board, in consultation with the advisory committee.

(11)

(A) Funds allocated to a city pursuant to paragraph (3) shall be committed to a specific project within five years of receipt.

(B) Once committed to a specific project, funds shall remain available for expenditure for an additional five years, unless an extension is authorized pursuant to subparagraph (C).

(C) If the funds have not been expended within five years of receipt as required in subparagraph (B), the city shall show that it has made adequate progress towards completing the project. If the county in which the city is located finds that adequate progress has been made, the county shall authorize an additional 24 months to grant entitlements to the remainder of the project. If the county in which the city is located does not find that adequate progress has been made, the funds shall be transferred to the county. The county shall hold the funds until the city submits a plan satisfactory to the county to move forward with the project or allocate funds to another qualified project consistent with the city's expenditure plan.

(D) For purposes of this paragraph, "adequate progress" means the project has received the land use approvals or entitlements necessary for at least 75 percent of the project's units.

(e) Before the distribution of funds each year in accordance with subdivision (d), the authority shall be entitled to up to 5 percent of the funds of any measure approved pursuant to this part for general administration and overhead.

SEC. 167. Section *64652* of the Government Code is amended to read:

64652.

To ensure oversight and accountability, the authority shall prepare and submit an annual report to the Legislature, in conformance with ~~Government Code~~ Sections 9795 and 53411 on allocations and expenditures under its control, and those controlled by counties pursuant to subdivision (d) of Section 64650. The report shall include a description of projects funded and their status, the households served by income level, and the extent to which the minimum targets in paragraph (2) of subdivision (b) and paragraph (6) of subdivision (d) of Section 64650 were achieved.

SEC. 168. Section *65039* of the Government Code is amended to read:

65039.

The Governor may appoint the Director of State Planning and Research at a salary that shall be fixed pursuant to Section 12001.

SEC. 169. Section *65302* of the Government Code is amended to read:

65302.

The general plan shall consist of a statement of development policies and shall include a diagram or diagrams and text setting forth objectives, principles, standards, and plan proposals. The plan shall include the following elements:

(a) A land use element that designates the proposed general distribution and general location and extent of the uses of the land for housing, business, industry, open space, including agriculture, natural resources, recreation, and enjoyment of scenic beauty, education, public buildings and grounds, solid and liquid waste disposal facilities, greenways, as defined in Section 816.52 of the Civil Code, and other categories of public and private uses of land. The location and designation of the extent of the uses of the land for public and private uses shall consider the identification of land and natural resources pursuant to paragraph (3) of subdivision (d). The land use element shall include a statement of the standards of population density and building intensity recommended for the various districts and other territory covered by the plan. The land use element shall identify and annually review those areas covered by the plan that are subject to flooding identified by flood plain mapping prepared by the Federal Emergency Management Agency (FEMA) or the Department of Water Resources. The land use element shall also do both of the following:

(1) Designate in a land use category that provides for timber production those parcels of real property zoned for timberland production pursuant to the California Timberland Productivity Act of 1982 (Chapter 6.7 (commencing with Section 51100) of Part 1 of Division 1 of Title 5).

(2) Consider the impact of new growth on military readiness activities carried out on military bases, installations, and operating and training areas, when proposing zoning ordinances or designating land uses covered by the general plan for land, or other territory adjacent to military facilities, or underlying designated military aviation routes and airspace.

(A) In determining the impact of new growth on military readiness activities, information provided by military facilities shall be considered. Cities and counties shall address military impacts based on information from the military and other sources.

(B) The following definitions govern this paragraph:

(i) “Military readiness activities” mean all of the following:

(I) Training, support, and operations that prepare the members of the military for combat.

(II) Operation, maintenance, and security of any military installation.

(III) Testing of military equipment, vehicles, weapons, and sensors for proper operation or suitability for combat use.

(ii) “Military installation” means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the United States Department of Defense as defined in paragraph (1) of subsection (g) of Section 2687 of Title 10 of the United States Code.

(b)

(1) A circulation element consisting of the general location and extent of existing and proposed major thoroughfares, transportation routes, terminals, any military airports and ports, and other local public utilities and facilities, all correlated with the land use element of the plan.

(2)

(A) Commencing January 1, 2011, upon any substantive revision of the circulation element, the legislative body shall modify the circulation element to plan for a balanced, multimodal transportation network that meets the needs of all users of streets, roads, and highways for safe and convenient travel in a manner that is suitable to the rural, suburban, or urban context of the general plan.

(B) For purposes of this paragraph, “users of streets, roads, and highways” mean bicyclists, children, persons with disabilities, motorists, movers of commercial goods, pedestrians, users of public transportation, and seniors.

(c) A housing element as provided in Article 10.6 (commencing with Section 65580).

(d)

(1) A conservation element for the conservation, development, and utilization of natural resources, including water and its hydraulic force, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals, and other natural resources. The conservation element shall consider the effect of development within the jurisdiction, as described in the land use element, on natural resources located on public lands, including military installations. That portion of the conservation element including waters shall be developed in coordination with any countywide water agency and with all district and city agencies, including flood management, water conservation, or groundwater agencies that have developed, served, controlled, managed, or conserved water of any type for any purpose in the county or city for which the plan is prepared. Coordination shall include the discussion and evaluation of any water supply and demand information described in Section 65352.5, if that information has been submitted by the water agency to the city or county.

(2) The conservation element may also cover all of the following:

(A) The reclamation of land and waters.

(B) Prevention and control of the pollution of streams and other waters.

(C) Regulation of the use of land in stream channels and other areas required for the accomplishment of the conservation plan.

(D) Prevention, control, and correction of the erosion of soils, beaches, and shores.

(E) Protection of watersheds.

(F) The location, quantity, and quality of the rock, sand, and gravel resources.

(3) Upon the next revision of the housing element on or after January 1, 2009, the conservation element shall identify rivers, creeks, streams, flood corridors, riparian habitats, and land that may accommodate floodwater for purposes of groundwater recharge and stormwater management.

(e) An open-space element as provided in Article 10.5 (commencing with Section 65560).

(f)

(1) A noise element that shall identify and appraise noise problems in the community. The noise element shall analyze and quantify, to the extent practicable, as determined by the legislative body, current and projected noise levels for all of the following sources:

(A) Highways and freeways.

(B) Primary arterials and major local streets.

(C) Passenger and freight online railroad operations and ground rapid transit systems.

(D) Commercial, general aviation, heliport, helistop, and military airport operations, aircraft overflights, jet engine test stands, and all other ground facilities and maintenance functions related to airport operation.

(E) Local industrial plants, including, but not limited to, railroad classification yards.

(F) Other ground stationary noise sources, including, but not limited to, military installations, identified by local agencies as contributing to the community noise environment.

(2) Noise contours shall be shown for all of these sources and stated in terms of community noise equivalent level (CNEL) or day-night average sound level (Ldn). The noise contours shall

be prepared on the basis of noise monitoring or following generally accepted noise modeling techniques for the various sources identified in paragraphs (1) to (6), inclusive.

(3) The noise contours shall be used as a guide for establishing a pattern of land uses in the land use element that minimizes the exposure of community residents to excessive noise.

(4) The noise element shall include implementation measures and possible solutions that address existing and foreseeable noise problems, if any. The adopted noise element shall serve as a guideline for compliance with the state's noise insulation standards.

(g)

(1) A safety element for the protection of the community from any unreasonable risks associated with the effects of seismically induced surface rupture, ground shaking, ground failure, tsunami, seiche, and dam failure; slope instability leading to mudslides and landslides; subsidence; liquefaction; and other seismic hazards identified pursuant to Chapter 7.8 (commencing with Section 2690) of Division 2 of the Public Resources Code, and other geologic hazards known to the legislative body; flooding; and wildland and urban fires. The safety element shall include mapping of known seismic and other geologic hazards. It shall also address evacuation routes, military installations, peakload water supply requirements, and minimum road widths and clearances around structures, as those items relate to identified fire and geologic hazards.

(2) The safety element, upon the next revision of the housing element on or after January 1, 2009, shall also do the following:

(A) Identify information regarding flood hazards, including, but not limited to, the following:

(i) Flood hazard zones. As used in this subdivision, "flood hazard zone" means an area subject to flooding that is delineated as either a special hazard area or an area of moderate or minimal hazard on an official flood insurance rate map issued by ~~the Federal Emergency Management Agency (FEMA)~~FEMA. The identification of a flood hazard zone does not imply that areas outside the flood hazard zones or uses permitted within flood hazard zones will be free from flooding or flood damage.

(ii) National Flood Insurance Program maps published by FEMA.

(iii) Information about flood hazards that is available from the United States Army Corps of Engineers.

(iv) Designated floodway maps that are available from the Central Valley Flood Protection Board.

(v) Dam failure inundation maps prepared pursuant to Section 6161 of the Water Code that are available from the Department of Water Resources.

(vi) Awareness Floodplain Mapping Program maps and 200-year flood plain maps that are or may be available from, or accepted by, the Department of Water Resources.

(vii) Maps of levee protection zones.

(viii) Areas subject to inundation in the event of the failure of project or nonproject levees or floodwalls.

(ix) Historical data on flooding, including locally prepared maps of areas that are subject to flooding, areas that are vulnerable to flooding after wildfires, and sites that have been repeatedly damaged by flooding.

(x) Existing and planned development in flood hazard zones, including structures, roads, utilities, and essential public facilities.

(xi) Local, state, and federal agencies with responsibility for flood protection, including special districts and local offices of emergency services.

(B) Establish a set of comprehensive goals, policies, and objectives based on the information identified pursuant to subparagraph (A), for the protection of the community from the unreasonable risks of flooding, including, but not limited to:

(i) Avoiding or minimizing the risks of flooding to new development.

(ii) Evaluating whether new development should be located in flood hazard zones, and identifying construction methods or other methods to minimize damage if new development is located in flood hazard zones.

(iii) Maintaining the structural and operational integrity of essential public facilities during flooding.

(iv) Locating, when feasible, new essential public facilities outside of flood hazard zones, including hospitals and health care facilities, emergency shelters, fire stations, emergency command centers, and emergency communications facilities or identifying construction methods or other methods to minimize damage if these facilities are located in flood hazard zones.

(v) Establishing cooperative working relationships among public agencies with responsibility for flood protection.

(C) Establish a set of feasible implementation measures designed to carry out the goals, policies, and objectives established pursuant to subparagraph (B).

(3) Upon the next revision of the housing element on or after January 1, 2014, the safety element shall be reviewed and updated as necessary to address the risk of fire for land classified as state responsibility areas, as defined in Section 4102 of the Public Resources Code, and land classified as very high fire hazard severity zones, as defined in Section 51177. This review shall consider the advice included in the Office of Planning and Research's most recent publication of "Fire Hazard Planning, General Plan Technical Advice Series" and shall also include all of the following:

(A) Information regarding fire hazards, including, but not limited to, all of the following:

(i) Fire hazard severity zone maps available from the Department of Forestry and Fire Protection.

(ii) Any historical data on wildfires available from local agencies or a reference to where the data can be found.

(iii) Information about wildfire hazard areas that may be available from the United States Geological Survey.

(iv) General location and distribution of existing and planned uses of land in very high fire hazard severity zones and in state responsibility areas, including structures, roads, utilities, and essential public facilities. The location and distribution of planned uses of land shall not require defensible space compliance measures required by state law or local ordinance to occur on publicly owned lands or open space designations of homeowner associations.

(v) Local, state, and federal agencies with responsibility for fire protection, including special districts and local offices of emergency services.

(B) A set of goals, policies, and objectives based on the information identified pursuant to subparagraph (A) for the protection of the community from the unreasonable risk of wildfire.

(C) A set of feasible implementation measures designed to carry out the goals, policies, and objectives based on the information identified pursuant to subparagraph (B) including, but not limited to, all of the following:

(i) Avoiding or minimizing the wildfire hazards associated with new uses of land.

(ii) Locating, when feasible, new essential public facilities outside of high fire risk areas, including, but not limited to, hospitals and health care facilities, emergency shelters, emergency command centers, and emergency communications facilities, or identifying construction methods or other methods to minimize damage if these facilities are located in a state responsibility area or very high fire hazard severity zone.

(iii) Designing adequate infrastructure if a new development is located in a state responsibility area or in a very high fire hazard severity zone, including safe access for emergency response vehicles, visible street signs, and water supplies for structural fire suppression.

(iv) Working cooperatively with public agencies with responsibility for fire protection.

(D) If a city or county has adopted a fire safety plan or document separate from the general plan, an attachment of, or reference to, a city or county's adopted fire safety plan or document that fulfills commensurate goals and objectives and contains information required pursuant to this paragraph.

(4) Upon the next revision of a local hazard mitigation plan, adopted in accordance with the federal Disaster Mitigation Act of 2000 (*Public Law 106-390*), on or after January 1, 2017, or, if a local jurisdiction has not adopted a local hazard mitigation plan, beginning on or before January 1, 2022, the safety element shall be reviewed and updated as necessary to address climate adaptation and resiliency strategies applicable to the city or county. This review shall consider advice provided in the Office of Planning and Research's General Plan Guidelines and shall include all of the following:

(A)

(i) A vulnerability assessment that identifies the risks that climate change poses to the local jurisdiction and the geographic areas at risk from climate change impacts, including, but not limited to, an assessment of how climate change may affect the risks addressed pursuant to paragraphs (2) and (3).

(ii) Information that may be available from federal, state, regional, and local agencies that will assist in developing the vulnerability assessment and the adaptation policies and strategies required pursuant to subparagraph (B), including, but not limited to, all of the following:

(I) Information from the internet-based Cal-Adapt tool.

(II) Information from the most recent version of the California Adaptation Planning Guide.

(III) Information from local agencies on the types of assets, resources, and populations that will be sensitive to various climate change exposures.

(IV) Information from local agencies on their current ability to deal with the impacts of climate change.

(V) Historical data on natural events and hazards, including locally prepared maps of areas subject to previous risk, areas that are vulnerable, and sites that have been repeatedly damaged.

(VI) Existing and planned development in identified at-risk areas, including structures, roads, utilities, and essential public facilities.

(VII) Federal, state, regional, and local agencies with responsibility for the protection of public health and safety and the environment, including special districts and local offices of emergency services.

(B) A set of adaptation and resilience goals, policies, and objectives based on the information specified in subparagraph (A) for the protection of the community.

(C) A set of feasible implementation measures designed to carry out the goals, policies, and objectives identified pursuant to subparagraph (B) including, but not limited to, all of the following:

(i) Feasible methods to avoid or minimize climate change impacts associated with new uses of land.

(ii) The location, when feasible, of new essential public facilities outside of at-risk areas, including, but not limited to, hospitals and health care facilities, emergency shelters, emergency command centers, and emergency communications facilities, or identifying construction methods or other methods to minimize damage if these facilities are located in at-risk areas.

(iii) The designation of adequate and feasible infrastructure located in an at-risk area.

(iv) Guidelines for working cooperatively with relevant local, regional, state, and federal agencies.

(v) The identification of natural infrastructure that may be used in adaptation projects, where feasible. Where feasible, the plan shall use existing natural features and ecosystem processes, or the restoration of natural features and ecosystem processes, when developing alternatives for consideration. For purposes of this clause, “natural infrastructure” means using natural ecological systems or processes to reduce vulnerability to climate change related hazards, or other related climate change effects, while increasing the long-term adaptive capacity of coastal and inland areas by perpetuating or restoring ecosystem services. This includes, but is not limited to, the conservation, preservation, or sustainable management of any form of aquatic or terrestrial vegetated open space, such as beaches, dunes, tidal marshes, reefs, seagrass, parks, rain gardens, and urban tree canopies. It also includes systems and practices that use or mimic natural processes, such as permeable pavements, bioswales, and other engineered systems, such as levees that are combined with restored natural systems, to provide clean water, conserve ecosystem values and functions, and provide a wide array of benefits to people and wildlife.

(D)

(i) If a city or county has adopted the local hazard mitigation plan, or other climate adaptation plan or document that fulfills commensurate goals and objectives and contains the information required pursuant to this paragraph, separate from the general plan, an attachment of, or reference to, the local hazard mitigation plan or other climate adaptation plan or document.

(ii) Cities or counties that have an adopted hazard mitigation plan, or other climate adaptation plan or document that substantially complies with this section, or have substantially equivalent provisions to this subdivision in their general plans, may use that information in the safety element to comply with this subdivision, and shall summarize and incorporate by reference into the safety element the other general plan provisions, climate adaptation plan or document, specifically showing how each requirement of this subdivision has been met.

(5) Upon the next revision of the housing element on or after January 1, 2020, the safety element shall be reviewed and updated as necessary to identify residential developments in

any hazard area identified in the safety element that do not have at least two emergency evacuation routes.

(6) After the initial revision of the safety element pursuant to paragraphs (2), (3), (4), and (5), the planning agency shall review and, if necessary, revise the safety element upon each revision of the housing element or local hazard mitigation plan, but not less than once every eight years, to identify new information relating to flood and fire hazards and climate adaptation and resiliency strategies applicable to the city or county that was not available during the previous revision of the safety element.

(7) Cities and counties that have flood plain management ordinances that have been approved by FEMA that substantially comply with this section, or have substantially equivalent provisions to this subdivision in their general plans, may use that information in the safety element to comply with this subdivision, and shall summarize and incorporate by reference into the safety element the other general plan provisions or the flood plain ordinance, specifically showing how each requirement of this subdivision has been met.

(8) Before the periodic review of its general plan and before preparing or revising its safety element, each city and county shall consult the California Geological Survey of the Department of Conservation, the Central Valley Flood Protection Board, if the city or county is located within the boundaries of the Sacramento and San Joaquin Drainage District, as set forth in Section 8501 of the Water Code, and the Office of Emergency Services for the purpose of including information known by and available to the department, the agency, and the board required by this subdivision.

(9) To the extent that a county's safety element is sufficiently detailed and contains appropriate policies and programs for adoption by a city, a city may adopt that portion of the county's safety element that pertains to the city's planning area in satisfaction of the requirement imposed by this subdivision.

(h)

(1) An environmental justice element, or related goals, policies, and objectives integrated in other elements, that identifies disadvantaged communities within the area covered by the general plan of the city, county, or city and county, if the city, county, or city and county has a disadvantaged community. The environmental justice element, or related environmental justice goals, policies, and objectives integrated in other elements, shall do all of the following:

(A) Identify objectives and policies to reduce the unique or compounded health risks in disadvantaged communities by means that include, but are not limited to, the reduction of pollution exposure, including the improvement of air quality, and the promotion of public facilities, food access, safe and sanitary homes, and physical activity.

(B) Identify objectives and policies to promote civic engagement in the public decisionmaking process.

(C) Identify objectives and policies that prioritize improvements and programs that address the needs of disadvantaged communities.

(2) A city, county, or city and county subject to this subdivision shall adopt or review the environmental justice element, or the environmental justice goals, policies, and objectives in other elements, upon the adoption or next revision of two or more elements concurrently on or after January 1, 2018.

(3) By adding this subdivision, the Legislature does not intend to require a city, county, or city and county to take any action prohibited by the United States Constitution or the California Constitution.

(4) For purposes of this subdivision, the following terms shall apply:

(A) "Disadvantaged communities" means an area identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code or an area that is a low-income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation.

(B) "Public facilities" includes public improvements, public services, and community amenities, as defined in subdivision (d) of Section 66000.

(C) "Low-income area" means an area with household incomes at or below 80 percent of the statewide median income or with household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093 of the Health and Safety Code.

SEC. 170. Section *65583.1* of the Government Code is amended to read:

65583.1.

(a) The Department of Housing and Community Development, in evaluating a proposed or adopted housing element for substantial compliance with this article, may allow a city or county to identify adequate sites, as required pursuant to Section 65583, by a variety of methods, including, but not limited to, redesignation of property to a more intense land use category and increasing the density allowed within one or more categories. The department may also allow a city or county to identify sites for accessory dwelling units based on the number of accessory dwelling units developed in the prior housing element planning period whether or not the units are permitted by right, the need for these units in the community, the resources or incentives available for their development, and any other relevant factors, as determined by the department. ~~Nothing in this section reduces~~This section does not reduce the responsibility of a city or county to identify, by income category, the total number of sites for residential development as required by this article.

(b) Sites that contain permanent housing units located on a military base undergoing closure or conversion as a result of action pursuant to the Defense Authorization Amendments and Base Closure and Realignment Act (*Public Law 100-526*), the Defense Base Closure and Realignment Act of 1990 (*Public Law 101-510*), or any subsequent act requiring the closure or conversion of a military base may be identified as an adequate site if the housing element demonstrates that the housing units will be available for occupancy by households within the planning period of the element. No sites containing housing units scheduled or planned for demolition or conversion to nonresidential uses shall qualify as an adequate site.

Any city, city and county, or county using this subdivision shall address the progress in meeting this section in the reports provided pursuant to paragraph ~~(1)~~(2) of subdivision ~~(b)~~(a) of Section 65400.

(c)

(1) The Department of Housing and Community Development may allow a city or county to substitute the provision of units for up to 25 percent of the community's obligation to identify adequate sites for any income category in its housing element pursuant to paragraph (1) of subdivision (c) of Section 65583 where the community includes in its housing element a program committing the local government to provide units in that income category within the city or county that will be made available through the provision of committed assistance during the planning period covered by the element to low- and very low income households at affordable housing costs or affordable rents, as defined in Sections 50052.5 and 50053 of the Health and Safety Code, and which meet the requirements of paragraph (2). Except as otherwise provided in this subdivision, the community may substitute one dwelling unit for one dwelling unit site in the applicable income category. The program shall do all of the following:

(A) Identify the specific, existing sources of committed assistance and dedicate a specific portion of the funds from those sources to the provision of housing pursuant to this subdivision.

(B) Indicate the number of units that will be provided to both low- and very low income households and demonstrate that the amount of dedicated funds is sufficient to develop the units at affordable housing costs or affordable rents.

(C) Demonstrate that the units meet the requirements of paragraph (2).

(2) Only units that comply with subparagraph (A), (B), or (C)~~, (D), or (E)~~ qualify for inclusion in the housing element program described in paragraph (1), as follows:

(A) Units that are to be substantially rehabilitated with committed assistance from the city or county and constitute a net increase in the community's stock of housing affordable to low- and very low income households. For purposes of this subparagraph, a unit is not eligible to be "substantially rehabilitated" unless all of the following requirements are met:

(i) At the time the unit is identified for substantial rehabilitation, (I) the local government has determined that the unit is at imminent risk of loss to the housing stock, (II) the local government has committed to provide relocation assistance pursuant to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 to any occupants temporarily or permanently displaced by the rehabilitation or code enforcement activity, or the relocation is otherwise provided prior to displacement either as a condition of receivership, or provided by the property owner or the local government pursuant to Article 2.5 (commencing with Section 17975) of Chapter 5 of Part 1.5 of Division 13 of the Health and Safety Code, or as otherwise provided by local ordinance; provided the assistance includes not less than the equivalent of four months' rent and moving expenses and comparable replacement housing consistent with the moving expenses and comparable replacement housing required pursuant to Section 7260, (III) the local government requires that any displaced occupants will have the right to reoccupy the rehabilitated units, and (IV) the unit has been found by the local government or a court to be unfit for human habitation due to the existence of at least four violations of the conditions listed in subdivisions (a) to (g), inclusive, of Section 17995.3 of the Health and Safety Code.

(ii) The rehabilitated unit will have long-term affordability covenants and restrictions that require the unit to be available to, and occupied by, persons or families of low- or very low income at affordable housing costs for at least ~~55~~20 years or the time period required by any applicable federal or state law or regulation.

(iii) Prior to initial occupancy after rehabilitation, the local code enforcement agency shall issue a certificate of occupancy indicating compliance with all applicable state and local building code and health and safety code requirements.

(B) Units that are located either on foreclosed property or in a multifamily rental or ownership housing complex of three or more units, are converted with committed assistance from the city or county from nonaffordable to affordable by acquisition of the unit or the purchase of affordability covenants and restrictions for the unit, are not acquired by eminent domain, and constitute a net increase in the community's stock of housing affordable to low- and very low income households. For purposes of this subparagraph, a unit is not converted by acquisition or the purchase of affordability covenants unless all of the following occur:

(i) The unit is made available for rent at a cost affordable to low- or very low income households.

(ii) At the time the unit is identified for acquisition, the unit is not available at an affordable housing cost to either of the following:

(I) Low-income households, if the unit will be made affordable to low-income households.

(II) Very low income households, if the unit will be made affordable to very low income households.

(iii) At the time the unit is identified for acquisition the unit is not occupied by low- or very low income households or if the acquired unit is occupied, the local government has committed to provide relocation assistance prior to displacement, if any, pursuant to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 to any occupants displaced by the conversion, or the relocation is otherwise provided prior to displacement; provided the assistance includes not less than the equivalent of four months' rent and moving expenses and comparable replacement housing consistent with the moving expenses and comparable replacement housing required pursuant to Section 7260.

(iv) The unit is in decent, safe, and sanitary condition at the time of occupancy.

(v) The unit has long-term affordability covenants and restrictions that require the unit to be affordable to persons of low- or very low income for not less than 55 years.

(vi) For units located in multifamily ownership housing complexes with three or more units, or on or after January 1, 2015, on foreclosed properties, at least an equal number of new-construction multifamily rental units affordable to lower income households have been constructed in the city or county within the same planning period as the number of ownership units to be converted.

(C) Units that will be preserved at affordable housing costs to persons or families of low- or very low incomes with committed assistance from the city or county by acquisition of the unit or the purchase of affordability covenants for the unit. For purposes of this subparagraph, a unit shall not be deemed preserved unless all of the following occur:

(i) The unit has long-term affordability covenants and restrictions that require the unit to be affordable to, and reserved for occupancy by, persons of the same or lower income group as the current occupants for a period of at least ~~55~~40 years.

(ii) The unit is within an "assisted housing development," as defined in paragraph (3) of subdivision (a) of Section 65863.10.

(iii) The city or county finds, after a public hearing, that the unit is eligible, and is reasonably expected, to change from housing affordable to low- and very low income households to any other use during the next ~~eight~~five years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use.

(iv) The unit is in decent, safe, and sanitary condition at the time of occupancy.

(v) At the time the unit is identified for preservation it is available at affordable cost to persons or families of low- or very low income.

(D) ~~Units in a motel, hotel, or hostel that are converted with committed assistance from the city or county from nonresidential to residential by the acquisition of the unit or the purchase of affordability covenants and restrictions for the unit, are not acquired by eminent domain, and constitute a net increase in the community's stock of housing affordable to low- and very low income households. For purposes of this subparagraph, a unit is not converted by acquisition or the purchase of affordability covenants unless all of the following occur:~~

(i) ~~The unit is part of a long-term recovery response to COVID-19.~~

(ii) ~~The unit is made available for people experiencing homelessness as defined in Section 578.3 of Title 24 of the Code of Federal Regulations.~~

(iii) ~~The unit is made available for rent at a cost affordable to low- or very low income households.~~

(iv) ~~The unit is in decent, safe, and sanitary condition at the time of occupancy.~~

(v) ~~The unit has long-term affordability covenants and restrictions that require the unit to be affordable to persons of low- or very low income for not less than 55 years.~~

(vi) ~~This subparagraph shall remain in effect only for the sixth revision of the housing element pursuant to Section 65588.~~

(E) ~~All spaces in a mobilehome park, as defined in subdivision (a) of Section 18214 of the Health and Safety Code, that is acquired with committed assistance from the city or county where any of the following apply:~~

(i) ~~The mobilehome park will be acquired with financing that includes a loan from the department pursuant to Section 50783 or 50784.5 of the Health and Safety Code.~~

(ii) ~~At least 50 percent of the current residents in the mobilehome park to be acquired are lower-income households and the entity acquiring the park agrees to enter into a regulatory agreement for a minimum of 55 years that requires both of the following:~~

(I) ~~All vacant spaces shall be rented at a space rent that does not exceed 50 percent of maximum rent limits established by the California Tax Credit Allocation Committee at 60 percent of the area median income.~~

(II) ~~The space rent for existing residents at the time of the acquisition of the property, both during the 12 months preceding the acquisition and during the term of the regulatory agreement, shall not increase more than 5 percent in any 12-month period.~~

(3) This subdivision does not apply to any city or county that, during the current or immediately prior planning period, as defined by Section 65588, has not met any of its share of the regional need for affordable housing, as defined in Section 65584, for low- and very low income households. A city or county shall document for any housing unit that a building permit has been issued and all development and permit fees have been paid or the unit is eligible to be lawfully occupied.

(4) For purposes of this subdivision, “committed assistance” means that the city or county enters into a legally enforceable agreement during the period from the beginning of the projection period until the end of the ~~third~~second year of the planning period that obligates sufficient available funds ~~or other in-kind services~~ to provide the assistance necessary to make the identified units affordable and that requires that the units be made available for occupancy within two years of the execution of the agreement. “Committed assistance” does not include tenant-based rental assistance.

(5) For purposes of this subdivision, “net increase” includes only housing units provided committed assistance pursuant to subparagraph (A) or (B) of paragraph (2) in the current planning period, as defined in Section 65588, that were not provided committed assistance in the immediately prior planning period.

(6) For purposes of this subdivision, “the time the unit is identified” means the earliest time when any city or county agent, acting on behalf of a public entity, has proposed in writing or has proposed orally or in writing to the property owner, that the unit be considered for substantial rehabilitation, acquisition, or preservation.

(7) In the ~~fourth~~third year of the planning period, as defined by Section 65588, in the report required pursuant to Section 65400, each city or county that has included in its housing element a program to provide units pursuant to subparagraph (A), (B), or (C)~~, (D), or (E)~~ of paragraph (2) shall report in writing to the legislative body, and to the department within 30 days of making its report to the legislative body, on its progress in providing units pursuant to this subdivision. The report shall identify the specific units for which committed assistance has been provided or which have been made available to low- and very low income households, and it shall adequately document how each unit complies with this subdivision. If, by ~~the end~~July 1 of the third year of the planning period, the city or county has not entered into an enforceable agreement of committed assistance for all units specified in the programs adopted pursuant to subparagraph (A), (B), or (C)~~, (D), or (E)~~ of paragraph (2), the city or county shall, not later than ~~the end~~July 1 of the fourth year of the planning

period, adopt an amended housing element in accordance with Section 65585, identifying additional adequate sites pursuant to paragraph (1) of subdivision (c) of Section 65583 sufficient to accommodate the number of units for which committed assistance was not provided. If a city or county does not amend its housing element to identify adequate sites to address any shortfall, or fails to complete the rehabilitation, acquisition, purchase of affordability covenants, or the preservation of any housing unit within two years after committed assistance was provided to that unit, it shall be prohibited from identifying units pursuant to subparagraph (A), (B), or (C)~~, (D), or (E)~~ of paragraph (2) in the housing element that it adopts for the next planning period, as defined in Section 65588, above the number of units actually provided or preserved due to committed assistance.

(d) A city or county may reduce its share of the regional housing need by the number of units built between the start of the projection period and the deadline for adoption of the housing element. If the city or county reduces its share pursuant to this subdivision, the city or county shall include in the housing element a description of the methodology for assigning those housing units to an income category based on actual or projected sales price, rent levels, or other mechanisms establishing affordability.

SEC. 171. Section *65583.2* of the Government Code, as amended by Section 15.5 of Chapter 664 of the Statutes of 2019, is amended to read:

65583.2.

(a) A city's or county's inventory of land suitable for residential development pursuant to paragraph (3) of subdivision (a) of Section 65583 shall be used to identify sites throughout the community, consistent with paragraph ~~(10)~~(9) of subdivision (c) of Section 65583, that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction's share of the regional housing need for all income levels pursuant to Section 65584. As used in this section, "land suitable for residential development" includes all of the following sites that meet the standards set forth in subdivisions (c) and (g):

(1) Vacant sites zoned for residential use.

(2) Vacant sites zoned for nonresidential use that allows residential development.

(3) Residentially zoned sites that are capable of being developed at a higher density, ~~and~~including sites owned or leased by a city, county, or city and county.

(4) Sites zoned for nonresidential use that can be redeveloped for residential use, and for which the housing element includes a program to rezone the site, as necessary, rezoned for, to permit residential use, including sites owned or leased by a city, county, or city and county.

(b) The inventory of land shall include all of the following:

(1) A listing of properties by assessor parcel number.

(2) The size of each property listed pursuant to paragraph (1), and the general plan designation and zoning of each property.

(3) For nonvacant sites, a description of the existing use of each property. If a site subject to this paragraph is owned by the city or county, the description shall also include whether there are any plans to dispose of the property during the planning period and how the city or county will comply with Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.

(4) A general description of any environmental constraints to the development of housing within the jurisdiction, the documentation for which has been made available to the jurisdiction. This information need not be identified on a site-specific basis.

(5)

(A) A description of existing or planned water, sewer, and other dry utilities supply, including the availability and access to distribution facilities.

(B) Parcels included in the inventory must have sufficient water, sewer, and dry utilities supply available and accessible to support housing development or be included in an existing general plan program or other mandatory program or plan, including a program or plan of a public or private entity providing water or sewer service, to secure sufficient water, sewer, and dry utilities supply to support housing development. This paragraph does not impose any additional duty on the city or county to construct, finance, or otherwise provide water, sewer, or dry utilities to parcels included in the inventory.

(6) Sites identified as available for housing for above moderate-income households in areas not served by public sewer systems. This information need not be identified on a site-specific basis.

(7) A map that shows the location of the sites included in the inventory, such as the land use map from the jurisdiction's general plan, for reference purposes only.

(c) Based on the information provided in subdivision (b), a city or county shall determine whether each site in the inventory can accommodate the development of some portion of its share of the regional housing need by income level during the planning period, as determined pursuant to Section 65584. The inventory shall specify for each site the number of units that can realistically be accommodated on that site and whether the site is adequate to accommodate lower income housing, moderate-income housing, or above moderate-income housing. A nonvacant site identified pursuant to paragraph (3) or (4) of subdivision (a) in a prior housing element and a vacant site that has been included in two or more consecutive planning periods that was not approved to develop a portion of the locality's housing need shall not be deemed adequate to accommodate a portion of the housing need for lower income households that must be accommodated in the current housing element planning period unless the site is zoned at residential densities consistent with paragraph (3) of this subdivision and the site is subject to a program in the housing element requiring rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower income households. An unincorporated area in a nonmetropolitan county pursuant to clause (ii) of subparagraph (B) of paragraph (3) shall not be subject to the requirements of this subdivision to allow residential use by right. The analysis shall determine whether the inventory can provide for a variety of types of housing, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. The city or county shall determine the number of housing units that can be accommodated on each site as follows:

(1) If local law or regulations require the development of a site at a minimum density, the department shall accept the planning agency's calculation of the total housing unit capacity on that site based on the established minimum density. If the city or county does not adopt a law or regulation requiring the development of a site at a minimum density, then it shall demonstrate how the number of units determined for that site pursuant to this subdivision will be accommodated.

(2) The number of units calculated pursuant to paragraph (1) shall be adjusted as necessary, based on the land use controls and site improvements requirement identified in paragraph (5) of subdivision (a) of Section 65583, the realistic development capacity for the site, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities.

(A) A site smaller than half an acre shall not be deemed adequate to accommodate lower income housing need unless the locality can demonstrate that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower income housing units as projected for the site or unless the locality provides other evidence to the department that the site is adequate to accommodate lower income housing.

(B) A site larger than 10 acres shall not be deemed adequate to accommodate lower income housing need unless the locality can demonstrate that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower income housing units as projected for the site or unless the locality provides other evidence to the department that the site can be developed as lower income housing. For purposes of this subparagraph, “site” means that portion of a parcel or parcels designated to accommodate lower income housing needs pursuant to this subdivision.

(C) A site may be presumed to be realistic for development to accommodate lower income housing need if, at the time of the adoption of the housing element, a development affordable to lower income households has been proposed and approved for development on the site.

(3) For the number of units calculated to accommodate its share of the regional housing need for lower income households pursuant to paragraph (2), a city or county shall do either of the following:

(A) Provide an analysis demonstrating how the adopted densities accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower income households.

(B) The following densities shall be deemed appropriate to accommodate housing for lower income households:

(i) For an incorporated city within a nonmetropolitan county and for a nonmetropolitan county that has a micropolitan area: sites allowing at least 15 units per acre.

(ii) For an unincorporated area in a nonmetropolitan county not included in clause (i): sites allowing at least 10 units per acre.

(iii) For a suburban jurisdiction: sites allowing at least 20 units per acre.

(iv) For a jurisdiction in a metropolitan county: sites allowing at least 30 units per acre.

(d) For purposes of this section, a metropolitan county, nonmetropolitan county, and nonmetropolitan county with a micropolitan area shall be as determined by the United States Census Bureau. A nonmetropolitan county with a micropolitan area includes the following counties: Del Norte, Humboldt, Lake, Mendocino, Nevada, Tehama, and Tuolumne and other counties as may be determined by the United States Census Bureau to be nonmetropolitan counties with micropolitan areas in the future.

(e)

(1) Except as provided in paragraph (2), a jurisdiction shall be considered suburban if the jurisdiction does not meet the requirements of clauses (i) and (ii) of subparagraph (B) of paragraph (3) of subdivision (c) and is located in a Metropolitan Statistical Area (MSA) of less than 2,000,000 in population, unless that jurisdiction’s population is greater than 100,000, in which case it shall be considered metropolitan. A county, not including the City and County of San Francisco, shall be considered suburban unless the county is in an MSA of 2,000,000 or greater in population in which case the county shall be considered metropolitan.

(2)

(A)

(i) Notwithstanding paragraph (1), if a county that is in the San Francisco-Oakland-Fremont California MSA has a population of less than 400,000, that county shall be considered suburban. If this county includes an incorporated city that has a population of less than 100,000, this city shall also be considered suburban. This paragraph shall apply to a housing element revision cycle, as described in subparagraph (A) of paragraph (3) of subdivision (e) of Section 65588, that is in effect from July 1, 2014, to December 31, 2028, inclusive.

(ii) A county subject to this subparagraph shall utilize the sum existing in the county's housing trust fund as of June 30, 2013, for the development and preservation of housing affordable to low- and very low income households.

(B) A jurisdiction that is classified as suburban pursuant to this paragraph shall report to the Assembly Committee on Housing and Community Development, the Senate Committee on Housing, and the Department of Housing and Community Development regarding its progress in developing low- and very low income housing consistent with the requirements of Section 65400. The report shall be provided three times: once, on or before December 31, 2019, which report shall address the initial four years of the housing element cycle, a second time, on or before December 31, 2023, which report shall address the subsequent four years of the housing element cycle, and a third time, on or before December 31, 2027, which report shall address the subsequent four years of the housing element cycle and the cycle as a whole. The reports shall be provided consistent with the requirements of Section 9795.

(f) A jurisdiction shall be considered metropolitan if the jurisdiction does not meet the requirements for "suburban area" above and is located in an MSA of 2,000,000 or greater in population, unless that jurisdiction's population is less than 25,000 in which case it shall be considered suburban.

(g)

(1) For sites described in paragraph (3) of subdivision (b), the city or county shall specify the additional development potential for each site within the planning period and shall provide an explanation of the methodology used to determine the development potential. The methodology shall consider factors including the extent to which existing uses may constitute an impediment to additional residential development, the city's or county's past experience with converting existing uses to higher density residential development, the current market demand for the existing use, an analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.

(2) In addition to the analysis required in paragraph (1), when a city or county is relying on nonvacant sites described in paragraph (3) of subdivision (b) to accommodate 50 percent or more of its housing need for lower income households, the methodology used to determine additional development potential shall demonstrate that the existing use identified pursuant to paragraph (3) of subdivision (b) does not constitute an impediment to additional residential development during the period covered by the housing element. An existing use shall be presumed to impede additional residential development, absent findings based on substantial evidence that the use is likely to be discontinued during the planning period.

(3) Notwithstanding any other law, and in addition to the requirements in paragraphs (1) and (2), sites that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, that are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low income, subject to any other form of rent or price control through a public entity's valid exercise of its police power, or occupied by low or very low income households, shall be subject to a policy requiring the replacement of all those units affordable to the same or lower income level as a condition of any development on the site. Replacement requirements shall be consistent with those set forth in paragraph (3) of subdivision (c) of Section 65915.

(h) The program required by subparagraph (A) of paragraph (1) of subdivision (c) of Section 65583 shall accommodate 100 percent of the need for housing for very low and low-income households allocated pursuant to Section 65584 for which site capacity has not been identified in the inventory of sites pursuant to paragraph (3) of subdivision (a) on sites that shall be zoned to permit owner-occupied and rental multifamily residential use by right for developments in which at least 20 percent of the units are affordable to lower income households during the planning period. These sites shall be zoned with

minimum density and development standards that permit at least 16 units per site at a density of at least 16 units per acre in jurisdictions described in clause (i) of subparagraph (B) of paragraph (3) of subdivision (c), shall be at least 20 units per acre in jurisdictions described in clauses (iii) and (iv) of subparagraph (B) of paragraph (3) of subdivision (c)~~,~~ and shall meet the standards set forth in subparagraph (B) of paragraph (5) of subdivision (b). At least 50 percent of the very low and low-income housing need shall be accommodated on sites designated for residential use and for which nonresidential uses or mixed uses are not permitted, except that a city or county may accommodate all of the very low and low-income housing need on sites designated for mixed uses if those sites allow 100 percent residential use and require that residential use occupy 50 percent of the total floor area of a mixed-use project.

(i) For purposes of this section and Section 65583, the phrase "use by right" ~~shall mean~~means that the local government's review of the owner-occupied or multifamily residential use may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Any subdivision of the sites shall be subject to all laws, including, but not limited to, the local government ordinance implementing the Subdivision Map Act. A local ordinance may provide that "use by right" does not exempt the use from design review. However, that design review shall not constitute a "project" for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Use by right for all rental multifamily residential housing shall be provided in accordance with subdivision (f) of Section 65589.5.

(j) Notwithstanding any other provision of this section, within one-half mile of a Sonoma-Marin Area Rail Transit station, housing density requirements in place on June 30, 2014, shall apply.

(j)(k) For purposes of subdivisions (a) and (b), the department shall provide guidance to local governments to properly survey, detail, and account for sites listed pursuant to Section 65585.

(k)(l) This section shall ~~become operative on December 31, 2028~~remain in effect only until December 31, 2028, and as of that date is repealed.

SEC. 172. Section *65583.2* of the Government Code, as amended by Section 16.5 of Chapter 664 of the Statutes of 2019, is amended to read:

65583.2.

(a) A city's or county's inventory of land suitable for residential development pursuant to paragraph (3) of subdivision (a) of Section 65583 shall be used to identify sites throughout the community, consistent with paragraph ~~(10)~~(9) of subdivision (c) of Section 65583, that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction's share of the regional housing need for all income levels pursuant to Section 65584. As used in this section, "land suitable for residential development" includes all of the following sites that meet the standards set forth in subdivisions (c) and (g):

(1) Vacant sites zoned for residential use.

(2) Vacant sites zoned for nonresidential use that allows residential development.

(3) Residentially zoned sites that are capable of being developed at a higher density, ~~and~~including sites owned or leased by a city, county, or city and county.

(4) Sites zoned for nonresidential use that can be redeveloped for residential use, and for which the housing element includes a program to rezone the site, as necessary, to permit residential use, including sites owned or leased by a city, county, or city and county.

(b) The inventory of land shall include all of the following:

(1) A listing of properties by assessor parcel number.

(2) The size of each property listed pursuant to paragraph (1), and the general plan designation and zoning of each property.

(3) For nonvacant sites, a description of the existing use of each property. If a site subject to this paragraph is owned by the city or county, the description shall also include whether there are any plans to dispose of the property during the planning period and how the city or county will comply with Article 8 (commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.

(4) A general description of any environmental constraints to the development of housing within the jurisdiction, the documentation for which has been made available to the jurisdiction. This information need not be identified on a site-specific basis.

(5)

(A) A description of existing or planned water, sewer, and other dry utilities supply, including the availability and access to distribution facilities.

(B) Parcels included in the inventory must have sufficient water, sewer, and dry utilities supply available and accessible to support housing development or be included in an existing general plan program or other mandatory program or plan, including a program or plan of a public or private entity providing water or sewer service, to secure sufficient water, sewer, and dry utilities supply to support housing development. This paragraph does not impose any additional duty on the city or county to construct, finance, or otherwise provide water, sewer, or dry utilities to parcels included in the inventory.

(6) Sites identified as available for housing for above moderate-income households in areas not served by public sewer systems. This information need not be identified on a site-specific basis.

(7) A map that shows the location of the sites included in the inventory, such as the land use map from the jurisdiction's general plan for reference purposes only.

(c) Based on the information provided in subdivision (b), a city or county shall determine whether each site in the inventory can accommodate the development of some portion of its share of the regional housing need by income level during the planning period, as determined pursuant to Section 65584. The inventory shall specify for each site the number of units that can realistically be accommodated on that site and whether the site is adequate to accommodate lower income housing, moderate-income housing, or above moderate-income housing. A nonvacant site identified pursuant to paragraph (3) or (4) of subdivision (a) in a prior housing element and a vacant site that has been included in two or more consecutive planning periods that was not approved to develop a portion of the locality's housing need shall not be deemed adequate to accommodate a portion of the housing need for lower income households that must be accommodated in the current housing element planning period unless the site is zoned at residential densities consistent with paragraph (3) of this subdivision and the site is subject to a program in the housing element requiring rezoning within three years of the beginning of the planning period to allow residential use by right for housing developments in which at least 20 percent of the units are affordable to lower income households. A city that is an unincorporated area in a nonmetropolitan county pursuant to clause (ii) of subparagraph (B) of paragraph (3) shall not be subject to the requirements of this subdivision to allow residential use by right. The analysis shall determine whether the inventory can provide for a variety of types of housing, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, supportive housing, single-room occupancy units, emergency shelters, and transitional housing. The city or county shall determine the number of housing units that can be accommodated on each site as follows:

(1) If local law or regulations require the development of a site at a minimum density, the department shall accept the planning agency's calculation of the total housing unit capacity on that site based on the established minimum density. If the city or county does not adopt a law or regulation requiring the development of a site at a minimum density, then it shall demonstrate how the number of units determined for that site pursuant to this subdivision will be accommodated.

(2) The number of units calculated pursuant to paragraph (1) shall be adjusted as necessary, based on the land use controls and site improvements requirement identified in paragraph (5) of subdivision (a) of Section 65583, the realistic development capacity for the site, typical densities of existing or approved residential developments at a similar affordability level in that jurisdiction, and on the current or planned availability and accessibility of sufficient water, sewer, and dry utilities.

(A) A site smaller than half an acre shall not be deemed adequate to accommodate lower income housing need unless the locality can demonstrate that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower income housing units as projected for the site or unless the locality provides other evidence to the department that the site is adequate to accommodate lower income housing.

(B) A site larger than 10 acres shall not be deemed adequate to accommodate lower income housing need unless the locality can demonstrate that sites of equivalent size were successfully developed during the prior planning period for an equivalent number of lower income housing units as projected for the site or unless the locality provides other evidence to the department that the site can be developed as lower income housing. For purposes of this subparagraph, “site” means that portion of a parcel or parcels designated to accommodate lower income housing needs pursuant to this subdivision.

(C) A site may be presumed to be realistic for development to accommodate lower income housing need if, at the time of the adoption of the housing element, a development affordable to lower income households has been proposed and approved for development on the site.

(3) For the number of units calculated to accommodate its share of the regional housing need for lower income households pursuant to paragraph (2), a city or county shall do either of the following:

(A) Provide an analysis demonstrating how the adopted densities accommodate this need. The analysis shall include, but is not limited to, factors such as market demand, financial feasibility, or information based on development project experience within a zone or zones that provide housing for lower income households.

(B) The following densities shall be deemed appropriate to accommodate housing for lower income households:

(i) For an incorporated city within a nonmetropolitan county and for a nonmetropolitan county that has a micropolitan area: sites allowing at least 15 units per acre.

(ii) For an unincorporated area in a nonmetropolitan county not included in clause (i): sites allowing at least 10 units per acre.

(iii) For a suburban jurisdiction: sites allowing at least 20 units per acre.

(iv) For a jurisdiction in a metropolitan county: sites allowing at least 30 units per acre.

(d) For purposes of this section, a metropolitan county, nonmetropolitan county, and nonmetropolitan county with a micropolitan area shall be as determined by the United States Census Bureau. A nonmetropolitan county with a micropolitan area includes the following counties: Del Norte, Humboldt, Lake, Mendocino, Nevada, Tehama, and Tuolumne and other counties as may be determined by the United States Census Bureau to be nonmetropolitan counties with micropolitan areas in the future.

(e) A jurisdiction shall be considered suburban if the jurisdiction does not meet the requirements of clauses (i) and (ii) of subparagraph (B) of paragraph (3) of subdivision (c) and is located in a Metropolitan Statistical Area (MSA) of less than 2,000,000 in population, unless that jurisdiction’s population is greater than 100,000, in which case it shall be considered metropolitan. A county, not including the City and County of San Francisco, shall be considered suburban unless the county is in an MSA of 2,000,000 or greater in population in which case the county shall be considered metropolitan.

(f) A jurisdiction shall be considered metropolitan if the jurisdiction does not meet the requirements for "suburban area" above and is located in an MSA of 2,000,000 or greater in population, unless that jurisdiction's population is less than 25,000 in which case it shall be considered suburban.

(g)

(1) For sites described in paragraph (3) of subdivision (b), the city or county shall specify the additional development potential for each site within the planning period and shall provide an explanation of the methodology used to determine the development potential. The methodology shall consider factors including the extent to which existing uses may constitute an impediment to additional residential development, the city's or county's past experience with converting existing uses to higher density residential development, the current market demand for the existing use, an analysis of any existing leases or other contracts that would perpetuate the existing use or prevent redevelopment of the site for additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites.

(2) In addition to the analysis required in paragraph (1), when a city or county is relying on nonvacant sites described in paragraph (3) of subdivision (b) to accommodate 50 percent or more of its housing need for lower income households, the methodology used to determine additional development potential shall demonstrate that the existing use identified pursuant to paragraph (3) of subdivision (b) does not constitute an impediment to additional residential development during the period covered by the housing element. An existing use shall be presumed to impede additional residential development, absent findings based on substantial evidence that the use is likely to be discontinued during the planning period.

(3) Notwithstanding any other law, and in addition to the requirements in paragraphs (1) and (2), sites that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, that are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low income, subject to any other form of rent or price control through a public entity's valid exercise of its police power, or occupied by low or very low income households, shall be subject to a policy requiring the replacement of all those units affordable to the same or lower income level as a condition of any development on the site. Replacement requirements shall be consistent with those set forth in paragraph (3) of subdivision (c) of Section 65915.

(h) The program required by subparagraph (A) of paragraph (1) of subdivision (c) of Section 65583 shall accommodate 100 percent of the need for housing for very low and low-income households allocated pursuant to Section 65584 for which site capacity has not been identified in the inventory of sites pursuant to paragraph (3) of subdivision (a) on sites that shall be zoned to permit owner-occupied and rental multifamily residential use by right for developments in which at least 20 percent of the units are affordable to lower income households during the planning period. These sites shall be zoned with minimum density and development standards that permit at least 16 units per site at a density of at least 16 units per acre in jurisdictions described in clause (i) of subparagraph (B) of paragraph (3) of subdivision (c), shall be at least 20 units per acre in jurisdictions described in clauses (iii) and (iv) of subparagraph (B) of paragraph (3) of subdivision (c), and shall meet the standards set forth in subparagraph (B) of paragraph (5) of subdivision (b). At least 50 percent of the very low and low-income housing need shall be accommodated on sites designated for residential use and for which nonresidential uses or mixed uses are not permitted, except that a city or county may accommodate all of the very low and low-income housing need on sites designated for mixed uses if those sites allow 100 percent residential use and require that residential use occupy 50 percent of the total floor area of a mixed-use project.

(i) For purposes of this section and Section 65583, the phrase "use by right" ~~shall mean~~means that the local government's review of the owner-occupied or multifamily residential use may not require a conditional use permit, planned unit development permit, or other discretionary local government

review or approval that would constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Any subdivision of the sites shall be subject to all laws, including, but not limited to, the local government ordinance implementing the Subdivision Map Act. A local ordinance may provide that “use by right” does not exempt the use from design review. However, that design review shall not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Use by right for all rental multifamily residential housing shall be provided in accordance with subdivision (f) of Section 65589.5.

(j) For purposes of subdivisions (a) and (b), the department shall provide guidance to local governments to properly survey, detail, and account for sites listed pursuant to Section 65585.

(k) This section shall become operative on December 31, 2028.

SEC. 173. Section *65584.08* of the Government Code is amended to read:

65584.08.

(a) The Legislature finds and declares all of the following:

(1) The state faces a serious housing crisis, due in part to decades of underproduction of housing of all types, to serve all income levels. A key factor in addressing this crisis is to significantly increase housing production in all cities and counties across the state.

(2) The general plan of the County of Napa has designated significant amounts of land in the county as agricultural resources and agricultural watershed or open-space. A voter-approved initiative prohibits the redesignation of land designated as an agricultural resource or agricultural watershed or open-space without voter approval unless certain narrow exemptions apply. Due to the lack of urban services, including the provision of water and wastewater services, and infrastructure, the County of Napa has generally been concentrated in or around incorporated areas rather than in remote or rural locations in order to ensure adequate service connections.

(3) The Napa Pipe project, which has been in the planning phase for nearly a decade, was initially located on unincorporated land in the county, but the City of Napa is annexing the property in phases as development moves forward.

(4) The developer has requested an amendment to the Napa Pipe project approvals to prioritize housing in the first phase of the project. Because the first phase has already been approved by the City of Napa, these housing units cannot, under existing law, be counted toward the County of Napa’s regional housing need allocation or reported on the county’s annual progress report.

(5) Therefore, a unique circumstance exists wherein the County of Napa entitled the Napa Pipe project on unincorporated land, a portion of which was later annexed to the City of Napa. Since the county approved the project, the project’s intent has been for the county to help fund the construction of affordable units in the project while counting any constructed affordable and moderate-income housing units toward the county’s regional housing need allocation before the annexation. Because the project now envisions developing housing units on portions of the project site that have already been annexed by the city, the project cannot be realized as originally planned and approved under existing law.

(6) The Legislature recognizes the importance of the Napa Pipe project, under which at least 700 units of housing will be constructed and up to 945 units with a density bonus.

(7) Therefore, the Legislature finds a unique circumstance exists under which the County of Napa may be allowed to count housing units built on land within the jurisdiction of the City of Napa toward the county’s housing production targets on the county’s annual progress report.

(8) The Legislature finds that this unique circumstance is not intended to set a precedent or encourage or justify future similar actions by a county or city.

(b) The County of Napa and the City of Napa may reach a mutually acceptable agreement to allow one of those jurisdictions to report on its annual housing production report to the department, pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400, those completed entitlements, building permits, and certificates of occupancy issued by the other jurisdiction for the development of housing if all of the following conditions are met:

(1) Both jurisdictions have adopted a housing element that, pursuant to Section 65585, the department has found to be in substantial compliance with this article.

(2) Within the 12 months preceding the effective date of the agreement, both jurisdictions have submitted to the department the annual report required by paragraph (2) of subdivision (a) of Section 65400.

(3) The completed entitlements, building permits, and certificates of occupancy that are to be reported by one of the jurisdictions will not also be reported on the housing production report of the other jurisdiction.

(4) One of the following conditions applies with respect to a housing development that will be reported by a jurisdiction under an agreement pursuant to this section:

(A) The housing development is proposed to be located in an area subject to the housing element of the County of Napa at the time of the final allocation of regional housing need under Section 65584.03, 65584.04, or 65584.06, as applicable, that is subsequently annexed by the City of Napa, provided that all of the following conditions are met:

(i) The City of Napa annexed the territory after the final allocation of regional housing need.

(ii) The council of governments, the subregional entity, or the department, as applicable, provides written confirmation that the methodology used to allocate the share of the regional housing need did not account for the annexation.

(iii) There was no transfer of units from the site of the housing development pursuant to subdivision (d) of Section 65584.07 of a portion of the County of Napa's allocation of regional housing need to the City of Napa.

(B) The housing development is located on land owned by one of the jurisdictions that is located within the jurisdictional boundaries of the other jurisdiction.

(C) The housing development is located within the jurisdictional boundaries of one jurisdiction and receives funding from the other jurisdiction.

(5) Before approval of the agreement, the Board of Supervisors of the County of Napa and the City Council of the City of Napa each hold a public hearing to solicit public comment on the proposed agreement. The County of Napa and the City of Napa shall each make available copies of the proposed agreement in advance of the hearing that contain the following information:

(A) Information to show that the proposed agreement complies with the requirements of this section.

(B) Identification of the site of each proposed housing development.

(C) The total number of units to be constructed in each income category.

(D) The total number of units that will be shown in the annual housing production report of each jurisdiction.

(6) Following the hearing required by ~~subdivision (e)~~paragraph (5), the board of supervisors of the County of Napa and the City Council of the City of Napa each approve the proposed agreement. The Board of Supervisors of the County of Napa and the city council of the City of Napa shall not approve the proposed agreement unless they make written findings, based on substantial evidence, as to all of the following:

(A) The proposed agreement complies with the requirements of this section.

(B) The agreement will not cause or exacerbate racial, ethnic, or economic segregation.

(C) The housing developments that are to be reported by a jurisdiction under the agreement do not include any housing development that is located in a census tract where more than 50 percent of the population are very low income households, as defined in Section 50105 of the Health and Safety Code, unless the housing development is within one-half mile of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code.

(D) The housing developments that are to be reported by a jurisdiction under the agreement do not include any housing development the completion of which would result in a reduction in the number of housing units, or a reduction in the affordability of housing units, on the site where the housing development is proposed to be built.

(c) This section does not waive or reduce any jurisdiction's obligation pursuant to Section 65863 to ensure that its housing element inventory accommodates, at all times throughout the housing planning period, its remaining unmet share of its regional housing need. If, at any time, the site of a proposed housing development that is the subject of an agreement approved pursuant to this section is no longer adequate to meet the requirements of Section 65583.2 and to accommodate the jurisdiction's share of the regional housing need pursuant to Section 65584, the jurisdiction shall comply with the requirements of subdivision (c) of Section 65863. Failure to comply with this requirement shall constitute a violation of Section 65863 within the meaning of subdivision (j) of Section 65585, and the department shall notify the office of the Attorney General of that violation pursuant to Section 65585.3.

SEC. 174. Section *65585* of the Government Code is amended to read:

65585.

(a) In the preparation of its housing element, each city and county shall consider the guidelines adopted by the department pursuant to Section 50459 of the Health and Safety Code. Those guidelines shall be advisory to each city or county in the preparation of its housing element.

(b)

(1) At least 90 days prior to adoption of its housing element, or at least 60 days prior to the adoption of an amendment to this element, the planning agency shall submit a draft element or draft amendment to the department.

(2) The planning agency staff shall collect and compile the public comments regarding the housing element received by the city, county, or city and county, and provide these comments to each member of the legislative body before it adopts the housing element.

(3) The department shall review the draft and report its written findings to the planning agency within 90 days of its receipt of the draft in the case of an adoption or within 60 days of its receipt in the case of a draft amendment.

(c) In the preparation of its findings, the department may consult with any public agency, group, or person. The department shall receive and consider any written comments from any public agency, group, or person regarding the draft or adopted element or amendment under review.

(d) In its written findings, the department shall determine whether the draft element or draft amendment substantially complies with this article.

(e) Prior to the adoption of its draft element or draft amendment, the legislative body shall consider the findings made by the department. If the department's findings are not available within the time limits set by this section, the legislative body may act without them.

(f) If the department finds that the draft element or draft amendment does not substantially comply with this article, the legislative body shall take one of the following actions:

(1) Change the draft element or draft amendment to substantially comply with this article.

(2) Adopt the draft element or draft amendment without changes. The legislative body shall include in its resolution of adoption written findings which explain the reasons the legislative body believes that the draft element or draft amendment substantially complies with this article despite the findings of the department.

(g) Promptly following the adoption of its element or amendment, the planning agency shall submit a copy to the department.

(h) The department shall, within 90 days, review adopted housing elements or amendments and report its findings to the planning agency.

(i)

(1)

(A) The department shall review any action or failure to act by the city, county, or city and county that it determines is inconsistent with an adopted housing element or Section 65583, including any failure to implement any program actions included in the housing element pursuant to Section 65583. The department shall issue written findings to the city, county, or city and county as to whether the action or failure to act substantially complies with this article, and provide a reasonable time no longer than 30 days for the city, county, or city and county to respond to the findings before taking any other action authorized by this section, including the action authorized by subparagraph (B).

(B) If the department finds that the action or failure to act by the city, county, or city and county does not substantially comply with this article, and if it has issued findings pursuant to this section that an amendment to the housing element substantially complies with this article, the department may revoke its findings until it determines that the city, county, or city and county has come into compliance with this article.

(2) The department may consult with any local government, public agency, group, or person, and shall receive and consider any written comments from any public agency, group, or person, regarding the action or failure to act by the city, county, or city and county described in paragraph (1), in determining whether the housing element substantially complies with this article.

(j) The department shall notify the city, county, or city and county and may notify the ~~Office~~office of the Attorney General that the city, county, or city and county is in violation of state law if the department finds that the housing element or an amendment to this element, or any action or failure to act described in subdivision (i), does not substantially comply with this article or that any local government has taken an action in violation of the following:

(1) Housing Accountability Act (Section 65589.5 of the Government Code).

(2) Section 65863 of the Government Code.

(3) Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code.

(4) Section 65008 of the Government Code.

(k) Commencing July 1, 2019, prior to the Attorney General bringing any suit for a violation of the provisions identified in subdivision (j) related to housing element compliance and seeking remedies available pursuant to this subdivision, the department shall offer the jurisdiction the opportunity for two meetings in person or via telephone to discuss the violation, and shall provide the jurisdiction written findings regarding the violation. This paragraph does not affect any action filed prior to the effective date of this section. The requirements set forth in this subdivision ~~shall~~do not apply to any suits brought for a violation or violations of paragraphs (1), (3), and (4) of subdivision (j).

(l) In any action or special proceeding brought by the Attorney General relating to housing element compliance pursuant to a notice or referral under subdivision (j), the Attorney General may request, upon a finding of the court that the housing element does not substantially comply with the requirements of this article pursuant to this section, that the court issue an order or judgment directing the jurisdiction to bring its housing element into substantial compliance with the requirements of this article. The court shall retain jurisdiction to ensure that its order or judgment is carried out. If a court determines that the housing element of the jurisdiction substantially complies with this article, it shall have the same force and effect, for purposes of eligibility for any financial assistance that requires a housing element in substantial compliance and for purposes of any incentives provided under Section 65589.9, as a determination by the department that the housing element substantially complies with this article.

(1) If the jurisdiction has not complied with the order or judgment after twelve months, the court shall conduct a status conference. Following the status conference, upon a determination that the jurisdiction failed to comply with the order or judgment compelling substantial compliance with the requirements of this article, the court shall impose fines on the jurisdiction, which shall be deposited into the Building Homes and Jobs Trust Fund. Any fine levied pursuant to this paragraph shall be in a minimum amount of ten thousand dollars ($10,000) per month, but shall not exceed one hundred thousand dollars ($100,000) per month, except as provided in paragraphs (2) and (3). In the event that the jurisdiction fails to pay fines imposed by the court in full and on time, the court may require the ~~State~~ Controller to intercept any available state and local funds and direct such funds to the Building Homes and Jobs Trust Fund to correct the jurisdiction's failure to pay. The intercept of the funds by the Controller for this purpose shall not violate any provision of the California Constitution.

(2) If the jurisdiction has not complied with the order or judgment after three months following the imposition of fees described in paragraph (1), the court shall conduct a status conference. Following the status conference, if the court finds that the fees imposed pursuant to paragraph (1) are insufficient to bring the jurisdiction into compliance with the order or judgment, the court may multiply the fine determined pursuant to paragraph (1) by a factor of three. In the event that the jurisdiction fails to pay fines imposed by the court in full and on time, the court may require the ~~State~~ Controller to intercept any available state and local funds and direct such funds to the Building Homes and Jobs Trust Fund to correct the jurisdiction's failure to pay. The intercept of the funds by the Controller for this purpose shall not violate any provision of the California Constitution.

(3) If the jurisdiction has not complied with the order or judgment six months following the imposition of fees described in paragraph (1), the court shall conduct a status conference. Upon a determination that the jurisdiction failed to comply with the order or judgment, the court may impose the following:

(A) If the court finds that the fees imposed pursuant to ~~paragraph~~paragraphs (1) and ~~paragraph~~ (2) are insufficient to bring the jurisdiction into compliance with the order or judgment, the court may multiply the fine determined pursuant to paragraph (1) by a factor of six. In the event that the jurisdiction fails to pay fines imposed by the court in full and on time, the court may require the ~~State~~ Controller to intercept any available state and local funds and direct such funds to the Building Homes and Jobs Trust Fund to correct the jurisdiction's failure to pay. The intercept of the funds by the Controller for this purpose shall not violate any provision of the California Constitution.

(B) The court may order remedies available pursuant to Section 564 of the Code of Civil Procedure, under which the agent of the court may take all governmental actions necessary to bring the jurisdiction's housing element into substantial compliance pursuant to this article in order to remedy identified deficiencies. The court shall determine whether the housing element of the jurisdiction substantially complies with this article and, once the court makes that determination, it shall have the same force and effect, for all purposes, as the department's determination that the housing element substantially complies with this article. An agent appointed pursuant to this paragraph shall have expertise in planning in California.

(4) This subdivision ~~shall~~does not limit a court's discretion to apply any and all remedies in an action or special proceeding for a violation of any law identified in subdivision (j).

(m) In determining the application of the remedies available under subdivision (*l*), the court shall consider whether there are any mitigating circumstances delaying the jurisdiction from coming into compliance with state housing law. The court may consider whether a city, county, or city and county is making a good faith effort to come into substantial compliance or is facing substantial undue hardships.

(n) The ~~Office~~office of the Attorney General may seek all remedies available under law including those set forth in this section.

SEC. 175. Section *65651* of the Government Code is amended to read:

65651.

(a) Supportive housing shall be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses, if the proposed housing development satisfies all of the following requirements:

(1) Units within the development are subject to a recorded affordability restriction for 55 years.

(2) One hundred percent of the units, excluding managers' units, within the development are restricted to lower income households and are or will be receiving public funding to ensure affordability of the housing to lower income Californians. For purposes of this paragraph, "lower income households" has the same meaning as defined in Section 50079.5 of the Health and Safety Code.

(3) At least 25 percent of the units in the development or 12 units, whichever is greater, are restricted to residents in supportive housing who meet criteria of the target population. If the development consists of fewer than 12 units, then 100 percent of the units, excluding managers' units, in the development shall be restricted to residents in supportive housing.

(4) The developer provides the planning agency with the information required by Section 65652.

(5) Nonresidential floor area shall be used for onsite supportive services in the following amounts:

(A) For a development with 20 or fewer total units, at least 90 square feet shall be provided for onsite supportive services.

(B) For a development with more than 20 units, at least 3 percent of the total nonresidential floor area shall be provided for onsite supportive services that are limited to tenant use, including, but not limited to, community rooms, case management offices, computer rooms, and community kitchens.

(6) The developer replaces any dwelling units on the site of the supportive housing development in the manner provided in paragraph (3) of subdivision (c) of Section 65915.

(7) Units within the development, excluding managers' units, include at least one bathroom and a kitchen or other cooking facilities, including, at minimum, a stovetop, a sink, and a refrigerator.

(b)

(1) The local government may require a supportive housing development subject to this article to comply with written, objective development standards and policies. However, the local government shall only require the development to comply with the objective development standards and policies that apply to other multifamily development within the same zone.

(2) The local government's review of a supportive housing development to determine whether the development complies with objective development standards, including objective design review standards, pursuant to this subdivision shall be conducted consistent with the requirements of

subdivision (f) of Section 65589.5, and shall not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

(3) Any discretion exercised by a local government in determining whether a project qualifies as a use by right pursuant to this article or discretion otherwise exercised pursuant to this section does not affect that local government’s determination that a supportive housing development qualifies as a use by right pursuant to this article.

(c) Notwithstanding any other provision of this section to the contrary, the local government shall, at the request of the project owner, reduce the number of residents required to live in supportive housing if the project-based rental assistance or operating subsidy for a supportive housing project is terminated through no fault of the project owner, but only if all of the following conditions have been met:

(1) The owner demonstrates that it has made good faith efforts to find other sources of financial support.

(2) Any change in the number of supportive housing units is restricted to the minimum necessary to maintain the project’s financial feasibility.

(3) Any change to the occupancy of the supportive housing units is made in a manner that minimizes tenant disruption and only upon the vacancy of any supportive housing units.

(d) If the proposed housing development is located within a city with a population of fewer than 200,000 or the unincorporated area of a county with a population of fewer than 200,000, and the city or the unincorporated area of the county has a population of persons experiencing homelessness of 1,500 or fewer, according to the most recently published homeless ~~point-in-time-count,~~ point-in-time count, the development, in addition to the requirements of subdivision (a), shall consist of 50 units or fewer to be a use by right pursuant to this article. A city or county described in this subdivision may develop a policy to approve as a use by right proposed housing developments with a limit higher than 50 units. A policy by a city or county to approve as a use by right proposed housing developments with a limit higher than 50 units does not constitute a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

(e) This article does not prohibit a local government from imposing fees and other exactions otherwise authorized by law that are essential to provide necessary public services and facilities to housing developments. However, a local government shall not adopt any requirement, including, but not limited to, increased fees or other exactions, that applies to a project solely or partially on the basis that the project constitutes a permanent supportive housing development or based on the development’s eligibility to receive ministerial approval pursuant to this article.

SEC. 176. Section *65852.2* of the Government Code, as amended by Section 1.5 of Chapter 659 of the Statutes of 2019, is amended to read:

65852.2.

(a)

(1) A local agency may, by ordinance, provide for the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use. The ordinance shall do all of the following:

(A) Designate areas within the jurisdiction of the local agency where accessory dwelling units may be permitted. The designation of areas may be based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. A local agency that does not provide water or sewer services shall consult with the local water or sewer service provider regarding the adequacy of water and sewer services before designating an area where accessory dwelling units may be permitted.

(B)

(i) Impose standards on accessory dwelling units that include, but are not limited to, parking, height, setback, landscape, architectural review, maximum size of a unit, and standards that prevent adverse impacts on any real property that is listed in the California Register of ~~Historic~~Historical Resources. These standards shall not include requirements on minimum lot size.

(ii) Notwithstanding clause (i), a local agency may reduce or eliminate parking requirements for any accessory dwelling unit located within its jurisdiction.

(C) Provide that accessory dwelling units do not exceed the allowable density for the lot upon which the accessory dwelling unit is located, and that accessory dwelling units are a residential use that is consistent with the existing general plan and zoning designation for the lot.

(D) Require the accessory dwelling units to comply with all of the following:

(i) The accessory dwelling unit may be rented separate from the primary residence, but ~~may~~shall not be sold or otherwise conveyed separate from the primary residence.

(ii) The lot is zoned to allow single-family or multifamily dwelling residential use and includes a proposed or existing dwelling.

(iii) The accessory dwelling unit is either attached to, or located within, the proposed or existing primary dwelling, including attached garages, storage areas or similar uses, or an accessory structure or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling.

(iv) If there is an existing primary dwelling, the total floor area of an attached accessory dwelling unit shall not exceed 50 percent of the existing primary dwelling.

(v) The total floor area for a detached accessory dwelling unit shall not exceed 1,200 square feet.

(vi) No passageway shall be required in conjunction with the construction of an accessory dwelling unit.

(vii) No setback shall be required for an existing living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an accessory dwelling unit or to a portion of an accessory dwelling unit, and a setback of no more than four feet from the side and rear lot lines shall be required for an accessory dwelling unit that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.

(viii) Local building code requirements that apply to detached dwellings, as appropriate.

(ix) Approval by the local health officer where a private sewage disposal system is being used, if required.

(x)

(I) Parking requirements for accessory dwelling units shall not exceed one parking space per accessory dwelling unit or per bedroom, whichever is less. These spaces may be provided as tandem parking on a driveway.

(II) Off -street parking shall be permitted in setback areas in locations determined by the local agency or through tandem parking, unless specific findings are made that parking in setback areas or tandem parking is not feasible based upon specific site or regional topographical or fire and life safety conditions.

(III) This clause ~~shall~~does not apply to an accessory dwelling unit that is described in subdivision (d).

(xi) When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit or converted to an accessory dwelling unit, the local agency shall not require that those offstreet parking spaces be replaced.

(xii) Accessory dwelling units shall not be required to provide fire sprinklers if they are not required for the primary residence.

(2) The ordinance shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

(3) A permit application for an accessory dwelling unit or a junior accessory dwelling unit shall be considered and approved ministerially without discretionary review or a hearing, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits. The permitting agency shall act on the application to create an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the permitting agency may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency acts on the permit application to create the new single-family dwelling, but the application to create the accessory dwelling unit or junior accessory dwelling unit shall be considered without discretionary review or hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. A local agency may charge a fee to reimburse it for costs incurred to implement this paragraph, including the costs of adopting or amending any ordinance that provides for the creation of an accessory dwelling unit.

(4) An existing ordinance governing the creation of an accessory dwelling unit by a local agency or an accessory dwelling ordinance adopted by a local agency shall provide an approval process that includes only ministerial provisions for the approval of accessory dwelling units and shall not include any discretionary processes, provisions, or requirements for those units, except as otherwise provided in this subdivision. If a local agency has an existing accessory dwelling unit ordinance that fails to meet the requirements of this subdivision, that ordinance shall be null and void and that agency shall thereafter apply the standards established in this subdivision for the approval of accessory dwelling units, unless and until the agency adopts an ordinance that complies with this section.

(5) No other local ordinance, policy, or regulation shall be the basis for the delay or denial of a building permit or a use permit under this subdivision.

(6) This subdivision establishes the maximum standards that local agencies shall use to evaluate a proposed accessory dwelling unit on a lot that includes a proposed or existing single-family dwelling. No additional standards, other than those provided in this subdivision, shall be used or imposed, including any owner-occupant requirement, except that a local agency may require that the property be used for rentals of terms longer than 30 days.

(7) A local agency may amend its zoning ordinance or general plan to incorporate the policies, procedures, or other provisions applicable to the creation of an accessory dwelling unit if these provisions are consistent with the limitations of this subdivision.

(8) An accessory dwelling unit that conforms to this subdivision shall be deemed to be an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot upon which it is located, and shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot. The accessory dwelling unit shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

(b) When a local agency that has not adopted an ordinance governing accessory dwelling units in accordance with subdivision (a) receives an application for a permit to create an accessory dwelling unit pursuant to this subdivision, the local agency shall approve or disapprove the application ministerially without discretionary review pursuant to subdivision (a). The permitting agency shall act on the application to create an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the permitting agency may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency acts on the permit application to create the new single-family dwelling, but the application to create the accessory dwelling unit or junior accessory dwelling unit shall still be considered ministerially without discretionary review or a hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. If the local agency has not acted upon the completed application within 60 days, the application shall be deemed approved.

(c)

(1) Subject to paragraph (2), a local agency may establish minimum and maximum unit size requirements for both attached and detached accessory dwelling units.

(2) Notwithstanding paragraph (1), a local agency shall not establish by ordinance any of the following:

(A) A minimum square footage requirement for either an attached or detached accessory dwelling unit that prohibits an efficiency unit.

(B) A maximum square footage requirement for either an attached or detached accessory dwelling unit that is less than either of the following:

(i) 850 square feet.

(ii) 1,000 square feet for an accessory dwelling unit that provides more than one bedroom.

(C) Any other minimum or maximum size for an accessory dwelling unit, size based upon a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, and minimum lot size, for either attached or detached dwellings that does not permit at least an 800 square foot accessory dwelling unit that is at least 16 feet in height with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.

(d) Notwithstanding any other law, a local agency, whether or not it has adopted an ordinance governing accessory dwelling units in accordance with subdivision (a), shall not impose parking standards for an accessory dwelling unit in any of the following instances:

(1) The accessory dwelling unit is located within one-half mile walking distance of public transit.

(2) The accessory dwelling unit is located within an architecturally and historically significant historic district.

(3) The accessory dwelling unit is part of the proposed or existing primary residence or an accessory structure.

(4) When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit.

(5) When there is a car share vehicle located within one block of the accessory dwelling unit.

(e)

(1) Notwithstanding subdivisions (a) to (d), inclusive, a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following:

(A) One accessory dwelling unit or ~~one~~ junior accessory dwelling unit per lot with a proposed or existing single-family dwelling if all of the following apply:

(i) The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.

(ii) The space has exterior access from the proposed or existing single-family dwelling.

(iii) The side and rear setbacks are sufficient for fire and safety.

(iv) The junior accessory dwelling unit complies with the requirements of Section 65852.22.

(B) One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks for a lot with a proposed or existing single-family dwelling. The accessory dwelling unit may be combined with a junior accessory dwelling unit described in subparagraph (A). A local agency may impose the following conditions on the accessory dwelling unit:

(i) A total floor area limitation of not more than 800 square feet.

(ii) A height limitation of 16 feet.

(C)

(i) Multiple accessory dwelling units within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings.

(ii) A local agency shall allow at least one accessory dwelling unit within an existing multifamily dwelling and shall allow up to 25 percent of the existing multifamily dwelling units.

(D) Not more than two accessory dwelling units that are located on a lot that has an existing multifamily dwelling, but are detached from that multifamily dwelling and are subject to a height limit of 16 feet and four-foot rear yard and side setbacks.

(2) A local agency shall not require, as a condition for ministerial approval of a permit application for the creation of an accessory dwelling unit or a junior accessory dwelling unit, the correction of nonconforming zoning conditions.

(3) The installation of fire sprinklers shall not be required in an accessory dwelling unit if sprinklers are not required for the primary residence.

(4) A local agency shall require that a rental of the accessory dwelling unit created pursuant to this subdivision be for a term longer than 30 days.

(5) A local agency may require, as part of the application for a permit to create an accessory dwelling unit connected to an onsite ~~wastewater~~water treatment system, a percolation test completed within the last five years, or, if the percolation test has been recertified, within the last 10 years.

(6) Notwithstanding subdivision (c) and paragraph (1), a local agency that has adopted an ordinance by July 1, 2018, providing for the approval of accessory dwelling units in multifamily dwelling structures shall ministerially consider a permit application to construct an accessory dwelling unit that is described in paragraph (1), and may impose standards including, but not limited to, design, development, and historic standards on said accessory dwelling units. These standards shall not include requirements on minimum lot size.

(f)

(1) Fees charged for the construction of accessory dwelling units shall be determined in accordance with Chapter 5 (commencing with Section 66000) and Chapter 7 (commencing with Section 66012).

(2) An accessory dwelling unit shall not be considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service, unless the accessory dwelling unit was constructed with a new single-family dwelling.

(3)

(A) A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.

(B) For purposes of this paragraph, “impact fee” has the same meaning as the term “fee” is defined in subdivision (b) of Section 66000, except that it also includes fees specified in Section 66477. “Impact fee” does not include any connection fee or capacity charge charged by a local agency, special district, or water corporation.

(4) For an accessory dwelling unit described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation shall not require the applicant to install a new or separate utility connection directly between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge, unless the accessory dwelling unit was constructed with a new single-family home.

(5) For an accessory dwelling unit that is not described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation may require a new or separate utility connection directly between the accessory dwelling unit and the utility. Consistent with Section 66013, the connection may be subject to a connection fee or capacity charge that shall be proportionate to the burden of the proposed accessory dwelling unit, based upon either its square feet or the number of its drainage fixture unit (DFU) values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials, upon the water or sewer system. This fee or charge shall not exceed the reasonable cost of providing this service.

(g) This section does not limit the authority of local agencies to adopt less restrictive requirements for the creation of an accessory dwelling unit.

(h)

(1) A local agency shall submit a copy of the ordinance adopted pursuant to subdivision (a) to the Department of Housing and Community Development within 60 days after adoption. After adoption of an ordinance, the department may submit written findings to the local agency as to whether the ordinance complies with this section.

(2)

(A) If the department finds that the local agency’s ordinance does not comply with this section, the department shall notify the local agency and shall provide the local agency with a

reasonable time, no longer than 30 days, to respond to the findings before taking any other action authorized by this section.

(B) The local agency shall consider the findings made by the department pursuant to subparagraph (A) and shall do one of the following:

(i) Amend the ordinance to comply with this section.

(ii) Adopt the ordinance without changes. The local agency shall include findings in its resolution adopting the ordinance that explain the reasons the local agency believes that the ordinance complies with this section despite the findings of the department.

(3)

(A) If the local agency does not amend its ordinance in response to the department's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this section and addressing the department's findings, the department shall notify the local agency and may notify the Attorney General that the local agency is in violation of state law.

(B) Before notifying the Attorney General that the local agency is in violation of state law, the department may consider whether a local agency adopted an ordinance in compliance with this section between January 1, 2017, and January 1, 2020.

(i) The department may review, adopt, amend, or repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, and standards set forth in this section. The guidelines adopted pursuant to this subdivision are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

(j) As used in this section~~, the following terms mean~~:

(1) "Accessory dwelling unit" means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated. An accessory dwelling unit also includes the following:

(A) An efficiency unit.

(B) A manufactured home, as defined in Section 18007 of the Health and Safety Code.

(2) "Accessory structure" means a structure that is accessory and incidental to a dwelling located on the same lot.

(3) "Efficiency unit" has the same meaning as defined in Section 17958.1 of the Health and Safety Code.

(4) "Living area" means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure.

(5) "Local agency" means a city, county, or city and county, whether general law or chartered.

(6) "Neighborhood" has the same meaning as set forth in Section 65589.5.

(6)(7) "Nonconforming zoning condition" means a physical improvement on a property that does not conform with current zoning standards.

(7)(8) "Passageway" means a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.

(8)(9) "Proposed dwelling" means a dwelling that is the subject of a permit application and that meets the requirements for permitting.

(9)(10) “Public transit” means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

(10)(11) “Tandem parking” means that two or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another.

(k) A local agency shall not issue a certificate of occupancy for an accessory dwelling unit before the local agency issues a certificate of occupancy for the primary dwelling.

(l) ~~Nothing in~~ This section shall not be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall not be required to hold public hearings for coastal development permit applications for accessory dwelling units.

(m) A local agency may count an accessory dwelling unit for purposes of identifying adequate sites for housing, as specified in subdivision (a) of Section 65583.1, subject to authorization by the department and compliance with this division.

(n) In enforcing building standards pursuant to Article 1 (commencing with Section 17960) of Chapter 5 of Part 1.5 of Division 13 of the Health and Safety Code for an accessory dwelling unit described in paragraph (1) or (2) below, a local agency, upon request of an owner of an accessory dwelling unit for a delay in enforcement, shall delay enforcement of a building standard, subject to compliance with Section 17980.12 of the Health and Safety Code:

(1) The accessory dwelling unit was built before January 1, 2020.

(2) The accessory dwelling unit was built on or after January 1, 2020, in a local jurisdiction that, at the time the accessory dwelling unit was built, had a noncompliant accessory dwelling unit ordinance, but the ordinance is compliant at the time the request is made.

(o) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 177. Section *65852.2* of the Government Code, as added by Section 2.5 of Chapter 659 of the Statutes of 2019, is amended to read:

65852.2.

(a)

(1) A local agency may, by ordinance, provide for the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use. The ordinance shall do all of the following:

(A) Designate areas within the jurisdiction of the local agency where accessory dwelling units may be permitted. The designation of areas may be based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety. A local agency that does not provide water or sewer services shall consult with the local water or sewer service provider regarding the adequacy of water and sewer services before designating an area where accessory dwelling units may be permitted.

(B)

(i) Impose standards on accessory dwelling units that include, but are not limited to, parking, height, setback, landscape, architectural review, maximum size of a unit, and standards that prevent adverse impacts on any real property that is listed in the California Register of ~~Historic~~Historical Resources. These standards shall not include requirements on minimum lot size.

(ii) Notwithstanding clause (i), a local agency may reduce or eliminate parking requirements for any accessory dwelling unit located within its jurisdiction.

(C) Provide that accessory dwelling units do not exceed the allowable density for the lot upon which the accessory dwelling unit is located, and that accessory dwelling units are a residential use that is consistent with the existing general plan and zoning designation for the lot.

(D) Require the accessory dwelling units to comply with all of the following:

(i) The accessory dwelling unit may be rented separate from the primary residence, but ~~may~~shall not be sold or otherwise conveyed separate from the primary residence.

(ii) The lot is zoned to allow single-family or multifamily dwelling residential use and includes a proposed or existing dwelling.

(iii) The accessory dwelling unit is either attached to, or located within, the proposed or existing primary dwelling, including attached garages, storage areas or similar uses, or an accessory structure or detached from the proposed or existing primary dwelling and located on the same lot as the proposed or existing primary dwelling.

(iv) If there is an existing primary dwelling, the total floor area of an attached accessory dwelling unit shall not exceed 50 percent of the existing primary dwelling.

(v) The total floor area for a detached accessory dwelling unit shall not exceed 1,200 square feet.

(vi) No passageway shall be required in conjunction with the construction of an accessory dwelling unit.

(vii) No setback shall be required for an existing living area or accessory structure or a structure constructed in the same location and to the same dimensions as an existing structure that is converted to an accessory dwelling unit or to a portion of an accessory dwelling unit, and a setback of no more than four feet from the side and rear lot lines shall be required for an accessory dwelling unit that is not converted from an existing structure or a new structure constructed in the same location and to the same dimensions as an existing structure.

(viii) Local building code requirements that apply to detached dwellings, as appropriate.

(ix) Approval by the local health officer where a private sewage disposal system is being used, if required.

(x)

(I) Parking requirements for accessory dwelling units shall not exceed one parking space per accessory dwelling unit or per bedroom, whichever is less. These spaces may be provided as tandem parking on a driveway.

(II) Off -street parking shall be permitted in setback areas in locations determined by the local agency or through tandem parking, unless specific findings are made that parking in setback areas or tandem parking is not feasible based upon specific site or regional topographical or fire and life safety conditions.

(III) This clause ~~shall~~does not apply to an accessory dwelling unit that is described in subdivision (d).

(xi) When a garage, carport, or covered parking structure is demolished in conjunction with the construction of an accessory dwelling unit or converted to an accessory dwelling unit, the local agency shall not require that those offstreet parking spaces be replaced.

(xii) Accessory dwelling units shall not be required to provide fire sprinklers if they are not required for the primary residence.

(2) The ordinance shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

(3) A permit application for an accessory dwelling unit or a junior accessory dwelling unit shall be considered and approved ministerially without discretionary review or a hearing, notwithstanding Section 65901 or 65906 or any local ordinance regulating the issuance of variances or special use permits. The permitting agency shall act on the application to create an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the permitting agency may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency acts on the permit application to create the new single-family dwelling, but the application to create the accessory dwelling unit or junior accessory dwelling unit shall be considered without discretionary review or hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. A local agency may charge a fee to reimburse it for costs incurred to implement this paragraph, including the costs of adopting or amending any ordinance that provides for the creation of an accessory dwelling unit.

(4) An existing ordinance governing the creation of an accessory dwelling unit by a local agency or an accessory dwelling ordinance adopted by a local agency shall provide an approval process that includes only ministerial provisions for the approval of accessory dwelling units and shall not include any discretionary processes, provisions, or requirements for those units, except as otherwise provided in this subdivision. If a local agency has an existing accessory dwelling unit ordinance that fails to meet the requirements of this subdivision, that ordinance shall be null and void and that agency shall thereafter apply the standards established in this subdivision for the approval of accessory dwelling units, unless and until the agency adopts an ordinance that complies with this section.

(5) No other local ordinance, policy, or regulation shall be the basis for the delay or denial of a building permit or a use permit under this subdivision.

(6)

(A) This subdivision establishes the maximum standards that local agencies shall use to evaluate a proposed accessory dwelling unit on a lot that includes a proposed or existing single-family dwelling. No additional standards, other than those provided in this subdivision, shall be used or imposed~~, including any owner-occupant requirement,~~ except that, subject to subparagraph (B), a local agency may require an applicant for a permit issued pursuant to this subdivision to be an owner-occupant or that the property be used for rentals of terms longer than 30 days.

(B) Notwithstanding subparagraph (A), a local agency shall not impose an owner-occupant requirement on an accessory dwelling unit permitted between January 1, 2020, to January 1, 2025, during which time the local agency was prohibited from imposing an owner-occupant requirement.

(7) A local agency may amend its zoning ordinance or general plan to incorporate the policies, procedures, or other provisions applicable to the creation of an accessory dwelling unit if these provisions are consistent with the limitations of this subdivision.

(8) An accessory dwelling unit that conforms to this subdivision shall be deemed to be an accessory use or an accessory building and shall not be considered to exceed the allowable density for the lot upon which it is located, and shall be deemed to be a residential use that is consistent with the existing general plan and zoning designations for the lot. The accessory dwelling unit shall not be considered in the application of any local ordinance, policy, or program to limit residential growth.

(b) When a local agency that has not adopted an ordinance governing accessory dwelling units in accordance with subdivision (a) receives an application for a permit to create an accessory dwelling

unit pursuant to this subdivision, the local agency shall approve or disapprove the application ministerially without discretionary review pursuant to subdivision (a). The permitting agency shall act on the application to create an accessory dwelling unit or a junior accessory dwelling unit within 60 days from the date the local agency receives a completed application if there is an existing single-family or multifamily dwelling on the lot. If the permit application to create an accessory dwelling unit or a junior accessory dwelling unit is submitted with a permit application to create a new single-family dwelling on the lot, the permitting agency may delay acting on the permit application for the accessory dwelling unit or the junior accessory dwelling unit until the permitting agency acts on the permit application to create the new single-family dwelling, but the application to create the accessory dwelling unit or junior accessory dwelling unit shall still be considered ministerially without discretionary review or a hearing. If the applicant requests a delay, the 60-day time period shall be tolled for the period of the delay. If the local agency has not acted upon the completed application within 60 days, the application shall be deemed approved.

(c)

(1) Subject to paragraph (2), a local agency may establish minimum and maximum unit size requirements for both attached and detached accessory dwelling units.

(2) Notwithstanding paragraph (1), a local agency shall not establish by ordinance any of the following:

(A) A minimum square footage requirement for either an attached or detached accessory dwelling unit that prohibits an efficiency unit.

(B) A maximum square footage requirement for either an attached or detached accessory dwelling unit that is less than either of the following:

(i) 850 square feet.

(ii) 1,000 square feet for an accessory dwelling unit that provides more than one bedroom.

(C) Any other minimum or maximum size for an accessory dwelling unit, size based upon a percentage of the proposed or existing primary dwelling, or limits on lot coverage, floor area ratio, open space, and minimum lot size, for either attached or detached dwellings that does not permit at least an 800 square foot accessory dwelling unit that is at least 16 feet in height with four-foot side and rear yard setbacks to be constructed in compliance with all other local development standards.

(d) Notwithstanding any other law, a local agency, whether or not it has adopted an ordinance governing accessory dwelling units in accordance with subdivision (a), shall not impose parking standards for an accessory dwelling unit in any of the following instances:

(1) The accessory dwelling unit is located within one-half mile walking distance of public transit.

(2) The accessory dwelling unit is located within an architecturally and historically significant historic district.

(3) The accessory dwelling unit is part of the proposed or existing primary residence or an accessory structure.

(4) When on-street parking permits are required but not offered to the occupant of the accessory dwelling unit.

(5) When there is a car share vehicle located within one block of the accessory dwelling unit.

(e)

(1) Notwithstanding subdivisions (a) to (d), inclusive, a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following:

(A) One accessory dwelling unit or ~~one~~ junior accessory dwelling unit per lot with a proposed or existing single-family dwelling if all of the following apply:

(i) The accessory dwelling unit or junior accessory dwelling unit is within the proposed space of a single-family dwelling or existing space of a single-family dwelling or accessory structure and may include an expansion of not more than 150 square feet beyond the same physical dimensions as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.

(ii) The space has exterior access from the proposed or existing single-family dwelling.

(iii) The side and rear setbacks are sufficient for fire and safety.

(iv) The junior accessory dwelling unit complies with the requirements of Section 65852.22.

(B) One detached, new construction, accessory dwelling unit that does not exceed four-foot side and rear yard setbacks for a lot with a proposed or existing single-family dwelling. The accessory dwelling unit may be combined with a junior accessory dwelling unit described in subparagraph (A). A local agency may impose the following conditions on the accessory dwelling unit:

(i) A total floor area limitation of not more than 800 square feet.

(ii) A height limitation of 16 feet.

(C)

(i) Multiple accessory dwelling units within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, if each unit complies with state building standards for dwellings.

(ii) A local agency shall allow at least one accessory dwelling unit within an existing multifamily dwelling and may ~~shall~~ allow up to 25 percent of the existing multifamily dwelling units.

(D) Not more than two accessory dwelling units that are located on a lot that has an existing multifamily dwelling, but are detached from that multifamily dwelling and are subject to a height limit of 16 feet and four-foot rear yard and side setbacks.

(2) A local agency shall not require, as a condition for ministerial approval of a permit application for the creation of an accessory dwelling unit or a junior accessory dwelling unit, the correction of nonconforming zoning conditions.

(3) The installation of fire sprinklers shall not be required in an accessory dwelling unit if sprinklers are not required for the primary residence.

(4) A local agency may require owner occupancy for either the primary dwelling or the accessory dwelling unit on a single-family lot, subject to the requirements of paragraph (6) of subdivision (a).

(4)(5) A local agency shall require that a rental of the accessory dwelling unit created pursuant to this subdivision be for a term longer than 30 days.

(5)(6) A local agency may require, as part of the application for a permit to create an accessory dwelling unit connected to an onsite ~~wastewater~~water treatment system, a percolation test completed within the last five years, or, if the percolation test has been recertified, within the last 10 years.

(6)(7) Notwithstanding subdivision (c) and paragraph (1) a local agency that has adopted an ordinance by July 1, 2018, providing for the approval of accessory dwelling units in multifamily

dwelling structures shall ministerially consider a permit application to construct an accessory dwelling unit that is described in paragraph (1), and may impose standards including, but not limited to, design, development, and historic standards on said accessory dwelling units. These standards shall not include requirements on minimum lot size.

(f)

(1) Fees charged for the construction of accessory dwelling units shall be determined in accordance with Chapter 5 (commencing with Section 66000) and Chapter 7 (commencing with Section 66012).

(2) An accessory dwelling unit shall not be considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating connection fees or capacity charges for utilities, including water and sewer service, unless the accessory dwelling unit was constructed with a new single-family dwelling.

(3)

(A) A local agency, special district, or water corporation shall not impose any impact fee upon the development of an accessory dwelling unit less than 750 square feet. Any impact fees charged for an accessory dwelling unit of 750 square feet or more shall be charged proportionately in relation to the square footage of the primary dwelling unit.

(B) For purposes of this paragraph, “impact fee” has the same meaning as the term “fee” is defined in subdivision (b) of Section 66000, except that it also includes fees specified in Section 66477. “Impact fee” does not include any connection fee or capacity charge charged by a local agency, special district, or water corporation.

(4) For an accessory dwelling unit described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation shall not require the applicant to install a new or separate utility connection directly between the accessory dwelling unit and the utility or impose a related connection fee or capacity charge, unless the accessory dwelling unit was constructed with a new single-family ~~home~~dwelling.

(5) For an accessory dwelling unit that is not described in subparagraph (A) of paragraph (1) of subdivision (e), a local agency, special district, or water corporation may require a new or separate utility connection directly between the accessory dwelling unit and the utility. Consistent with Section 66013, the connection may be subject to a connection fee or capacity charge that shall be proportionate to the burden of the proposed accessory dwelling unit, based upon either its square feet or the number of its drainage fixture unit (DFU) values, as defined in the Uniform Plumbing Code adopted and published by the International Association of Plumbing and Mechanical Officials, upon the water or sewer system. This fee or charge shall not exceed the reasonable cost of providing this service.

(g) This section does not limit the authority of local agencies to adopt less restrictive requirements for the creation of an accessory dwelling unit.

(h)

(1) A local agency shall submit a copy of the ordinance adopted pursuant to subdivision (a) to the Department of Housing and Community Development within 60 days after adoption. After adoption of an ordinance, the department may submit written findings to the local agency as to whether the ordinance complies with this section.

(2)

(A) If the department finds that the local agency’s ordinance does not comply with this section, the department shall notify the local agency and shall provide the local agency with a reasonable time, no longer than 30 days, to respond to the findings before taking any other action authorized by this section.

(B) The local agency shall consider the findings made by the department pursuant to subparagraph (A) and shall do one of the following:

(i) Amend the ordinance to comply with this section.

(ii) Adopt the ordinance without changes. The local agency shall include findings in its resolution adopting the ordinance that explain the reasons the local agency believes that the ordinance complies with this section despite the findings of the department.

(3)

(A) If the local agency does not amend its ordinance in response to the department's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this section and addressing the department's findings, the department shall notify the local agency and may notify the Attorney General that the local agency is in violation of state law.

(B) Before notifying the Attorney General that the local agency is in violation of state law, the department may consider whether a local agency adopted an ordinance in compliance with this section between January 1, 2017, and January 1, 2020.

(i) The department may review, adopt, amend, or repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, and standards set forth in this section. The guidelines adopted pursuant to this subdivision are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

(j) As used in this section~~, the following terms mean~~:

(1) "Accessory dwelling unit" means an attached or a detached residential dwelling unit that provides complete independent living facilities for one or more persons and is located on a lot with a proposed or existing primary residence. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family or multifamily dwelling is or will be situated. An accessory dwelling unit also includes the following:

(A) An efficiency unit.

(B) A manufactured home, as defined in Section 18007 of the Health and Safety Code.

(2) "Accessory structure" means a structure that is accessory and incidental to a dwelling located on the same lot.

(3) "Efficiency unit" has the same meaning as defined in Section 17958.1 of the Health and Safety Code.

(4) "Living area" means the interior habitable area of a dwelling unit, including basements and attics, but does not include a garage or any accessory structure.

(5) "Local agency" means a city, county, or city and county, whether general law or chartered.

(6) "Neighborhood" has the same meaning as set forth in Section 65589.5.

(A) An efficiency unit, as defined in Section 17958.1 of the Health and Safety Code.

(B) A manufactured home, as defined in Section 18007 of the Health and Safety Code.

(6)(7) "Nonconforming zoning condition" means a physical improvement on a property that does not conform with current zoning standards.

(7)(8) "Passageway" means a pathway that is unobstructed clear to the sky and extends from a street to one entrance of the accessory dwelling unit.

(8)(9) "Proposed dwelling" means a dwelling that is the subject of a permit application and that meets the requirements for permitting.

(9)(10) "Public transit" means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.

(10)(11) "Tandem parking" means that two or more automobiles are parked on a driveway or in any other location on a lot, lined up behind one another.

(k) A local agency shall not issue a certificate of occupancy for an accessory dwelling unit before the local agency issues a certificate of occupancy for the primary dwelling.

(l) ~~Nothing in~~ This section shall not be construed to supersede or in any way alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall not be required to hold public hearings for coastal development permit applications for accessory dwelling units.

(m) A local agency may count an accessory dwelling unit for purposes of identifying adequate sites for housing, as specified in subdivision (a) of Section 65583.1, subject to authorization by the department and compliance with this division.

(n) In enforcing building standards pursuant to Article 1 (commencing with Section 17960) of Chapter 5 of Part 1.5 of Division 13 of the Health and Safety Code for an accessory dwelling unit described in paragraph (1) or (2) below, a local agency, upon request of an owner of an accessory dwelling unit for a delay in enforcement, shall delay enforcement of a building standard, subject to compliance with Section 17980.12 of the Health and Safety Code:

(1) The accessory dwelling unit was built before January 1, 2020.

(2) The accessory dwelling unit was built on or after January 1, 2020, in a local jurisdiction that, at the time the accessory dwelling unit was built, had a noncompliant accessory dwelling unit ordinance, but the ordinance is compliant at the time the request is made.

(o) This section shall ~~remain in effect only until January 1, 2025, and as of that date is repealed~~become operative on January 1, 2025.

SEC. 178. Section *65913.4* of the Government Code is amended to read:

65913.4.

(a) A development proponent may submit an application for a development that is subject to the streamlined, ministerial approval process provided by subdivision (b) and is not subject to a conditional use permit if the development ~~complies with subdivision (b) and~~ satisfies all of the following objective planning standards:

(1) The development is a multifamily housing development that contains two or more residential units.

(2) The development ~~and the site on which it is located satisfy~~is located on a site that satisfies all of the following:

(A) ~~It~~A site that is a legal parcel or parcels located in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) A site in which at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For the purposes of this section, parcels that are only separated by a street or highway shall be considered to be adjoined.

(C) ~~It~~A site that is zoned for residential use or residential mixed-use development, or has a general plan designation that allows residential use or a mix of residential and nonresidential

uses, ~~and~~with at least two-thirds of the square footage of the development ~~is~~ designated for residential use. Additional density, floor area, and units, and any other concession, incentive, or waiver of development standards granted pursuant to the Density Bonus Law in Section 65915 shall be included in the square footage calculation. The square footage of the development shall not include underground space, such as basements or underground parking garages.

(3)

(A) The development proponent has committed to record, prior to the issuance of the first building permit, a land use restriction or covenant providing that any lower or moderate income housing units required pursuant to subparagraph (B) of paragraph (4) shall remain available at affordable housing costs or rent to persons and families of lower or moderate income for no less than the following periods of time:

(i) Fifty-five years for units that are rented.

(ii) Forty-five years for units that are owned.

(B) The city or county shall require the recording of covenants or restrictions implementing this paragraph for each parcel or unit of real property included in the development.

(4) The development satisfies subparagraphs (A) and (B) below:

(A) Is located in a locality that the department has determined is subject to this subparagraph on the basis that the number of units that have been issued building permits, as shown on the most recent production report received by the department, is less than the locality's share of the regional housing needs, by income category, for that reporting period. A locality shall remain eligible under this subparagraph until the department's determination for the next reporting period.

(B) The development is subject to a requirement mandating a minimum percentage of below market rate housing based on one of the following:

(i) The locality did not submit its latest production report to the department by the time period required by Section 65400, or that production report reflects that there were fewer units of above moderate-income housing issued building permits than were required for the regional housing needs assessment cycle for that reporting period. In addition, if the project contains more than 10 units of housing, the project does either of the following:

(I) The project dedicates a minimum of 10 percent of the total number of units to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 10 percent of the units be dedicated to housing affordable to households making below 80 percent of the area median income, that local ordinance applies.

(II)

(ia) If the project is located within the San Francisco Bay area, the project, in lieu of complying with subclause (I), dedicates 20 percent of the total number of units to housing affordable to households making below 120 percent of the area median income with the average income of the units at or below 100 percent of the area median income. However, a local ordinance adopted by the locality applies if it requires greater than 20 percent of the units be dedicated to housing affordable to households making at or below 120 percent of the area median income, or requires that any of the units be dedicated at a level deeper than 120 percent. In order to comply with this subclause, the rent or sale price charged for units that are dedicated to housing affordable to households between 80 percent and 120 percent of the area median income shall not exceed 30 percent of the gross income of the household.

(ib) For purposes of this subclause, “San Francisco Bay area” means the entire area within the territorial boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(ii) The locality’s latest production report reflects that there were fewer units of housing issued building permits affordable to either very low income or low-income households by income category than were required for the regional housing needs assessment cycle for that reporting period, and the project seeking approval dedicates 50 percent of the total number of units to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 50 percent of the units be dedicated to housing affordable to households making at or below 80 percent of the area median income, that local ordinance applies.

(iii) The locality did not submit its latest production report to the department by the time period required by Section 65400, or if the production report reflects that there were fewer units of housing affordable to both income levels described in clauses (i) and (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).

(C)

(i) A development proponent that uses a unit of affordable housing to satisfy the requirements of subparagraph (B) may also use that unit to satisfy any other local or state requirement for affordable housing, including local ordinances or the Density Bonus Law in Section 65915, provided that the development proponent complies with the applicable requirements in the state or local law.

(ii) A development proponent that uses a unit of affordable housing to satisfy any other state or local affordability requirement may also use that unit to satisfy the requirements of subparagraph (B), provided that the development proponent complies with applicable requirements of subparagraph (B).

(iii) A development proponent may satisfy the affordability requirements of subparagraph (B) with a unit that is restricted to households with incomes lower than the applicable income limits required in subparagraph (B).

(5) The development, excluding any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Section 65915, is consistent with objective zoning standards, objective subdivision standards, and objective design review standards in effect at the time that the development is submitted to the local government pursuant to this section~~, or at the time a notice of intent is submitted pursuant to subdivision (b), whichever occurs earlier~~. For purposes of this paragraph, “objective zoning standards,” “objective subdivision standards,” and “objective design review standards” mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances, subject to the following:

(A) A development shall be deemed consistent with the objective zoning standards related to housing density, as applicable, if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted.

(B) In the event that objective zoning, general plan, subdivision, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning and subdivision standards pursuant to this subdivision if the development is consistent with the standards set forth in the general plan.

(C) ~~It is the intent of the Legislature that the objective zoning standards, objective subdivision standards, and objective design review standards described in this paragraph be adopted or amended in compliance with the requirements of Chapter 905 of the Statutes of 2004.~~

(D)(C) The amendments to this subdivision made by ~~the act adding this subparagraph~~Chapter 840 of the Statutes of 2018 do not constitute a change in, but are declaratory of, existing law.

(6) The development is not located on a site that is any of the following:

(A) A coastal zone, as defined in Division 20 (commencing with Section 30000) of the Public Resources Code.

(B) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.

(C) Wetlands, as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993).

(D) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This subparagraph does not apply to sites excluded from the specified hazard zones by a local agency, pursuant to subdivision (b) of Section 51179, or sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(E) A hazardous waste site that is listed pursuant to Section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless the State Department of Public Health, State Water Resources Control Board, or Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses.

(F) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code), and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2.

(G) Within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency. If a development proponent is able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site. A development may be located on a site described in this subparagraph if either of the following are met:

(i) The site has been subject to a Letter of Map Revision prepared by the Federal Emergency Management Agency and issued to the local jurisdiction.

(ii) The site meets Federal Emergency Management Agency requirements necessary to meet minimum flood plain management criteria of the National Flood Insurance Program pursuant to Part 59 (commencing with Section 59.1) and Part 60 (commencing with Section 60.1) of Subchapter B of Chapter I of Title 44 of the Code of Federal Regulations.

(H) Within a regulatory floodway as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency, unless the development has received a no-rise certification in accordance with Section 60.3(d)(3) of Title 44 of the Code of Federal Regulations. If a development proponent is able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site.

(I) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan.

(J) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code).

(K) Lands under conservation easement.

(7) The development is not located on a site where any of the following apply:

(A) The development would require the demolition of the following types of housing:

(i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(ii) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(iii) Housing that has been occupied by tenants within the past 10 years.

(B) The site was previously used for housing that was occupied by tenants that was demolished within 10 years before the development proponent submits an application under this section.

(C) The development would require the demolition of a historic structure that was placed on a national, state, or local historic register.

(D) The property contains housing units that are occupied by tenants, and units at the property are, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.

(8) The development proponent has done both of the following, as applicable:

(A) Certified to the locality that either of the following is true, as applicable:

(i) The entirety of the development is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the development is not in its entirety a public work, that all construction workers employed in the execution of the development will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the development that are not a public work all of the following shall apply:

(I) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B)

(i) For developments for which any of the following conditions apply, certified that a skilled and trained workforce shall be used to complete the development if the application is approved:

(I) On and after January 1, 2018, until December 31, 2021, the development consists of 75 or more units with a residential component that is not 100 percent subsidized

affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2022, until December 31, 2025, the development consists of 50 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the development consists of 75 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(IV) On and after January 1, 2020, until December 31, 2021, the development consists of more than 50 units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2022, until December 31, 2025, the development consists of more than 25 units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(ii) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(iii) If the development proponent has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the development.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the development.

(III) Except as provided in subclause (IV), the applicant shall provide to the locality, on a monthly basis while the development or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the locality pursuant to this subclause shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subclause (III) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(C) Notwithstanding subparagraphs (A) and (B), a development that is subject to approval pursuant to this section is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

(i) The project includes 10 or fewer units.

(ii) The project is not a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(9) The development did not or does not involve a subdivision of a parcel that is, or, notwithstanding this section, would otherwise be, subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)) or any other applicable law authorizing the subdivision of land, unless the development is consistent with all objective subdivision standards in the local subdivision ordinance, and either of the following apply:

(A) The development has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (8).

(B) The development is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (8).

(10) The development shall not be upon an existing parcel of land or site that is governed under the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code), the Recreational Vehicle Park Occupancy Law (Chapter 2.6 (commencing with Section 799.20) of Title 2 of Part 2 of Division 2 of the Civil Code), the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code), or the Special Occupancy Parks Act (Part 2.3 (commencing with Section 18860) of Division 13 of the Health and Safety Code).

(b)

(1)

(A)

(i) ~~Before submitting an application for a development subject to the streamlined, ministerial approval process described in subdivision (c), the development proponent shall submit to the local government a notice of its intent to submit an application. The notice of intent shall be in the form of a preliminary application that includes all of the information described in Section 65941.1, as that section read on January 1, 2020.~~

(ii) ~~Upon receipt of a notice of intent to submit an application described in clause (i), the local government shall engage in a scoping consultation regarding the proposed development with any California Native American tribe that is traditionally and culturally affiliated with the geographic area, as described in Section 21080.3.1 of the Public Resources Code, of the proposed development. In order to expedite compliance with this subdivision, the local government shall contact the Native American Heritage Commission for assistance in identifying any California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development.~~

(iii) ~~The timeline for noticing and commencing a scoping consultation in accordance with this subdivision shall be as follows:~~

(I) The local government shall provide a formal notice of a development proponent's notice of intent to submit an application described in clause (i) to each California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development within 30 days of receiving that notice of intent. The formal notice provided pursuant to this subclause shall include all of the following:

(ia) A description of the proposed development.

(ib) The location of the proposed development.

(ic) An invitation to engage in a scoping consultation in accordance with this subdivision.

(II) Each California Native American tribe that receives a formal notice pursuant to this clause shall have 30 days from the receipt of that notice to accept the invitation to engage in a scoping consultation.

(III) If the local government receives a response accepting an invitation to engage in a scoping consultation pursuant to this subdivision, the local government shall commence the scoping consultation within 30 days of receiving that response.

(B) The scoping consultation shall recognize that California Native American tribes traditionally and culturally affiliated with a geographic area have knowledge and expertise concerning the resources at issue and shall take into account the cultural significance of the resource to the culturally affiliated California Native American tribe.

(C) The parties to a scoping consultation conducted pursuant to this subdivision shall be the local government and any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development. More than one California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development may participate in the scoping consultation. However, the local government, upon the request of any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development, shall engage in a separate scoping consultation with that California Native American tribe. The development proponent and its consultants may participate in a scoping consultation process conducted pursuant to this subdivision if all of the following conditions are met:

(i) The development proponent and its consultants agree to respect the principles set forth in this subdivision.

(ii) The development proponent and its consultants engage in the scoping consultation in good faith.

(iii) The California Native American tribe participating in the scoping consultation approves the participation of the development proponent and its consultants. The California Native American tribe may rescind its approval at any time during the scoping consultation, either for the duration of the scoping consultation or with respect to any particular meeting or discussion held as part of the scoping consultation.

(D) The participants to a scoping consultation pursuant to this subdivision shall comply with all of the following confidentiality requirements:

(i) Subdivision (r) of Section 6254.

(ii) Section 6254.10.

(iii) Subdivision (c) of Section 21082.3 of the Public Resources Code.

(iv) Subdivision (d) of Section 15120 of Title 14 of the California Code of Regulations.

(v) Any additional confidentiality standards adopted by the California Native American tribe participating in the scoping consultation.

(E) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to a scoping consultation conducted pursuant to this subdivision.

(2)

(A) If, after concluding the scoping consultation, the parties find that no potential tribal cultural resource would be affected by the proposed development, the development proponent may submit an application for the proposed development that is subject to the streamlined, ministerial approval process described in subdivision (c).

(B) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is documented between the California Native American tribe and the local government on methods, measures, and conditions for tribal cultural resource treatment, the development proponent may submit the application for a development subject to the streamlined, ministerial approval process described in subdivision (c). The local government shall ensure that the enforceable agreement is included in the requirements and conditions for the proposed development.

(C) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is not documented between the California Native American tribe and the local government regarding methods, measures, and conditions for tribal cultural resource treatment, the development shall not be eligible for the streamlined, ministerial approval process described in subdivision (c).

(D) For purposes of this paragraph, a scoping consultation shall be deemed to be concluded if either of the following occur:

(i) The parties to the scoping consultation document an enforceable agreement concerning methods, measures, and conditions to avoid or address potential impacts to tribal cultural resources that are or may be present.

(ii) One or more parties to the scoping consultation, acting in good faith and after reasonable effort, conclude that a mutual agreement on methods, measures, and conditions to avoid or address impacts to tribal cultural resources that are or may be present cannot be reached.

(E) If the development or environmental setting substantially changes after the completion of the scoping consultation, the local government shall notify the California Native American tribe of the changes and engage in a subsequent scoping consultation if requested by the California Native American tribe.

(3) A local government may only accept an application for streamlined, ministerial approval pursuant to this section if one of the following applies:

(A) A California Native American tribe that received a formal notice of the development proponent's notice of intent to submit an application pursuant to subclause (I) of clause (iii) of subparagraph (A) of paragraph (1) did not accept the invitation to engage in a scoping consultation.

(B) The California Native American tribe accepted an invitation to engage in a scoping consultation pursuant to subclause (II) of clause (iii) of subparagraph (A) of paragraph (1) but substantially failed to engage in the scoping consultation after repeated documented attempts by the local government to engage the California Native American tribe.

(C) The parties to a scoping consultation pursuant to this subdivision find that no potential tribal cultural resource will be affected by the proposed development pursuant to subparagraph (A) of paragraph (2).

(D) A scoping consultation between a California Native American tribe and the local government has occurred in accordance with this subdivision and resulted in agreement pursuant to subparagraph (B) of paragraph (2).

(4) A project shall not be eligible for the streamlined, ministerial process described in subdivision (c) if any of the following apply:

(A) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project.

(B) There is a potential tribal cultural resource that could be affected by the proposed development and the parties to a scoping consultation conducted pursuant to this subdivision do not document an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in subparagraph (C) of paragraph (2).

(C) The parties to a scoping consultation conducted pursuant to this subdivision do not agree as to whether a potential tribal cultural resource will be affected by the proposed development.

(5)

(A) If, after a scoping consultation conducted pursuant to this subdivision, a project is not eligible for the streamlined, ministerial process described in subdivision (c) for any or all of the following reasons, the local government shall provide written documentation of that fact, and an explanation of the reason for which the project is not eligible, to the development proponent and to any California Native American tribe that is a party to that scoping consultation:

(i) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project, as described in subparagraph (A) of paragraph (4).

(ii) The parties to the scoping consultation have not documented an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in subparagraph (C) of paragraph (2) and subparagraph (B) of paragraph (4).

(iii) The parties to the scoping consultation do not agree as to whether a potential tribal cultural resource will be affected by the proposed development, as described in subparagraph (C) of paragraph (4).

(B) The written documentation provided to a development proponent pursuant to this paragraph shall include information on how the development proponent may seek a conditional use permit or other discretionary approval of the development from the local government.

(6) This section is not intended, and shall not be construed, to limit consultation and discussion between a local government and a California Native American tribe pursuant to other applicable law, confidentiality provisions under other applicable law, the protection of religious exercise to the fullest extent permitted under state and federal law, or the ability of a California Native American tribe to submit information to the local government or participate in any process of the local government.

(7) For purposes of this subdivision:

(A) "Consultation" means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties' cultural values and, where feasible, seeking agreement. Consultation between local governments and Native American tribes shall be conducted in a way that is mutually respectful of each party's sovereignty. Consultation shall also recognize the tribes' potential needs for confidentiality with respect to places that have traditional tribal cultural importance. A lead agency shall consult the tribal consultation best practices described in the "State of California Tribal Consultation Guidelines: Supplement to the General Plan Guidelines" prepared by the Office of Planning and Research.

(B) ~~"Scoping" means the act of participating in early discussions or investigations between the local government and California Native American tribe, and the development proponent if authorized by the California Native American tribe, regarding the potential effects a proposed development could have on a potential tribal cultural resource, as defined in Section 21074 of the Public Resources Code, or California Native American tribe, as defined in Section 21073 of the Public Resources Code.~~

(8) ~~This subdivision shall not apply to any project that has been approved under the streamlined, ministerial approval process provided under this section before the effective date of the act adding this subdivision.~~

(c)(b)

(1) If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in subdivision (a), it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, as follows:

(A) Within 60 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the local government fails to provide the required documentation pursuant to paragraph (1), the development shall be deemed to satisfy the objective planning standards specified in subdivision (a).

(3) For purposes of this section, a development is consistent with the objective planning standards specified in subdivision (a) if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(d)(c)

(1) Any design review or public oversight of the development may be conducted by the local government's planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review or public oversight shall be objective and be strictly focused on assessing compliance with criteria required for streamlined projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submission of a development application, and shall be broadly applicable to development within the jurisdiction. That design review or public oversight shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the development is consistent with the requirements of subparagraph (A) or (B) of paragraph (9) of subdivision (a) and is consistent with all objective subdivision standards in the local subdivision ordinance, an application for a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410)) shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and shall be subject to the public oversight timelines set forth in paragraph (1).

(e)(d)

(1) Notwithstanding any other law, a local government, whether or not it has adopted an ordinance governing automobile parking requirements in multifamily developments, shall not impose automobile parking standards for a streamlined development that was approved pursuant to this section in any of the following instances:

(A) The development is located within one-half mile of public transit.

(B) The development is located within an architecturally and historically significant historic district.

(C) When on-street parking permits are required but not offered to the occupants of the development.

(D) When there is a car share vehicle located within one block of the development.

(2) If the development does not fall within any of the categories described in paragraph (1), the local government shall not impose automobile parking requirements for streamlined developments approved pursuant to this section that exceed one parking space per unit.

(f)(e)

(1) If a local government approves a development pursuant to this section, then, notwithstanding any other law, that approval shall not expire if the project includes public investment in housing affordability, beyond tax credits, where 50 percent of the units are affordable to households making at or below 80 percent of the area median income.

(2)

(A) If a local government approves a development pursuant to this section and the project does not include 50 percent of the units affordable to households making at or below 80 percent of the area median income, that approval shall remain valid for three years from the date of the final action establishing that approval, or if litigation is filed challenging that approval, from the date of the final judgment upholding that approval. Approval shall remain valid for a project provided that vertical construction of the development has begun and is in progress. For purposes of this subdivision, “in progress” means one of the following:

(i) The construction has begun and has not ceased for more than 180 days.

(ii) If the development requires multiple building permits, an initial phase has been completed, and the project proponent has applied for and is diligently pursuing a building permit for a subsequent phase, provided that once it has been issued, the building permit for the subsequent phase does not lapse.

(B) Notwithstanding subparagraph (A), a local government may grant a project a one-time, one-year extension if the project proponent can provide documentation that there has been significant progress toward getting the development construction ready, such as filing a building permit application.

(3) If a local government approves a development pursuant to this section, that approval shall remain valid for three years from the date of the final action establishing that approval and shall remain valid thereafter for a project so long as vertical construction of the development has begun and is in progress. Additionally, the development proponent may request, and the local government shall have discretion to grant, an additional one-year extension to the original three-year period. The local government’s action and discretion in determining whether to grant the foregoing extension shall be limited to considerations and processes set forth in this section.

(g)

(1)

(A) ~~A development proponent may request a modification to a development that has been approved under the streamlined, ministerial approval process provided in subdivision (b) if that~~

~~request is submitted to the local government before the issuance of the final building permit required for construction of the development.~~

(B) ~~Except as provided in paragraph (3), the local government shall approve a modification if it determines that the modification is consistent with the objective planning standards specified in subdivision (a) that were in effect when the original development application was first submitted.~~

(C) ~~The local government shall evaluate any modifications requested pursuant to this subdivision for consistency with the objective planning standards using the same assumptions and analytical methodology that the local government originally used to assess consistency for the development that was approved for streamlined, ministerial approval pursuant to subdivision (b).~~

(D) ~~A guideline that was adopted or amended by the department pursuant to subdivision (j) after a development was approved through the streamlined ministerial approval process described in subdivision (b) shall not be used as a basis to deny proposed modifications.~~

(2) ~~Upon receipt of the developmental proponent's application requesting a modification, the local government shall determine if the requested modification is consistent with the objective planning standard and either approve or deny the modification request within 60 days after submission of the modification, or within 90 days if design review is required.~~

(3) ~~Notwithstanding paragraph (1), the local government may apply objective planning standards adopted after the development application was first submitted to the requested modification in any of the following instances:~~

(A) ~~The development is revised such that the total number of residential units or total square footage of construction changes by 15 percent or more.~~

(B) ~~The development is revised such that the total number of residential units or total square footage of construction changes by 5 percent or more and it is necessary to subject the development to an objective standard beyond those in effect when the development application was submitted in order to mitigate or avoid a specific, adverse impact, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (j) of Section 65589.5, upon the public health or safety and there is no feasible alternative method to satisfactorily mitigate or avoid the adverse impact.~~

(C) ~~Objective building standards contained in the California Building Standards Code (Title 24 of the California Code of Regulations), including, but not limited to, building plumbing, electrical, fire, and grading codes, may be applied to all modifications.~~

(4) ~~The local government's review of a modification request pursuant to this subdivision shall be strictly limited to determining whether the modification, including any modification to previously approved density bonus concessions or waivers, modify the development's consistency with the objective planning standards and shall not reconsider prior determinations that are not affected by the modification.~~

(h)(f)

(1) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(2) A local government shall issue a subsequent permit required for a development approved under this section if the application substantially complies with the development as it was approved pursuant to subdivision ~~(c)~~(b). Upon receipt of an application for a subsequent permit, the local government shall process the permit without unreasonable delay and shall not impose any

procedure or requirement that is not imposed on projects that are not approved pursuant to this section. Issuance of subsequent permits shall implement the approved development, and review of the permit application shall not inhibit, chill, or preclude the development. For purposes of this paragraph, a "subsequent permit" means a permit required subsequent to receiving approval under subdivision ~~(c)~~(b), and includes, but is not limited to, demolition, grading, ~~encroachment,~~ and building permits and final maps, if necessary.

(3)

(A) ~~If a public improvement is necessary to implement a development that is subject to the streamlined, ministerial approval pursuant to this section, including, but not limited to, a bicycle lane, sidewalk or walkway, public transit stop, driveway, street paving or overlay, a curb or gutter, a modified intersection, a street sign or street light, landscape or hardscape, an above-ground or underground utility connection, a water line, fire hydrant, storm or sanitary sewer connection, retaining wall, and any related work, and that public improvement is located on land owned by the local government, to the extent that the public improvement requires approval from the local government, the local government shall not exercise its discretion over any approval relating to the public improvement in a manner that would inhibit, chill, or preclude the development.~~

(B) ~~If an application for a public improvement described in subparagraph (A) is submitted to a local government, the local government shall do all of the following:~~

(i) ~~Consider the application based upon any objective standards specified in any state or local laws that were in effect when the original development application was submitted.~~

(ii) ~~Conduct its review and approval in the same manner as it would evaluate the public improvement if required by a project that is not eligible to receive ministerial or streamlined approval pursuant to this section.~~

(C) ~~If an application for a public improvement described in subparagraph (A) is submitted to a local government, the local government shall not do either of the following:~~

(i) ~~Adopt or impose any requirement that applies to a project solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.~~

(ii) ~~Unreasonably delay in its consideration, review, or approval of the application.~~

(i)(g)

(1) This section ~~shall~~does not affect a development proponent's ability to use any alternative streamlined by right permit processing adopted by a local government, including the provisions of subdivision (i) of Section 65583.2.

(2) This section ~~shall~~does not prevent a development from also qualifying as a housing development project entitled to the protections of Section 65589.5. This paragraph does not constitute a change in, but is declaratory of, existing law.

(j)(h) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) does not apply to actions taken by a state agency, local government, or the San Francisco Bay Area Rapid Transit District to:

(1) Lease, convey, or encumber land owned by the local government or the San Francisco Bay Area Rapid Transit District or to facilitate the lease, conveyance, or encumbrance of land owned by the local government, or for the lease of land owned by the San Francisco Bay Area Rapid Transit District in association with an eligible TOD project, as defined pursuant to Section 29010.1 of the Public Utilities Code, nor to any decisions associated with that lease, or to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to

be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(2) Approve improvements located on land owned by the local government or the San Francisco Bay Area Rapid Transit District that are necessary to implement a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(k)(i) For purposes of this section, the following terms have the following meanings:

(1) "Affordable housing cost" has the same meaning as set forth in Section 50052.5 of the Health and Safety Code.

(2) "Affordable rent" has the same meaning as set forth in Section 50053 of the Health and Safety Code.

(3) "Department" means the Department of Housing and Community Development.

(4) "Development proponent" means the developer who submits an application for streamlined approval pursuant to this section.

(5) "Completed entitlements" means a housing development that has received all the required land use approvals or entitlements necessary for the issuance of a building permit.

(6) "Locality" or "local government" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(7) "Moderate income housing units" means housing units with an affordable housing cost or affordable rent for persons and families of moderate income, as that term is defined in Section 50093 of the Health and Safety Code.

(8) "Production report" means the information reported pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.

(9) "State agency" includes every state office, officer, department, division, bureau, board, and commission, but does not include the California State University or the University of California.

(10) "Subsidized" means units that are price or rent restricted such that the units are affordable to households meeting the definitions of very low and lower income, as defined in Sections 50079.5 and 50105 of the Health and Safety Code.

(11) "Reporting period" means either of the following:

(A) The first half of the regional housing needs assessment cycle.

(B) The last half of the regional housing needs assessment cycle.

(12) "Urban uses" means any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

(l)(j) The department may review, adopt, amend, and repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, or standards set forth in this section. Any guidelines or terms adopted pursuant to this subdivision shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(m)(k) The determination of whether an application for a development is subject to the streamlined ministerial approval process provided by subdivision ~~(c)~~(b) is not a "project" as defined in Section 21065 of the Public Resources Code.

(n)(l) It is the policy of the state that this section be interpreted and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, increased housing supply.

(o)(m) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 179. Section *66000.5* of the Government Code is amended to read:

66000.5.

(a) This chapter, Chapter 6 (commencing with Section 66010), Chapter 7 (commencing with Section 66012), Chapter 7.5 (commencing with Section 66015), Chapter 8 (commencing with Section 66016), and Chapter 9 (commencing with Section 66020) shall be known and may be cited as the Mitigation Fee Act.

(b) Any action brought in the superior court relating to the Mitigation Fee Act may be subject to a mediation proceeding conducted pursuant to Chapter 9.3 (commencing with Section 66030).

SEC. 180. Section *66013* of the Government Code is amended to read:

66013.

(a) Notwithstanding any other provision of law, when a local agency imposes fees for water connections or sewer connections, or imposes capacity charges, those fees or charges shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed, unless a question regarding the amount of the fee or charge imposed in excess of the estimated reasonable cost of providing the services or materials is submitted to, and approved by, a popular vote of two-thirds of those electors voting on the issue.

(b) As used in this section:

(1) "Sewer connection" means the connection of a structure or project to a public sewer system.

(2) "Water connection" means the connection of a structure or project to a public water system, as defined in subdivision ~~(f)~~(h) of Section 116275 of the Health and Safety Code.

(3) "Capacity charge" means a charge for public facilities in existence at the time a charge is imposed or charges for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including supply or capacity contracts for rights or entitlements, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use of existing or new public facilities. A "capacity charge" does not include a commodity charge.

(4) "Local agency" means a local agency as defined in Section 66000.

(5) "Fee" means a fee for the physical facilities necessary to make a water connection or sewer connection, including, but not limited to, meters, meter boxes, and pipelines from the structure or project to a water distribution line or sewer main, and the estimated reasonable cost of labor and materials for installation of those facilities bears a fair or reasonable relationship to the payor's burdens on, or benefits received from, the water connection or sewer connection.

(6) "Public facilities" means public facilities as defined in Section 66000.

(c) A local agency receiving payment of a charge as specified in paragraph (3) of subdivision (b) shall deposit it in a separate capital facilities fund with other charges received, and account for the charges in a manner to avoid any commingling with other moneys of the local agency, except for investments, and shall expend those charges solely for the purposes for which the charges were collected. Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.

(d) For a fund established pursuant to subdivision (c), a local agency shall make available to the public, within 180 days after the last day of each fiscal year, the following information for that fiscal year:

(1) A description of the charges deposited in the fund.

(2) The beginning and ending balance of the fund and the interest earned from investment of moneys in the fund.

(3) The amount of charges collected in that fiscal year.

(4) An identification of all of the following:

(A) Each public improvement on which charges were expended and the amount of the expenditure for each improvement, including the percentage of the total cost of the public improvement that was funded with those charges if more than one source of funding was used.

(B) Each public improvement on which charges were expended that was completed during that fiscal year.

(C) Each public improvement that is anticipated to be undertaken in the following fiscal year.

(5) A description of each interfund transfer or loan made from the capital facilities fund. The information provided, in the case of an interfund transfer, shall identify the public improvements on which the transferred moneys are, or will be, expended. The information, in the case of an interfund loan, shall include the date on which the loan will be repaid, and the rate of interest that the fund will receive on the loan.

(e) The information required pursuant to subdivision (d) may be included in the local agency's annual financial report.

(f) The provisions of subdivisions (c) and (d) shall not apply to any of the following:

(1) Moneys received to construct public facilities pursuant to a contract between a local agency and a person or entity, including, but not limited to, a reimbursement agreement pursuant to Section 66003.

(2) Charges that are used to pay existing debt service or which are subject to a contract with a trustee for bondholders that requires a different accounting of the charges, or charges that are used to reimburse the local agency or to reimburse a person or entity who advanced funds under a reimbursement agreement or contract for facilities in existence at the time the charges are collected.

(3) Charges collected on or before December 31, 1998.

(g) Any judicial action or proceeding to attack, review, set aside, void, or annul the ordinance, resolution, or motion imposing a fee or capacity charge subject to this section shall be brought pursuant to Section 66022.

(h) Fees and charges subject to this section are not subject to the provisions of Chapter 5 (commencing with Section 66000), but are subject to the provisions of Sections 66016, 66022, and 66023.

(i) ~~The provisions of~~ Subdivisions (c) and (d) ~~shall~~ only apply to capacity charges levied pursuant to this section.

SEC. 181. Section *66300* of the Government Code is amended to read:

66300.

(a) As used in this section:

(1)

(A) Except as otherwise provided in subparagraph (B), "affected city" means a city, including a charter city, that the Department of Housing and Community Development determines, pursuant to subdivision (e), is in an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) Notwithstanding subparagraph (A), "affected city" does not include any city that has a population of 5,000 or less and is not located within an urbanized area, as designated by the United States Census Bureau.

(2) "Affected county" means a census designated place, based on the 2013-2017 American Community Survey 5-year Estimates, that is wholly located within the boundaries of an urbanized area, as designated by the United States Census Bureau.

(3) Notwithstanding any other law, "affected county" and "affected city" includes the electorate of an affected county or city exercising its local initiative or referendum power, whether that power is derived from the California Constitution, statute, or the charter or ordinances of the affected county or city.

(4) "Department" means the Department of Housing and Community Development.

(5) "Development policy, standard, or condition" means any of the following:

(A) A provision of, or amendment to, a general plan.

(B) A provision of, or amendment to, a specific plan.

(C) A provision of, or amendment to, a zoning ordinance.

(D) A subdivision standard or criterion.

(6) "Housing development project" has the same meaning as defined in paragraph (2) of subdivision (h) of Section 65589.5.

(7) "Objective design standard" means a design standard that involve no personal or subjective judgment by a public official and is uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal of an application.

(b)

(1) Notwithstanding any other law except as provided in subdivision (i), with respect to land where housing is an allowable use, an affected county or an affected city shall not enact a development policy, standard, or condition that would have any of the following effects:

(A) Changing the general plan land use designation, specific plan land use designation, or zoning of a parcel or parcels of property to a less intensive use or reducing the intensity of land use within an existing general plan land use designation, specific plan land use designation, or zoning district below what was allowed under the land use designation and zoning ordinances of the affected county or affected city, as applicable, as in effect on January 1, 2018, except as otherwise provided in clause (ii) of subparagraph (B). For purposes of this subparagraph, "less intensive use" includes, but is not limited to, reductions to height, density, or floor area ratio, new or increased open space or lot size requirements, or new or increased setback requirements, minimum frontage requirements, or maximum lot coverage limitations, or anything that would lessen the intensity of housing.

(B)

(i) Imposing a moratorium or similar restriction or limitation on housing development, including mixed-use development, within all or a portion of the jurisdiction of the affected county or city, other than to specifically protect against an imminent threat to the health and safety of persons residing in, or within the immediate vicinity of, the area subject to the moratorium or for projects specifically identified as existing restricted affordable housing.

(ii) The affected county or affected city, as applicable, shall not enforce a zoning ordinance imposing a moratorium or other similar restriction on or limitation of housing development until it has submitted the ordinance to, and received approval from, the department. The department shall approve a zoning ordinance submitted to it pursuant to this subparagraph

only if it determines that the zoning ordinance satisfies the requirements of this subparagraph. If the department denies approval of a zoning ordinance imposing a moratorium or similar restriction or limitation on housing development as inconsistent with this subparagraph, that ordinance shall be deemed void.

(C) Imposing or enforcing design standards established on or after January 1, 2020, that are not objective design standards.

(D) Except as provided in subparagraph (E), establishing or implementing any provision that:

(i) Limits the number of land use approvals or permits necessary for the approval and construction of housing that will be issued or allocated within all or a portion of the affected county or affected city, as applicable.

(ii) Acts as a cap on the number of housing units that can be approved or constructed either annually or for some other time period.

(iii) Limits the population of the affected county or affected city, as applicable.

(E) Notwithstanding subparagraph (D), an affected county or affected city may enforce a limit on the number of approvals or permits or a cap on the number of housing units that can be approved or constructed if the provision of law imposing the limit was approved by voters prior to January 1, 2005, and the affected county or affected city is located in a predominantly agricultural county. For the purposes of this subparagraph, “predominantly agricultural county” means a county that meets both of the following, as determined by the most recent California Farmland Conversion Report produced by the Department of Conservation:

(i) Has more than 550,000 acres of agricultural land.

(ii) At least one-half of the county area is agricultural land.

(2) Any development policy, standard, or condition enacted on or after the effective date of this section that does not comply with this section shall be deemed void.

(c) Notwithstanding subdivisions (b) and (f), an affected county or affected city may enact a development policy, standard, or condition to prohibit the commercial use of land that is designated for residential use, including, but not limited to, short-term occupancy of a residence, consistent with the authority conferred on the county or city by other law.

(d) Notwithstanding any other provision of this section, both of the following ~~shall~~ apply:

(1) An affected city or an affected county shall not approve a housing development project that will require the demolition of residential dwelling units unless the project will create at least as many residential dwelling units as will be demolished.

(2) An affected city or an affected county shall not approve a housing development project that will require the demolition of occupied or vacant protected units, unless all of the following apply:

(A)

(i) The project will replace all existing or demolished protected units.

(ii) Any protected units replaced pursuant to this subparagraph shall be considered in determining whether the housing development project satisfies the requirements of Section 65915 or a locally adopted requirement that requires, as a condition of the development of residential rental units, that the project provide a certain percentage of residential rental units affordable to, and occupied by, households with incomes that do not exceed the limits for moderate-income, lower income, very low income, or extremely low income households, as specified in Sections 50079.5, 50093, 50105, and 50106 of the Health and Safety Code.

(iii) Notwithstanding clause (i), in the case of a protected unit that is or was, within the five-year period preceding the application, subject to a form of rent or price control through a local government's valid exercise of its police power, and that is or was occupied by persons or families above lower income, the affected city or affected county may do either of the following:

(I) Require that the replacement units be made available at affordable rent or affordable housing cost to, and occupied by, low-income persons or families. If the replacement units will be rental dwelling units, these units shall be subject to a recorded affordability restriction for at least 55 years.

(II) Require that the units be replaced in compliance with the jurisdiction's rent or price control ordinance, provided that each unit is replaced. Unless otherwise required by the affected city or affected county's rent or price control ordinance, these units shall not be subject to a recorded affordability restriction.

(B) The housing development project will include at least as many residential dwelling units as the greatest number of residential dwelling units that existed on the project site within the last five years.

(C) Any existing residents will be allowed to occupy their units until six months before the start of construction activities with proper notice, subject to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1.

(D) The developer agrees to provide both of the following to the occupants of any protected units:

(i) Relocation benefits to the occupants of those affordable residential rental units, subject to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1.

(ii) A right of first refusal for a comparable unit available in the new housing development affordable to the household at an affordable rent, as defined in Section 50053 of the Health and Safety Code, or an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code.

(E) For purposes of this paragraph:

(i) "Equivalent size" means that the replacement units contain at least the same total number of bedrooms as the units being replaced.

(ii) "Protected units" means any of the following:

(I) Residential dwelling units that are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income within the past five years.

(II) Residential dwelling units that are or were subject to any form of rent or price control through a public entity's valid exercise of its police power within the past five years.

(III) Residential dwelling units that are or were occupied by lower or very low income households within the past five years.

(IV) Residential dwelling units that were withdrawn from rent or lease in accordance with Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 within the past 10 years.

(iii) "Replace" shall have the same meaning as provided in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65915.

(3) This subdivision ~~shall~~does not supersede any objective provision of a locally adopted ordinance that places restrictions on the demolition of residential dwelling units or the subdivision of

residential rental units that are more protective of lower income households, requires the provision of a greater number of units affordable to lower income households, or that requires greater relocation assistance to displaced households.

(4) This subdivision ~~shall only apply~~only applies to a housing development project that submits a complete application pursuant to Section 65943 on or after January 1, 2020.

(e) The Department of Housing and Community Development shall determine those cities and counties in this state that are affected cities and affected counties, in accordance with subdivision (a) by June 30, 2020. The department may update the list of affected cities and affected counties once on or after January 1, 2021, to account for changes in urbanized areas or urban clusters due to new data obtained from the 2020 census. The department's determination shall remain valid until January 1, 2025.

(f)

(1) Except as provided in paragraphs (3) and (4) and subdivisions (h) and (i), this section shall prevail over any conflicting provision of this title or other law regulating housing development in this state to the extent that this section more fully advances the intent specified in paragraph (2).

(2) It is the intent of the Legislature that this section be broadly construed so as to maximize the development of housing within this state. Any exception to the requirements of this section, including an exception for the health and safety of occupants of a housing development project, shall be construed narrowly.

(3) This section shall not be construed as prohibiting the adoption or amendment of a development policy, standard, or condition in a manner that:

(A) Allows greater density.

(B) Facilitates the development of housing.

(C) Reduces the costs to a housing development project.

(D) Imposes or implements mitigation measures as necessary to comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(4) This section ~~shall~~does not apply to a housing development project located within a very high fire hazard severity zone. For purposes of this paragraph, "very high fire hazard severity zone" has the same meaning as provided in Section 51177.

(g) This section shall not be construed to void a height limit, urban growth boundary, or urban limit established by the electorate of an affected county or an affected city, provided that the height limit, urban growth boundary, or urban limit complies with subparagraph (A) of paragraph (1) of subdivision (b).

(h)

(1) ~~Nothing in this section supersedes, limits~~This section does not supersede, limit, or otherwise ~~modifies~~modify the requirements of, or the standards of review pursuant to, Division 13 (commencing with Section 21000) of the Public Resources Code.

(2) ~~Nothing in this section supersedes, limits~~This section does not supersede, limit, or otherwise ~~modifies~~modify the requirements of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code). For a housing development project proposed within the coastal zone, ~~nothing in~~ this section shall not be construed to prohibit an affected county or an affected city from enacting a development policy, standard, or condition necessary to implement or amend a certified local coastal program consistent with the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code).

(i)

(1) This section does not prohibit an affected county or an affected city from changing a land use designation or zoning ordinance to a less intensive use if the city or county concurrently changes the development standards, policies, and conditions applicable to other parcels within the jurisdiction to ensure that there is no net loss in residential capacity.

(2) This section does not prohibit an affected county or an affected city from changing a land use designation or zoning ordinance to a less intensive use on a site that is a mobilehome park, as defined in Section 18214 of the Health and Safety Code, as of the effective date of this section, and the no net loss requirement in paragraph (1) shall not apply.

(j) Notwithstanding subdivisions (b) and (f), this section does not prohibit an affected city or an affected county from enacting a development policy, standard, or condition that is intended to preserve or facilitate the production of housing for lower income households, as defined in Section 50079.5 of the Health and Safety Code, or housing types that traditionally serve lower income households, including mobilehome parks, single-room occupancy units, or units subject to any form of rent or price control through a public entity's valid exercise of its police power.

SEC. 182. Section *66452.26* of the Government Code is amended to read:

66452.26.

The expiration date of any tentative map, vesting tentative map, or parcel map for which a tentative map or vesting tentative map, as the case may be, that was approved on or after January 1, 2006, and not later than July 11, 2013, that relates to the construction of ~~single~~single-family or multifamily housing, and for which the expiration date was extended pursuant to Section 66452.25, and that has not expired on or before the effective date of the act that added this section, may be extended by the legislative body for up to 24 months.

SEC. 183. Section *66452.27* of the Government Code is amended to read:

66452.27.

(a) A legislative body located within the County of Butte, may extend the expiration date for up to 36 months of any tentative map, vesting tentative map, or parcel map for which a tentative map or vesting tentative map, as the case may be, ~~that~~ was approved on or after January 1, 2006, and not later than March 31, 2019, that relates to the construction of single or multifamily housing, and that has not expired on or before the effective date of the act that added this section.

(b) Any legislative, administrative, or other approval by any state agency that pertains to a development project included in a map that is extended pursuant to subdivision (a) shall be extended by 36 months if the approval has not expired on or before the effective date of the act that added this section.

(c) The extension provided by subdivisions (a) and (b) shall be in addition to any extension of the expiration date provided for in Section 66452.6, 66452.21, 66452.22, 66452.23, 66452.24, or 66463.5.

SEC. 184. The heading of Title 7.9 (commencing with Section 68055) of the Government Code is amended and renumbered to read:

Title 7.97. RECYCLING, RESOURCE RECOVERY, AND LITTER PREVENTION

SEC. 185. Section *68085* of the Government Code is amended to read:

68085.

(a)

(1) There is hereby established the Trial Court Trust Fund, the proceeds of which shall be apportioned for the purposes authorized in this section, including apportionment to the trial courts to fund trial court operations, as defined in Section 77003.

(2) The apportionment payments shall be made by the Controller. The final payment from the Trial Court Trust Fund for each fiscal year shall be made on or before August 31 of the subsequent fiscal year.

(A) Notwithstanding any other provision of law, in order to promote statewide efficiency, the Judicial Council may authorize the direct payment or reimbursement or both of actual costs from the Trial Court Trust Fund or the State Trial Court Improvement and Modernization Fund to fund the costs of operating one or more trial courts upon the authorization of the participating courts. These paid or reimbursed costs may be for services provided to the court or courts by the Administrative Office of the Courts or payment for services or property of any kind contracted for by the court or courts or on behalf of the courts by the Administrative Office of the Courts. The amount of appropriations from the State Trial Court Improvement and Modernization Fund under this subdivision may not exceed 20 percent of the amount deposited in the State Trial Court Improvement and Modernization Fund pursuant to subdivision (a) of Section 77205. The direct payment or reimbursement of costs from the Trial Court Trust Fund may be supported by the reduction of a participating court's allocation from the Trial Court Trust Fund to the extent that the court's expenditures for the program are reduced and the court is supported by the expenditure. The Judicial Council shall provide the affected trial courts with quarterly reports on expenditures from the Trial Court Trust Fund incurred as authorized by this subdivision. The Judicial Council shall establish procedures to provide for the administration of this paragraph in a way that promotes the effective, efficient, reliable, and accountable operation of the trial courts.

(B) As used in subparagraph (A), the term "costs of operating one or more trial courts" includes any expenses related to operation of the court or performance of its functions, including, but not limited to, statewide administrative and information technology infrastructure supporting the courts. The term "costs of operating one or more trial courts" is not restricted to items considered "court operations" pursuant to Section 77003, but is subject to policies, procedures, and criteria established by the Judicial Council, and may not include an item that is a cost that must otherwise be paid by the county or city and county in which the court is located.

(b) Notwithstanding any other provision of law, the fees listed in subdivision (c) shall all be deposited upon collection in a special account in the county treasury, and transmitted monthly to the State Treasury for deposit in the Trial Court Trust Fund.

(c)

(1) Except as specified in subdivision (d), this section applies to all fees collected on or before December 31, 2005, pursuant to Sections 631.3, 116.230, and 403.060 of the Code of Civil Procedure and Sections 26820.4, 26823, 26826, 26826.01, 26827, 26827.4, 26830, 26832.1, 26833.1, 26835.1, 26836.1, 26837.1, 26838, 26850.1, 26851.1, 26852.1, 26853.1, 26855.4, 26862, 68086, 72055, 72056, 72056.01, and 72060.

(2) Notwithstanding any other provision of law, except as specified in subdivision (d) of this section and subdivision (a) of Section 68085.7, this section applies to all fees and fines collected on or before December 31, 2005, pursuant to Sections 116.390, 116.570, 116.760, 116.860, 177.5, 491.150, 704.750, 708.160, 724.100, 1134, 1161.2, and 1218 of the Code of Civil Procedure, Sections 26824, 26828, 26829, 26834, and 72059 of the Government Code, and subdivisions (b) and (c) of Section 166 and Section 1214.1 of the Penal Code.

(3) If any of the fees provided for in this subdivision are partially waived by court order, and the fee is to be divided between the Trial Court Trust Fund and any other fund, the amount of the partial

waiver shall be deducted from the amount to be distributed to each fund in the same proportion as the amount of each distribution bears to the total amount of the fee.

(d) This section does not apply to that portion of a filing fee collected pursuant to Section 26820.4, 26826, 26827, 72055, or 72056 that is allocated for dispute resolution pursuant to Section 470.3 of the Business and Professions Code, the county law library pursuant to Section 6320 of the Business and Professions Code, the Judges' Retirement Fund pursuant to Section 26822.3, automated recordkeeping or conversion to micrographics pursuant to Sections 26863 and 68090.7, and courthouse financing pursuant to Section ~~76238~~70625. This section also does not apply to fees collected pursuant to subdivisions (a) and (c) of Section 27361.

(e) This section applies to all payments required to be made to the State Treasury by any county or city and county pursuant to Section 77201, 77201.1, or 77205.

(f) Notwithstanding any other provision of law, no agency may take action to change the amounts allocated to any of the funds described in subdivision (a), (b), (c), or (d).

(g) The Judicial Council shall reimburse the Controller for the actual administrative costs that will be incurred under this section. Costs reimbursed under this section shall be determined on an annual basis in consultation with the Judicial Council.

(h) Any amounts required to be transmitted by a county or city and county to the state pursuant to this section shall be remitted to the State Treasury no later than 45 days after the end of the month in which the fees were collected. This remittance shall be accompanied by a remittance advice identifying the collection month and the appropriate account in the Trial Court Trust Fund to which it is to be deposited. Any remittance that is not made by the county or city and county in accordance with this section shall be considered delinquent, and subject to the interest and penalties specified in this section.

(i) Upon receipt of any delinquent payment required pursuant to this section, the Controller shall do the following:

(1) Calculate interest on the delinquent payment by multiplying the amount of the delinquent payment at a daily rate equivalent to the rate of return of money deposited in the Local Agency Investment Fund pursuant to Section 16429.1 from the date the payment was originally due to either 30 days after the date of the issuance by the Controller of the final audit report concerning the failure to pay or the date of payment by the entity responsible for the delinquent payment, whichever comes first.

(2) Calculate a penalty at a daily rate equivalent to 1½ percent per month from the date 30 days after the date of the issuance by the Controller of the final audit report concerning the failure to pay.

(j)

(1) Interest or penalty amounts calculated pursuant to subdivision (i) shall be paid by the county, city and county, or court to the Trial Court Trust Fund no later than 45 days after the end of the month in which the interest or penalty was calculated. Payment shall be made by the entity responsible for the error or other action that caused the failure to pay, as determined by the Controller in notice given to that party by the Controller.

(2) Notwithstanding Section 77009, any interest or penalty on a delinquent payment that a court is required to make pursuant to this section and Section 24353 shall be paid from the Trial Court Operations Fund for that court.

(3) The Controller may permit a county, city and county, or court to pay the interest or penalty amounts according to a payment schedule in the event of a large interest or penalty amount that causes a hardship to the paying entity.

(4) The party responsible for the error or other action that caused the failure to pay may include, but is not limited to, the party that collected the funds who is not the party responsible for remitting

the funds to the Trial Court Trust Fund, if the collecting party failed or delayed in providing the remitting party with sufficient information needed by the remitting party to distribute the funds.

(k) The Trial Court Trust Fund shall be invested in the Surplus Money Investment Fund and all interest earned shall be allocated to the Trial Court Trust Fund quarterly and shall be allocated among the courts in accordance with the requirements of subdivision (a).

(l) It is the intent of the Legislature that the revenues required to be deposited into the Trial Court Trust Fund be remitted as soon after collection by the courts as possible.

(m) Except for subdivisions (a) and (k), this section does not apply to fees and fines that are listed in subdivision (a) of Section 68085.1 that are collected on or after January 1, 2006.

(n) The changes made to subdivisions (i) and (j) of this section by ~~the act adding this subdivision shall~~ Chapter 435 of the Statutes of 2007 apply to all delinquent payments for which no final audit has been issued by the Controller prior to January 1, 2008.

(o) The Judicial Council shall not expend any of these funds on the system known as the Court Case Management System without consent from the Legislature, except for the maintenance and operation of Court Case Management System Version 2 and Version 3.

(p) ~~Nothing in this~~ This section or any other provision of law shall not be construed to authorize the Judicial Council to redirect funds from the Trial Court Trust Fund for any purpose other than for allocation to trial courts or as otherwise specifically appropriated by statute.

(q) This section shall become operative on January 1, 2013.

SEC. 186. Section *68651* of the Government Code is amended to read:

68651.

(a) Legal counsel shall be appointed to represent low-income parties in civil matters involving critical issues affecting basic human needs in those specified courts selected by the Judicial Council as provided in this section.

(b)

(1) Subject to funding specifically provided for this purpose pursuant to subdivision (e) of Section 70626 and donations provided pursuant to subdivision (e), the Judicial Council shall develop one or more programs in selected courts pursuant to a competitive grant process and a request for proposals. Programs authorized under this section shall provide representation of counsel for low-income persons who require legal services in civil matters involving housing-related matters, domestic violence and civil harassment restraining orders, probate conservatorships, guardianships of the person, elder abuse, or actions by a parent to obtain legal or physical custody of a child, as well as providing court procedures, personnel, training, and case management and administration methods that reflect best practices to ensure unrepresented parties in those cases have meaningful access to justice, and to gather information on the outcomes associated with providing these services, to guard against the involuntary waiver of those rights or their disposition by default. These programs should be designed to address the substantial inequities in timely and effective access to justice that often give rise to an undue risk of erroneous decision because of the nature and complexity of the law and the proceeding or disparities between the parties in education, sophistication, language proficiency, legal representation, access to self-help, and alternative dispute resolution services. In order to ensure that the scarce funds available for the programs are used to serve the most critical cases and the parties least able to access the courts without representation, eligibility for representation shall be limited to clients whose household income falls at or below 200 percent of the federal poverty level. Programs shall impose asset limitations consistent with their existing practices in order to ensure optimal use of funds.

(2)

(A) In light of the significant percentage of parties who are unrepresented in family law matters, proposals to provide counsel in child custody cases should be considered among the highest priorities for funding.

(B) Up to 20 percent of available funds shall be directed to programs regarding civil matters involving actions under the Family Code, subject to the priority set forth in subparagraph (A). This subparagraph shall not apply to distributions made pursuant to paragraph (3).

(3) Amounts collected pursuant to subdivision (e) of Section 70626 in excess of the total amount transferred to the Trial Court Trust Fund in the 2011–12 fiscal year pursuant to subparagraph (E) of paragraph (1) of subdivision (c) of Section 68085.1 and subdivision (e) of Section 70626 shall be distributed by the Judicial Council without regard to subparagraph (B) of paragraph (2). Those amounts may be distributed by the Judicial Council as set forth in this subdivision. If the funds are to be distributed to new programs, the Judicial Council shall distribute those amounts pursuant to the process set forth in this subdivision.

(4) Each program shall be a partnership between the court, a qualified legal services project, as defined by subdivision (a) of Section 6213 of the Business and Professions Code, that shall serve as the lead agency for case assessment and direction, and other legal services providers in the community who are able to provide the services for the program. The lead legal services agency shall be the central point of contact for receipt of referrals to the program and to make determinations of eligibility based on uniform criteria. The lead legal services agency shall be responsible for providing representation to the clients or referring the matter to one of the ~~organization~~organizations or individual providers with whom the lead legal services agency contracts to provide the service. Funds received by a qualified legal services project shall not qualify as expenditures for the purposes of the distribution of funds pursuant to Section 6216 of the Business and Professions Code. To the extent practical, the lead legal services agency shall identify and make use of pro bono services in order to maximize available services efficiently and economically. Recognizing that not all indigent parties can be afforded representation, even when they have meritorious cases, the court partner shall, as a corollary to the services provided by the lead legal services agency, be responsible for providing procedures, personnel, training, and case management and administration practices that reflect best practices to ensure unrepresented parties meaningful access to justice and to guard against the involuntary waiver of rights, as well as to encourage fair and expeditious voluntary dispute resolution, consistent with principles of judicial neutrality.

(5) The participating programs shall be selected by a committee appointed by the Judicial Council with representation from key stakeholder groups, including judicial officers, legal services providers, and others, as appropriate. The committee shall assess the applicants' capacity for success, innovation, and efficiency, including, but not limited to, the likelihood that the program would deliver quality representation in an effective manner that would meet critical needs in the community and address the needs of the court with regard to access to justice and calendar management, and the unique local unmet needs for representation in the community. Programs approved pursuant to this section shall initially be authorized for a three-year period, commencing July 1, 2011, subject to renewal for a period to be determined by the Judicial Council, in consultation with the participating program in light of the program's capacity and success. After the initial three-year period, the Judicial Council shall distribute any future funds available as the result of the termination or nonrenewal of a program pursuant to the process set forth in this subdivision. Programs shall be selected on the basis of whether, in the cases proposed for service, the persons to be assisted are likely to be opposed by a party who is represented by counsel. The Judicial Council shall also consider the following factors in selecting the programs:

(A) The likelihood that representation in the proposed case type tends to affect whether a party prevails or otherwise obtains a significantly more favorable outcome in a matter in which they would otherwise frequently have judgment entered against them or suffer the deprivation of the basic human need at issue.

(B) The likelihood of reducing the risk of erroneous decision.

(C) The nature and severity of potential consequences for the unrepresented party regarding the basic human need at stake if representation is not provided.

(D) Whether the provision of legal services may eliminate or reduce the potential need for, and cost of, public social services regarding the basic human need at stake for the client and others in the client's household.

(E) The unmet need for legal services in the geographic area to be served.

(F) The availability and effectiveness of other types of court services, such as self-help.

(6) Each applicant shall do all of the following:

(A) Identify the nature of the partnership between the court, the lead legal services agency, and the other agencies or other providers that would work within the program.

(B) Describe the referral protocols to be used, the criteria that would be employed in case assessment, why those cases were selected, the manner to address conflicts without violating attorney-client privilege when adverse parties are seeking representation through the program, and the means for serving potential clients who need assistance with English.

(C) Describe how the program would be administered, including how the data collection requirements would be met without causing an undue burden on the courts, clients, or the providers, the particular objectives of the project, strategies to evaluate their success in meeting those objectives, and the means by which the program would serve the particular needs of the community, such as by providing representation to limited-English-speaking clients.

(7) To ensure the most effective use of the funding available, the lead legal services agency shall serve as a hub for all referrals, and the point at which decisions are made about which referrals will be served and by whom. Referrals shall emanate from the court, as well as from the other agencies providing services through the program, and shall be directed to the lead legal services agency for review. That agency, or another agency or attorney in the event of conflict, shall collect the information necessary to assess whether the case should be served. In performing that case assessment, the agency shall determine the relative need for representation of the litigant, including all of the following:

(A) Case complexity.

(B) Whether the other party is represented.

(C) The adversarial nature of the proceeding.

(D) The availability and effectiveness of other types of services, such as self-help, in light of the potential client and the nature of the case.

(E) Language issues.

(F) Disability access issues.

(G) Literacy issues.

(H) The merits of the case.

(I) The nature and severity of potential consequences for the potential client if representation is not provided.

(J) Whether the provision of legal services may eliminate or reduce the need for, and cost of, public social services for the potential client and others in the potential client's household.

(8) If both parties to a dispute are financially eligible for representation, each proposal shall ensure that representation for both sides is evaluated. In these and other cases in which conflict issues

arise, the lead legal services agency shall have referral protocols with other agencies and providers, such as a private attorney panel, to address those conflicts.

(9) Each program shall be responsible for keeping records on the referrals accepted and those not accepted for representation, and the reasons for each, in a manner that does not violate privileged communications between the agency and the prospective client. Each program shall be provided with standardized data collection tools and shall be required to track case information for each referral to allow the evaluation to measure the number of cases served, the level of service required, and the outcomes for the clients in each case. In addition to this information on the effect of the representation on the clients, data shall be collected regarding the outcomes for the trial courts.

(10) A local advisory committee shall be formed for each program, to include representatives of the bench and court administration, the lead legal services agency, and the other agencies or providers that are part of the local program team. The role of the advisory committee is to facilitate the administration of the local program and to ensure that the program is fulfilling its objectives. In addition, the committee shall resolve any issues that arise during the course of the program, including issues concerning case eligibility, and recommend changes in program administration in response to implementation challenges. The committee shall meet at least monthly for the first six months of the program, and no less than quarterly for the duration of the funding period. Each authorized program shall catalog changes to the program made during the three-year period based on its experiences with best practices in serving the eligible population.

(c) The Judicial Council shall conduct a study to demonstrate the effectiveness and continued need for the programs established pursuant to this section and shall report its findings and recommendations to the Governor and the Legislature every five years, commencing June 1, 2020. The study shall report on the percentage of funding by case type and shall include data on the impact of counsel on equal access to justice and the effect on court administration and efficiency, and enhanced coordination between courts and other government service providers and community resources. This report shall describe the benefits of providing representation to those who were previously not represented, both for the clients and the courts, as well as strategies and recommendations for maximizing the benefit of that representation in the future. The report shall describe and include data, if available, on the impact of the programs on families and children. The report also shall include an assessment of the continuing unmet needs and, if available, data regarding those unmet needs.

(d) This section does not negate, alter, or limit any right to counsel in a criminal or civil action or proceeding otherwise provided by state or federal law.

(e) The Judicial Council may accept donations from public or private entities for the purpose of providing grants pursuant to this section.

SEC. 187. Section *69614.3* of the Government Code is amended to read:

69614.3.

Upon appropriation by the Legislature, the 100 additional new judges provided for in Sections 69614 and 69614.2 shall be allocated to the various county superior courts, pursuant to the following appointment schedule:

(a) On or before June 30, 2008, 40 additional judges shall be appointed.

(b) On or after July 1, 2008, 10 additional judges shall be appointed.

(c) On or after June 1, 2009, 50 additional judges shall be appointed.

(d) Notwithstanding subdivision (c), Item 0250-101-0932 in Section 2.00 of the Budget Act of 2018 ~~(Chapter 29, Statutes of 2018)~~(Chs. 29 and 30, Stats. 2018) allocates two of the 50 judgeships to

the County of Riverside, effective July 1, 2018, thereby reducing the total number of judges to be allocated to 48.

(e) Notwithstanding subdivision (c), Item 0250-101-0932 in Section 2.00 of the Budget Act of 2019 allocates 25 of the 48 judgeships effective in the 2019–20 fiscal year, thereby reducing the total number of judgeships to be allocated to 23.

SEC. 188. Section *100002* of the Government Code is amended to read:

100002.

(a)

(1) There is hereby created within state government the California Secure Choice Retirement Savings Investment Board, which shall consist of nine members, with the Treasurer serving as chair, as follows:

(A) The Treasurer.

(B) The Director of Finance, or the director's designee.

(C) The Controller.

(D) An individual with retirement savings and investment expertise appointed by the Senate Committee on Rules.

(E) An employee representative appointed by the Speaker of the Assembly.

(F) A small business representative appointed by the Governor.

(G) A public member appointed by the Governor.

(H) Two additional members appointed by the Governor.

(2) Members of the board appointed by the Governor, the Senate Committee on Rules, and the Speaker of the Assembly shall serve at the pleasure of the appointing authority.

(b) All members of the board shall serve without compensation. Members of the board shall be reimbursed for necessary travel expenses incurred in connection with their board duties.

(c) A board member, program administrator, and other staff of the board shall not do any of the following:

(1) Directly or indirectly have any interest in the making of any investment made for the program, or in the gains or profits accruing from any investment made for the program.

(2) Borrow any funds or deposits of the trust, or use those funds or deposits in any manner, for themselves or as an agent or partner of others.

(3) Become an endorser, surety, or obligor on investments by the board.

(d) The board and the program administrator and staff, including contracted administrators and consultants, shall discharge their duties as fiduciaries with respect to the trust solely in the interest of the program participants as follows:

(1) For the exclusive purposes of providing benefits to program participants and defraying reasonable expenses of administering the program.

(2) By investing with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with those matters would use in the conduct of an enterprise of a like character and with like aims.

(e) The board, subject to its authority and fiduciary duty, shall design and implement the CalSavers Retirement Savings Program.

(1)

(A) For up to three years following the initial implementation of the program, the board shall establish managed accounts invested in United States Treasuries, myRAs, or similar investments.

(B) The board shall have the authority to provide for investment in myRAs, provided that, in accordance with the myRA provisions, myRA contributions and investment returns shall only be used for myRA investments and to make distributions to, or for the benefit of, participants and shall not be used to pay any costs of administration.

(2) During the period described in paragraph (1), the board shall develop and implement an investment policy that defines the program's investment objectives and shall establish policies and procedures enabling investment objectives to be met in a prudent manner. The board shall seek to minimize participant fees and strive to implement program features that provide maximum possible income replacement balanced with appropriate risk in an IRA-based environment. The policy shall describe the investment options available to holders of individual savings accounts established as part of the program. Investment options may encompass a range of risk and return opportunities and allow for a rate of return commensurate with an appropriate level of risk to meet the investment objectives stated in the policy.

(3) After the period described in paragraph (1) has expired, the board shall annually prepare and adopt a written statement of investment policy that includes a risk management and oversight program. The board shall consider the statement of investment policy and any changes in the investment policy at a public hearing.

(4) The risk management and oversight program shall include an effective risk management system to monitor the risk levels of the CalSavers Retirement Savings Program investment portfolio and ensure that the risks taken are prudent and properly managed. The program shall be managed to provide an integrated process for overall risk management on both a consolidated and disaggregated basis, and to monitor investment returns as well as risk to determine if the risks taken are adequately compensated compared to applicable performance benchmarks and standards.

(f) The board shall approve an investment management entity or entities, the costs of which shall be paid out of funds held in the trust and shall not be attributed to the administrative costs of the board in operating the trust. Not later than 30 days after the close of each month, the board shall place on file for public inspection during business hours a report with respect to investments made pursuant to this section and a report of deposits in financial institutions.

SEC. 189. Section *100046* of the Government Code is amended to read:

100046.

The CalSavers Retirement Savings Program is approved by the Legislature and implemented as of January 1, 2017. The board shall consider and utilize the following parameters in designing the program:

(a) The board shall include a provider of in-home supportive services, as regulated by Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code in the program if the board determines, and the Director of the State Department of Social Services and the Director of the Department of Finance certify, in writing, all of the following:

(1) The inclusion meets all state and federal legal requirements.

(2) The appropriate employer of record has been identified for the purpose of satisfying all the program's employer requirements.

(3) The payroll deduction, described in Section 12302.2 of the Welfare and Institutions Code, can be implemented at reasonable costs.

(4) The inclusion does not create a financial liability for the state or employer of record.

(b) The board shall structure the program so as to ensure the state is prohibited from incurring liabilities associated with administering the program and that the state has no liability for the program or its investments.

(c) The board shall determine necessary costs associated with outreach, customer service, enforcement, staffing and consultant costs, and all other costs necessary to administer the program.

(d) The board shall consult with employer representatives to create an administrative structure that facilitates employee participation while addressing employer needs, including, but not limited to, clearly defining employers' duties and liability exemption pursuant to Section 100034.

(e) The board shall include comprehensive worker education and outreach in the program, and the board may collaborate with state and local government agencies, community-based and nonprofit organizations, foundations, vendors, and other entities deemed appropriate to develop and secure ongoing resources for education and outreach that reflect the cultures and languages of the state's diverse workforce population.

(f) The board shall include comprehensive employer education and outreach in the program, with an emphasis on employers with ~~less~~fewer than 100 employees, developed in consultation with employer representatives, with the integration of the following components:

(1) A program ~~Internet Web site~~internet website to assist the employers of participating employees.

(2) A toll-free help line for employers with live and automated assistance.

(3) Online ~~Internet Web~~internet web training.

(4) Live presentations to business associations.

(5) Targeted outreach to small businesses with 10 or less employees.

SEC. 190. Section *100509* of the Government Code is amended to read:

100509.

(a) The board shall develop and prepare biannual public reports for the purpose of informing the California Health and Human Services Agency, the Legislature, and the public about the enrollment process for the individual market assistance program pursuant to Title 25 (commencing with Section 10800). The reports shall include, but not be limited to, the following deidentified, aggregated information:

(1) The number of applications received for the individual market assistance program during the reporting period.

(2) The number of applicants included on the applications referenced in paragraph (1).

(3) Aggregate applicant demographics, including, but not limited to, gender, age, race, ethnicity, and primary language.

(4) The disposition of applications submitted during the reporting period, including the number of eligibility determinations that resulted in approval for state premium assistance.

(5) The number of program participants and average monthly state premium assistance received by participants in the following categories:

(A) Above 400 percent and at or below 600 percent~~,~~ of the federal poverty level.

(B) Above 200 percent and at or below 400 percent~~,~~ of the federal poverty level.

(C) At or below 138 percent of the federal poverty level.

(6) The qualified health plan issuers selected by program participants.

(7) Any other information the board determines to be relevant to the individual market assistance program design.

(b) The reports required to be submitted to the Legislature pursuant to subdivision (a) shall be submitted in compliance with Section 9795.

(c) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 191. Section 1206 of the Health and Safety Code is amended to read:

1206.

This chapter does not apply to the following:

(a) Except with respect to the option provided with regard to surgical clinics in paragraph (1) of subdivision (b) of Section 1204 and, further, with respect to specialty clinics specified in paragraph (2) of subdivision (b) of Section 1204, any place or establishment owned or leased and operated as a clinic or office by one or more licensed health care practitioners and used as an office for the practice of their profession, within the scope of their license, regardless of the name used publicly to identify the place or establishment.

(b) Any clinic directly conducted, maintained, or operated by the United States or by any of its departments, officers, or agencies, and any primary care clinic specified in subdivision (a) of Section 1204 that is directly conducted, maintained, or operated by this state or by any of its political subdivisions or districts, or by any city. This subdivision does not preclude the department from adopting regulations that utilize clinic licensing standards as eligibility criteria for participation in programs funded wholly or partially under Title XVIII or XIX of the federal Social Security Act.

(c)

(1) Any clinic conducted, maintained, or operated by a federally recognized Indian tribe or tribal organization, as defined in Section 1603 or 5304 of Title 25 of the United States Code, that is located on land recognized as tribal land by the federal government.

(2) Any clinic conducted, maintained, or operated by a federally recognized Indian tribe or tribal organization, as defined in Section 1603 or 5304 of Title 25 of the United States Code, under a contract with the United States pursuant to the Indian Self-Determination and Education Assistance Act (*Public Law 93-638*), regardless of the location of the clinic, except that if the clinic chooses to apply to the State Department of Public Health for a state facility license, then the State Department of Public Health will retain authority to regulate that clinic as a primary care clinic as defined by subdivision (a) of Section 1204.

(d) A clinic conducted, operated, or maintained as outpatient departments of hospitals.

(e) Any facility licensed as a health facility under Chapter 2 (commencing with Section 1250).

(f) Any freestanding clinical or pathological laboratory licensed under Chapter 3 (commencing with Section 1200) of Division 2 of the Business and Professions Code.

(g) A clinic operated by, or affiliated with, any institution of learning that teaches a recognized healing art and is approved by the state board or commission vested with responsibility for regulation of the practice of that healing art.

(h) A clinic that is operated by a primary care community or free clinic and that is operated on separate premises from the licensed clinic and is only open for limited services of no more than 40 hours a week. An intermittent clinic as described in this subdivision shall, however, meet all other

requirements of law, including administrative regulations and requirements, pertaining to fire and life safety.

(i) The offices of physicians in group practice who provide a preponderance of their services to members of a comprehensive group practice prepayment health care service plan subject to Chapter 2.2 (commencing with Section 1340).

(j) Student health centers operated by public institutions of higher education.

(k) Nonprofit speech and hearing centers, as defined in Section 1201.5. Any nonprofit speech and hearing clinic desiring an exemption under this subdivision shall make application therefor to the director, who shall grant the exemption to any facility meeting the criteria of Section 1201.5. Notwithstanding the licensure exemption contained in this subdivision, a nonprofit speech and hearing center shall be an organized outpatient clinic for purposes of qualifying for reimbursement as a rehabilitation center under the Medi-Cal Act (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(l) A clinic operated by a nonprofit corporation exempt from federal income taxation under paragraph (3) of subsection (c) of *Section 501 of the Internal Revenue Code of 1954*, as amended, or a statutory successor thereof, that conducts medical research and health education and provides health care to its patients through a group of 40 or more physicians and surgeons, who are independent contractors representing not less than 10 board-certified specialties, and not less than two-thirds of whom practice on a full-time basis at the clinic.

(m) Any clinic, limited to in vivo diagnostic services by magnetic resonance imaging functions or radiological services under the direct and immediate supervision of a physician and surgeon who is licensed to practice in California. This shall not be construed to permit cardiac catheterization or any treatment modality in these clinics.

(n) A clinic operated by an employer or jointly by two or more employers for their employees only, or by a group of employees, or jointly by employees and employers, without profit to the operators thereof or to any other person, for the prevention and treatment of accidental injuries to, and the care of the health of, the employees comprising the group.

(o) A community mental health center, as defined in Section 5667 of the Welfare and Institutions Code.

(p)

(1) A clinic operated by a nonprofit corporation exempt from federal income taxation under paragraph (3) of subsection (c) of *Section 501 of the Internal Revenue Code of 1954*, as amended, or a statutory successor thereof, as an entity organized and operated exclusively for scientific and charitable purposes and that satisfied all of the following requirements on or before January 1, 2005:

(A) Commenced conducting medical research on or before January 1, 1982, and continues to conduct medical research.

(B) Conducted research in, among other areas, prostatic cancer, cardiovascular disease, electronic neural prosthetic devices, biological effects and medical uses of lasers, and human magnetic resonance imaging and spectroscopy.

(C) Sponsored publication of at least 200 medical research articles in peer-reviewed publications.

(D) Received grants and contracts from the National Institutes of Health.

(E) Held and licensed patents on medical technology.

(F) Received charitable contributions and bequests totaling at least five million dollars ($5,000,000).

(G) Provides health care services to patients only:

(i) In conjunction with research being conducted on procedures or applications not approved or only partially approved for payment (I) under the Medicare program pursuant to Section 1359y(a)(1)(A) of Title 42 of the United States Code, or (II) by a health care service plan registered under Chapter 2.2 (commencing with Section 1340), or a disability insurer regulated under Chapter 1 (commencing with Section 10110) of Part 2 of Division 2 of the Insurance Code; provided that services may be provided by the clinic for an additional period of up to three years following the approvals, but only to the extent necessary to maintain clinical expertise in the procedure or application for purposes of actively providing training in the procedure or application for physicians and surgeons unrelated to the clinic.

(ii) Through physicians and surgeons who, in the aggregate, devote no more than 30 percent of their professional time for the entity operating the clinic, on an annual basis, to direct patient care activities for which charges for professional services are paid.

(H) Makes available to the public the general results of its research activities on at least an annual basis, subject to good faith protection of proprietary rights in its intellectual property.

(I) Is a freestanding clinic, whose operations under this subdivision are not conducted in conjunction with any affiliated or associated health clinic or facility defined under this division, except a clinic exempt from licensure under subdivision (m). For purposes of this subparagraph, a freestanding clinic is defined as “affiliated” only if it directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a clinic or health facility defined under this division, except a clinic exempt from licensure under subdivision (m). For purposes of this subparagraph, a freestanding clinic is defined as “associated” only if more than 20 percent of the directors or trustees of the clinic are also the directors or trustees of any individual clinic or health facility defined under this division, except a clinic exempt from licensure under subdivision (m). Any activity by a clinic under this subdivision in connection with an affiliated or associated entity shall fully comply with the requirements of this subdivision. This subparagraph ~~shall~~does not apply to agreements between a clinic and any entity for purposes of coordinating medical research.

(2) By January 1, 2007, and every five years thereafter, the Legislature shall receive a report from each clinic meeting the criteria of this subdivision and any other interested party concerning the operation of the clinic’s activities. The report shall include, but not be limited to, an evaluation of how the clinic impacted competition in the relevant health care market, and a detailed description of the clinic’s research results and the level of acceptance by the payer community of the procedures performed at the clinic. The report shall also include a description of procedures performed both in clinics governed by this subdivision and those performed in other settings. The cost of preparing the reports shall be borne by the clinics that are required to submit them to the Legislature pursuant to this paragraph.

(q) A primary care clinic operated as part of a Program of All-Inclusive Care for the Elderly (PACE) organization, as defined in Section 460.6 of Title 42 of the Code of Federal Regulations and approved by the State Department of Health Care Services pursuant to Section 14592 of the Welfare and Institutions Code, that exclusively serves PACE participants, as defined in Section 460.6 of Title 42 of the Code of Federal Regulations.

(1) A primary care clinic approved by the State Department of Health Care Services pursuant to Section 14592 of the Welfare and Institutions Code to operate exclusively as part of a PACE organization may provide services to individuals who are being assessed for eligibility to enroll in the PACE program for not more than 60 calendar days after an individual submits an application for enrollment.

(2) If the State Department of Health Care Services determines that a primary care clinic approved to operate exclusively as part of a PACE organization has provided services to individuals other than those enrolled in the PACE program, or who are being assessed for eligibility pursuant to paragraph (1), the clinic shall apply for licensure with the State Department of Public Health. A clinic required to obtain licensure from the State Department of Public Health pursuant to this paragraph shall apply for the license not later than 60 calendar days following the determination by the State Department of Health Care Services described in this paragraph. The clinic shall not accept any new participants in the PACE program until licensure is obtained.

(3) This subdivision shall become operative only if the Director of Health Care Services determines, and communicates that determination in writing to the State Department of Public Health, that operating standards compliance programs consistent with subdivisions (d) and (e) of Section 14592 of the Welfare and Institutions Code have been established. A primary care clinic described in subdivision (c) of Section 14592 of the Welfare and Institutions Code shall remain under the oversight and regulatory authority of the State Department of Public Health until the Director of Health Care Services communicates their written determination to the State Department of Public Health.

(r)

(1) A clinic, including any location thereof, operated by a nonprofit corporation exempt from federal income taxation under paragraph (3) of subsection (c) of *Section 501 of the Internal Revenue Code of 1954*, as amended, or a statutory successor thereof, as an entity organized and operated exclusively to provide health care services and health education services within the Los Angeles County Service Planning Area 6, is located in a Clinic Service Area, as defined in paragraph (3), and satisfies all of the following requirements:

(A) Provides health care services and health education services solely within a Clinic Service Area, as defined in paragraph (3).

(B) Provides health care services to patients through an independent agreement with a multispecialty medical group of 26 or more physicians and surgeons who represent not less than 10 board-certified specialties, and not less than two-thirds of whom practice on a full-time basis at the clinic by July 1, 2021.

(C) Serves substantial beneficiaries of a “federal health care program,” as that term is defined in subsection (f) of Section 1320a-7b of Title 42 of the United States Code and indigent and uninsured individuals pursuant to an authorized and adopted charity care policy.

(D) Participates in a graduate medical education program that is administered by the Martin Luther King, Jr. Community Hospital, as described in Section 14165.50 of the Welfare and Institutions Code, in furtherance of its charitable mission to reduce health care disparities in a Clinic Service Area, as defined in paragraph (3), through the training and retention of physicians and surgeons by 2022.

(2)

(A) By July 1, 2022, and every five years thereafter, a clinic that is exempt from licensing provisions pursuant to this subdivision shall provide the Legislature with a report that includes all of the following:

(i) A copy of the current Community Health Needs Assessment, developed by the Martin Luther King, Jr. Community Hospital.

(ii) A community needs assessment for physicians and surgeons, including an analysis of the clinic’s role in physician and surgeon recruitment and retention, and meeting the community needs for a physician and surgeon workforce.

(iii) A copy of the Martin Luther King, Jr. Community Hospital's most recent Internal Revenue Service Form 990, Schedule H, including a description of the federally-funded payer mix, and identification of the clinic as a component of the Martin Luther King, Jr. Community Hospital's community benefit activities.

(iv) The clinic's role in the hospital-sponsored graduate medical education program.

(v) An analysis of how the clinic impacted physicians and surgeons practicing or providing services in the Clinic Service Area prior to January 1, 2020.

(B) A report to be submitted pursuant to subparagraph (A) of paragraph (2) shall be submitted in compliance with Section 9795 of the Government Code.

(3) For purposes of this subdivision, "Clinic Service Area" means the geographic area within any ~~zip code~~ZIP Code that is located within six miles of the physical location of the Martin Luther King, Jr. Community Hospital, as described in Section 14165.50 of the Welfare and Institutions Code.

SEC. 192. Section 1348.95 of the Health and Safety Code is amended to read:

1348.95.

(a) Commencing March 1, 2013, and at least annually thereafter, a health care service plan, not including a health care service plan offering specialized health care service plan contracts, shall provide to the department, in a form and manner determined by the department in consultation with the Department of Insurance, the number of enrollees, by product type, as of December 31 of the prior year, that receive health care coverage under a health care service plan contract that covers individuals and small groups inside and outside of the California Health Benefit Exchange, large groups, administrative services only business lines, and any other business lines. Health care service plans shall include the enrollment data in specific product types as determined by the department, including, but not limited to, HMO, point-of-service, PPO, grandfathered, and Medi-Cal managed care. Data reported pursuant to this subdivision shall specify the covered persons that are being reported pursuant to subdivision (b).

(b) Commencing March 1, 2020, and at least annually thereafter, a health care service plan that provides coverage through a multiple ~~employee~~employer welfare arrangement (MEWA) that is not subject to Article 4.7 (commencing with Section 742.20) of Chapter 1 of Part 2 of Division 1 of the Insurance Code shall provide to the department, in a form and manner determined by the department in consultation with the Department of Insurance, the name of each MEWA and the number of covered persons in each MEWA as of December 31 of the prior year, divided by market segment and product type. Data reported pursuant to this subdivision shall be identified and separately reported under subdivision (a).

(c) The department shall publicly report the data provided by each health care service plan pursuant to this section, including, but not limited to, posting the data on the department's internet website. The department shall consult with the Department of Insurance to ensure that the data reported is comparable and consistent, does not duplicate existing reporting requirements, and utilizes existing reporting formats. The data for the previous calendar year shall be made available no later than April 15 of each calendar year.

SEC. 193. Section 1358.92 of the Health and Safety Code is amended to read:

1358.92.

The following standards are applicable to all Medicare supplement policies or certificates delivered or issued for delivery in this state to individuals newly eligible for Medicare on or after January 1, 2020. No policy or certificate that provides coverage of the Medicare Part B deductible may be advertised, solicited, delivered or issued for delivery in the state as a Medicare supplement policy or certificate to

individuals newly eligible for Medicare on or after January 1, 2020. All policies must comply with the following benefit standards. Benefit plan standards applicable to Medicare supplement policies and certificates issued to individuals eligible for Medicare before January 1, 2020, remain subject to the requirements of Section 1358.91 or 1358.9, as applicable.

(a) The standards and requirements of Section 1358.91 shall apply to all Medicare supplement policies or certificates delivered or issued for delivery to individuals newly eligible for Medicare on or after January 1, 2020, with the following exceptions:

(1) Standardized Medicare supplement benefit plan C is redesignated as plan D and shall provide the benefits described in paragraph (3) of subdivision (e) of Section 1358.91 but shall not provide coverage for 100 percent, or any portion, of the Medicare Part B deductible.

(2) Standardized Medicare supplement benefit plan F is redesignated as plan G and shall provide the benefits described in paragraph (5) of subdivision (e) of Section 1358.91, but shall not provide coverage for 100 percent, or any portion, of the Medicare Part B deductible.

(3) Standardized Medicare supplement benefit plans C, F, and high deductible plan F may not be offered to individuals newly eligible for Medicare on or after January 1, 2020.

(4) Standardized Medicare supplement benefit high deductible plan F is redesignated as high deductible plan G and shall provide the benefits described for standardized Medicare supplement benefit high deductible plan F in paragraph (6) of subdivision (e) of Section 1358.91, but shall not provide coverage for 100 percent, or any portion, of the Medicare Part B deductible. The Medicare Part B deductible paid by the beneficiary shall be considered an out-of-pocket expense in meeting the annual deductible under high deductible plan G.

(5) The reference to standardized Medicare supplement benefit plan C or F in paragraph (2) of subdivision (a) of Section 1358.91 shall, for purposes of this section, be deemed a reference to standardized Medicare supplement benefit plan D or G, respectively.

(b) This section ~~shall apply~~applies only to individuals who are newly eligible for Medicare on or after January 1, 2020. For purposes of this section, “newly eligible Medicare beneficiary” means an individual who satisfies ~~one~~either of the following:

(1) The individual has attained 65 years of age on or after January 1, 2020.

(2) The individual is entitled to benefits under Medicare Part A pursuant to Section 226(b) or 226A of the federal Social Security Act, or is deemed eligible for benefits under Section 226(a) of the federal Social Security Act, on or after January 1, 2020.

(c) For purposes of subdivision (e) of Section 1358.12, in the case of an individual newly eligible for Medicare on or after January 1, 2020, any reference to standardized Medicare supplement benefit plan C, plan F, or high deductible plan F shall be deemed to be a reference to standardized Medicare supplement benefit plan D, plan G, or high deductible plan G, respectively, that meet the requirements of subdivision (a).

(d) On or after January 1, 2020, the standardized Medicare supplement benefit plans described in paragraph (4) of subdivision (a) may be offered to any individual who was eligible for Medicare prior to January 1, 2020, in addition to the standardized Medicare supplement benefit plans described in subdivision (e) of Section 1358.91.

SEC. 194. Section 1368.015 of the Health and Safety Code is amended to read:

1368.015.

(a) Effective July 1, 2003, every plan with an internet website shall provide an online form through its internet website that subscribers or enrollees can use to file with the plan a grievance, as described in Section 1368, online.

(b) The internet website shall have an easily accessible online grievance submission procedure that shall be accessible through a hyperlink on the internet website's home page or member services portal clearly identified as "GRIEVANCE FORM." All information submitted through this process shall be processed through a secure server.

(c) The online grievance submission process shall be approved by the Department of Managed Health Care and shall meet the following requirements:

(1) It shall utilize an online grievance form in HTML format that allows the user to enter required information directly into the form.

(2) It shall allow the subscriber or enrollee to preview the grievance that will be submitted, including the opportunity to edit the form prior to submittal.

(3) It shall include a current hyperlink to the Department of Managed Health Care internet website, and shall include a statement in a legible font that is clearly distinguishable from other content on the page and is in a legible size and type, containing the following language:

"The California Department of Managed Health Care is responsible for regulating health care service plans. If you have a grievance against your health plan, you should first telephone your health plan at (insert health plan's telephone number) and use your health plan's grievance process before contacting the department. Utilizing this grievance procedure does not prohibit any potential legal rights or remedies that may be available to you. If you need help with a grievance involving an emergency, a grievance that has not been satisfactorily resolved by your health plan, or a grievance that has remained unresolved for more than 30 days, you may call the department for assistance. You may also be eligible for an Independent Medical Review (IMR). If you are eligible for IMR, the IMR process will provide an impartial review of medical decisions made by a health plan related to the medical necessity of a proposed service or treatment, coverage decisions for treatments that are experimental or investigational in nature and payment disputes for emergency or urgent medical services. The department also has a toll-free telephone number (1-888-466-2219) and a TDD line (1-877-688-9891) for the hearing and speech impaired. The department's internet website www.dmhc.ca.gov has complaint forms, IMR application forms, and instructions online."

The plan shall update the URL, hyperlink, and telephone numbers in this statement as necessary.

(d) A plan that utilizes a hardware system that does not have the minimum system requirements to support the software necessary to meet the requirements of this section is exempt from these requirements until January 1, 2006.

(e) For purposes of this section, the following terms shall have the following meanings:

(1) ~~"Homepage"~~"Home page" means the first page or welcome page of an internet website that serves as a starting point for navigation of the internet website.

(2) "HTML" means Hypertext Markup Language, the authoring language used to create documents on the ~~World Wide Web~~world wide web, which defines the structure and layout of a web document.

(3) "Hyperlink" means a special HTML code that allows text or graphics to serve as a link that, when clicked on, takes a user to another place in the same document, to another document, or to another internet website or page.

(4) "Member services portal" means the first page or welcome page of an internet website that can be reached directly by the internet website's ~~homepage~~home page and that serves as a starting point for a navigation of member services available on the internet website.

(5) "Secure server" means an ~~Internet~~internet connection to an internet website that encrypts and decrypts transmissions, protecting them against third-party tampering and allowing for the secure transfer of data.

(6) "URL" or "Uniform Resource Locator" means the address of an internet website or the location of a resource on the ~~World Wide Web~~world wide web that allows a browser to locate and retrieve the internet website or the resource.

(7) "Internet website" means a site or location on the ~~World Wide Web~~world wide web.

(f)

(1) Every health care service plan, except a plan that primarily serves Medi-Cal or Healthy Families Program enrollees, shall maintain an internet website. For a health care service plan that provides coverage for professional mental health services, the internet website shall include, but not be limited to, providing information to subscribers, enrollees, and providers that will assist subscribers and enrollees in accessing mental health services as well as the information described in Section 1368.016.

(2) The provision in paragraph (1) that requires compliance with Section 1368.016 shall not apply to a health care service plan that contracts with a specialized health care service plan, insurer, or other entity to cover professional mental health services for its enrollees, provided that the health care service plan provides a link on its internet website to an internet website operated by the specialized health care service plan, insurer, or other entity with which it contracts, and that plan, insurer, or other entity complies with Section 1368.016.

SEC. 195. Section 1385.045 of the Health and Safety Code is amended to read:

1385.045.

(a) For large group health care service plan contracts, a health care service plan shall file with the department the weighted average rate increase for all large group benefit designs during the 12-month period ending January 1 of the following calendar year. The average shall be weighted by the number of enrollees in each large group benefit design in the plan's large group market and adjusted to the most commonly sold large group benefit design by enrollment during the 12-month period. For the purposes of this section, the large group benefit design includes, but is not limited to, benefits such as basic health care services and prescription drugs. The large group benefit design shall not include cost sharing, including, but not limited to, deductibles, copays, and coinsurance.

(b)

(1) A plan shall also submit any other information required pursuant to any regulation adopted by the department to comply with this article.

(2) The department shall conduct a public meeting in every even-numbered year regarding large group rates within four months of posting the aggregate information described in this section in order to permit a public discussion of the reasons for the changes in the rates, benefits, and cost sharing in the large group market. The meeting shall be held in either the Los Angeles area or the San Francisco Bay area.

(c) A health care service plan subject to subdivision (a) shall also disclose the following for the aggregate rate information for the large group market submitted under this section:

(1) For rates effective during the 12-month period ending January 1 of the following year, number and percentage of rate changes reviewed by the following:

(A) Plan year.

(B) Segment type, including whether the rate is community rated, in whole or in part.

(C) Product type.

(D) Number of enrollees.

(E) The number of products sold that have materially different benefits, cost sharing, or other elements of benefit design.

(2) For rates effective during the 12-month period ending January 1 of the following year, any factors affecting the base rate, and the actuarial basis for those factors, including all of the following:

(A) Geographic region.

(B) Age, including age rating factors.

(C) Occupation.

(D) Industry.

(E) Health status factors, including, but not limited to, experience and utilization.

(F) Employee, and employee and dependents, including a description of the family composition used.

(G) Enrollees' share of premiums.

(H) Enrollees' cost sharing, including cost sharing for prescription drugs.

(I) Covered benefits in addition to basic health care services, as defined in Section 1345, and other benefits mandated under this article.

(J) Which market segment, if any, is fully experience rated and which market segment, if any, is in part experience rated and in part community rated.

(K) Any other factor that affects the rate that is not otherwise specified.

(3)

(A) The plan's overall annual medical trend factor assumptions for all benefits and by aggregate benefit category, including hospital inpatient, hospital outpatient, physician services, prescription drugs and other ancillary services, laboratory, and radiology for the applicable 12-month period ending January 1 of the following year.

(B) The amount of the projected trend separately attributable to the use of services, price inflation, and fees and risk for annual plan contract trends by aggregate benefit category, including hospital inpatient, hospital outpatient, physician services, prescription drugs and other ancillary services, laboratory, and radiology.

(C) A comparison of the aggregate ~~per enrollee per month~~per-enrollee, per-month costs and rate of changes over the last five years for each of the following:

(i) Premiums.

(ii) Claims costs, if any.

(iii) Administrative expenses.

(iv) Taxes and fees.

(D) Any changes in enrollee cost sharing over the prior year associated with the submitted rate information, including both of the following:

(i) Actual copays, coinsurance, deductibles, annual out of pocket maximums, and any other cost sharing by the benefit categories determined by the department.

(ii) Any aggregate changes in enrollee cost sharing over the prior years as measured by the weighted average actuarial value, weighted by the number of enrollees.

(E) Any changes in enrollee benefits over the prior year, including a description of benefits added or eliminated, as well as any aggregate changes, as measured as a percentage of the aggregate claims costs, listed by the categories determined by the department.

(F) Any cost containment and quality improvement efforts since the plan's prior year's information pursuant to this section for the same category of health benefit plan. To the extent possible, the plan shall describe any significant new health care cost containment and quality improvement efforts and provide an estimate of potential savings together with an estimated cost or savings for the projection period.

(G) The number of products covered by the information that incurred the excise tax paid by the health care service plan.

(4)

(A) For covered prescription generic drugs excluding specialty generic drugs, prescription brand name drugs excluding specialty drugs, and prescription brand name and generic specialty drugs dispensed at a plan pharmacy, network pharmacy, or mail order pharmacy for outpatient use, all of the following shall be disclosed:

(i) The percentage of the premium attributable to prescription drug costs for the prior year for each category of prescription drugs as defined in this subparagraph.

(ii) The year-over-year increase, as a percentage, in per-member, per-month total health care service plan spending for each category of prescription drugs as defined in this subparagraph.

(iii) The year-over-year increase in per-member, per-month costs for drug prices compared to other components of the health care premium.

(iv) The specialty tier formulary list.

(B) The plan shall include the percentage of the premium attributable to prescription drugs administered in a doctor's office that are covered under the medical benefit as separate from the pharmacy benefit, if available.

(C)

(i) The plan shall include information on its use of a pharmacy benefit manager, if any, including which components of the prescription drug coverage described in subparagraphs (A) and (B) are managed by the pharmacy benefit manager.

(ii) The plan shall also include the name or names of the pharmacy benefit manager, or managers if the plan uses more than one.

(d) The information required pursuant to this section shall be submitted to the department on or before October 1, 2018, and on or before October 1 annually thereafter. Information submitted pursuant to this section is subject to Section 1385.07.

(e) For the purposes of this section, a "specialty drug" is one that exceeds the threshold for a specialty drug under the Medicare Part D program (Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (*Public Law 108-173*)).

SEC. 196. Section 1502.35 of the Health and Safety Code is amended to read:

1502.35.

(a) The department shall license a youth homelessness prevention center as a group home pursuant to this section. A youth homelessness prevention center shall meet all of the following requirements:

(1) The center shall offer short-term, 24-hour, nonmedical care and supervision and personal services to youth who voluntarily enter the center. As used in this paragraph, “short-term” means no more than 90 consecutive days from the date of admission.

(2) The center shall serve homeless youth, youth at risk of homelessness, youth exhibiting status offender behavior, and runaway youth.

(A) “Homeless youth” means a youth 12 to 17 years of age, inclusive, or 18 years of age if the youth is completing high school or its equivalent, who is in need of services and without a place of ~~center~~shelter.

(B) “Runaway youth” means a youth 12 to 17 years of age, inclusive, or 18 years of age if the youth is completing high school or its equivalent, who absents themself from home or place of legal residence without the permission of their family, legal guardian, or foster parent.

(C) “Youth at risk of homelessness” means a youth 12 to 17 years of age, inclusive, or 18 years of age if the youth is completing high school or its equivalent, to whom one or more of the following circumstances apply:

(i) Identification as lesbian, gay, bisexual, transgender, queer, or questioning (LGBTQ).

(ii) Financial stress, including, but not limited to, stress due to their own or family loss of income, low income, gambling, or change of family circumstances.

(iii) Housing affordability stress or housing crisis, including, but not limited to, pending evictions or foreclosures of the current home, or rental or mortgage arrears.

(iv) Inadequate or inappropriate dwelling conditions, including, but not limited to, accommodations that are unsafe, unsuitable, or overcrowded.

(v) Loss of previous housing accommodation.

(vi) Relationship or family breakdown.

(vii) Child abuse, neglect, or living in an environment where children are at risk of child abuse or neglect.

(viii) Sexual abuse.

(ix) Domestic or family violence.

(x) Nonfamily violence.

(xi) Mental health issues or other health problems.

(xii) Problematic alcohol, drug, or substance use.

(xiii) Employment difficulties or unemployment.

(xiv) Problematic gambling.

(xv) Transitions from custodial and care arrangements, including, but not limited to, out-of-home care, independent living arrangements for children under 18 years of age, or health and mental health care facilities or programs.

(xvi) Discrimination, including, but not limited to, racial discrimination.

(xvii) Disengagement with school or other education and training.

(xviii) Involvement in, or exposure to, criminal activities.

(xix) Antisocial behavior.

(xx) Lack of family or community support.

(xxi) Staying in boarding housing for 12 weeks or more without security of tenure.

(D) "Youth exhibiting status offender behavior" means a youth 12 to 17 years of age, inclusive, or 18 years of age if the youth is completing high school or its equivalent, who persistently or habitually refuses to obey the reasonable and proper orders or directions of their parents, guardian, or custodian, or who is beyond the control of that person, or who violates an ordinance of a city or county establishing a curfew based solely on age.

(3) The center shall have a maximum capacity of 25 youths.

(4) The center shall have a ratio of one staff person to every eight youths. For purposes of this paragraph, a volunteer may be counted in the staff-to-youth ratio if the volunteer has satisfied the same training requirements as a paid center staff member and other requirements set forth in regulations, and a paid center staff member is present during the time the volunteer is on duty.

(5) Bunk beds may be permitted in the center, but shall not consist of more than two tiers.

(6) The center shall be owned and operated on a nonprofit basis by a private nonprofit corporation, a nonprofit organization, or a public agency.

(b) Center staff shall, prior to admission into the center, determine if a youth poses a threat to self or others in the center. A youth may not be admitted into the center if it is determined that the youth poses such a threat.

(c) An assessment shall not be required for admission, but center staff shall assess youth served within 72 hours of admission to the center.

(d) Center staff shall assist youth served in obtaining emergency health-related services.

(e) The center shall establish procedures to assist youth in securing long-term stability that includes all of the following:

(1) Reconnecting the youth with their family, legal guardian, or nonrelative extended family members when possible to do so.

(2) Coordinating with appropriate individuals, local government agencies, or organizations to help foster youth secure a suitable foster care placement.

(f) The center shall ensure all youth at the center have fair and equal access to services, care, and treatment provided by the center, and are not subjected to discrimination or harassment on the basis of actual or perceived race, ethnic group identification, ancestry, national origin, color, religion, sex, sexual orientation, gender identity, mental or physical disability, or HIV status.

(g) Prior to employment or interaction with youth at a ~~homeless~~ youth homelessness prevention center, all persons specified in subdivision (b) of Section 1522 shall complete a criminal record review pursuant to Section 1522 and a Child Abuse Central Index check pursuant to Section 1522.1.

(h) A youth homelessness prevention center shall collect and maintain all of the following information in a monthly report, in a format specified by the department, and make the report available to the department upon request:

(1) Total number of youth served per month.

(2) Age of each youth served.

(3) Length of stay of each youth served.

(4) Number of times a youth accesses the center and services at the center.

(i) Notwithstanding Section 1522.43, the department shall not require a youth homelessness prevention center to maintain a needs and services plan, as defined in Section 84001 of Title 22 of the California Code of Regulations, for a youth served. ~~Nothing in~~ This subdivision ~~precludes~~does not preclude the department from requiring a youth homelessness prevention center to maintain an assessment, as defined by the department, for youths served.

(j) The department may license a center pursuant to this section if the center is operating in two physical locations on or before January 1, 2013, with only one physical location providing overnight residential care, and the center meets the requirements of this section. If a center described in this subdivision is licensed pursuant to this section, the department shall permit the center to retain its two physical locations and issue a license for each physical location.

(k) A youth homelessness prevention center is not an eligible placement option pursuant to Sections 319, 361.2, 450, and 727 of the Welfare and Institutions Code.

(l) A youth homelessness prevention center's program shall not be eligible for a rate pursuant to Section 11462 of the Welfare and Institutions Code. This does not preclude a center from receiving reimbursement for providing services to a foster youth, as may be provided at the discretion of a county.

(m) The department shall adopt regulations to implement this section, in consultation with interested parties, including representatives of provider organizations that serve homeless or runaway youth. The regulations developed pursuant to this subdivision shall be contained in the regulations for group homes found in Chapter 5 (commencing with Section 84000) of Division 6 of Title 22 of the California Code of Regulations.

(n) Notwithstanding the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement the applicable provisions of this section by publishing information releases or similar instructions from the director until the regulations adopted by the department pursuant to subdivision (m) become effective.

SEC. 197. Section 1596.86 of the Health and Safety Code is amended to read:

1596.86.

(a) The director shall annually publish and make available to interested persons a list or lists covering all licensed child ~~day care~~daycare facilities, other than small family ~~day care~~daycare homes, and the services for which each facility has been licensed or issued a special permit. The lists shall also specify the licensed capacity of the facility and whether it is licensed by the department or by another public agency.

(b) To encourage the recruitment of small family ~~day care~~daycare homes and protect their personal privacy, the department shall prevent the use of lists containing names, addresses, and other identifying information of facilities identified as small family ~~day care~~daycare homes, except as necessary for administering the licensing program, facilitating the placement of children in these facilities, and providing the names and addresses to resource and referral agencies funded by the State Department of Education, food and nutrition programs funded by the State Department of Education, alternative payment programs funded by the State Department of Education, county programs under the Greater Avenues for Independence Act of 1985 (Article 3.2 (commencing with Section 11320) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code), family ~~day care~~daycare organizations, provider organizations that have been determined to be provider organizations pursuant to subdivision (a) of Section 8432 of the Education Code, the Department of Human Resources and the Public Employment Relations Board for the administration of Article 19.5 (commencing with Section 8430) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, or specialized health care service plans licensed under the Knox-Keene Health Care Service Plan Act of 1975, as contained in Chapter 2.2 (commencing with Section 1340), which provide employee assistance program services that include childcare referral services. Upon request, parents seeking local ~~day care~~daycare services may receive the names and telephone numbers of local small family ~~day care~~daycare providers.

(c) The department, in consultation with the Child Development Division of the State Department of Education, shall adopt regulations relating to the confidentiality of information provided pursuant to subdivision (b) on small family ~~day care~~daycare homes. These regulations shall include procedures for

updating lists or other information on small family ~~day care~~daycare providers to ensure referral only to licensed homes in good standing with the department. Any person or entity violating the regulations under this subdivision may be denied access by the department to information on small family ~~day care~~daycare homes and shall be reported by the department to the appropriate funding or licensing department.

SEC. 198. Section 1797.223 of the Health and Safety Code is amended to read:

1797.223.

(a)

(1) A public safety agency that provides "911" call processing services for emergency medical response shall make a connection available from the public safety agency dispatch center to an emergency medical services (EMS) provider's dispatch center for the timely transmission of emergency response information.

(2) A public safety agency shall be entitled to recover from an EMS provider the actual costs incurred in establishing and maintaining a connection required by this subdivision.

(3) An EMS provider that elects not to use the connection provided pursuant to this subdivision shall be dispatched by the appropriate public safety agency and charged a rate negotiated by the parties.

(4) If an EMS provider is not directly dispatched from a public safety agency, the response interval for calculations for that EMS provider shall not include the call processing times of the public safety agency and shall begin upon receipt of notification by the EMS provider of the emergency response caller data, either electronically or by any other means prescribed in paragraph (5).

(5) For purposes of this subdivision, "connection" means either a direct computer aided dispatch (CAD) to CAD link, where permissible under law, between the public safety agency and an EMS provider or an indirect connection, including, but not limited to, a ~~ring down~~ring-down line, intercom, radio, or other electronic means for timely notification of caller data and the location of the emergency response.

(b) Unless a local EMS agency has approved an emergency medical dispatch (EMD) program in conformance with Section 1798.8, that allows for a tiered or modified response, the local EMS-agency-authorized EMS system providers, and the statutorily authorized EMS system providers within the jurisdiction of the incident, shall be simultaneously notified, or as close as technologically feasible, and dispatched at the same response mode.

(c) A public safety agency implementing an EMD program shall be subject to the review and approval of the local EMS agency, and shall perform "911" call processing services and operate the program in accordance with applicable state guidelines and regulations~~,~~ and the policies adopted by the local EMS agency that are consistent with Section 1798.8.

(d) A local EMS agency shall review and approve or deny a public safety agency's plan to implement an EMD or advanced life support program within 90 days of submission of the plan. A public safety agency may elect to appeal any action of a local EMS agency as described in paragraphs (1) and (2):

(1) If a public safety agency's application for an EMD or advanced life support program is not timely approved or is denied, an appeal shall be conducted in conformance with the administrative adjudication proceedings set forth in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(2) A final decision rendered pursuant to this subdivision may be appealed to a court of competent jurisdiction.

(e) This section does not authorize a public safety agency to alter the response of a local EMS-agency-authorized EMS transport provider, including EMS transport providers operating pursuant to Section 1797.224, unless authorized by a local EMS agency.

(f) ~~Nothing in~~ This section ~~supersedes~~does not supersede Section 1797.201.

SEC. 199. Section 25160 of the Health and Safety Code is amended to read:

25160.

(a) For purposes of this chapter, the following definitions apply:

(1) "Manifest" means a shipping document originated and signed by a generator of hazardous waste that contains all of the information required by the department and that complies with all applicable federal and state regulations, and includes any of the following:

(A) A California Uniform Hazardous Waste Manifest, which was a manifest document printed and supplied by the state for a shipment initiated on or before September 4, 2006.

(B) A Uniform Hazardous Waste Manifest, which is United States Environmental Protection Agency Form 8700-22 (Manifest) and includes, if necessary, Form 8700-22A (Manifest Continuation Sheet), printed by a source registered with the United States Environmental Protection Agency for a shipment initiated on or after September 5, 2006.

(C)

(i) An electronic manifest, which is the electronic format of a hazardous waste manifest, that is obtained from the electronic manifest system and transmitted electronically to the system, that is the legal equivalent of United States Environmental Protection Agency Forms 8700-22 and 8700-22A, as specified in Section 25160.01.

(ii) A printed copy of the manifest from the e-Manifest system.

(2) "Electronic manifest system" or "e-Manifest system" means the United States Environmental Protection Agency's national information technology system through which an electronic manifest may be obtained, completed, transmitted, and distributed to users of the electronic manifest, and to regulatory agencies.

(3) For purposes of this section and Section 25205.15, a shipment is initiated on the date when the manifest~~,~~ is signed by the first transporter and the hazardous waste leaves the site where it is generated.

(b)

(1) Except as provided in Section 25160.2 or 25160.8, or as otherwise authorized by a variance issued by the department, a person generating hazardous waste that is transported, or submitted for transportation, for offsite handling, treatment, storage, disposal, or any combination thereof, shall complete a manifest prior to the time the waste is transported or offered for transportation, and shall designate on that manifest the facility to which the waste is to be shipped for the handling, treatment, storage, disposal, or combination thereof. The manifest shall be completed as required by the department. The generator shall provide the manifest to the person who will transport the hazardous waste, who is the driver, if the hazardous waste will be transported by vehicle, or the person designated by the railroad corporation or vessel operator, if the hazardous waste will be transported by rail or vessel.

(A) The generator shall use the manifest shipping document United States Environmental Protection Agency Form 8700-22 and include, if necessary, Form 8700-22A, or an electronic manifest, which is the electronic format of a hazardous waste manifest, that is obtained from the e-Manifest system, and that is the legal equivalent of United States Environmental Protection Agency Forms 8700-22 and 8700-22A, as specified in Section 25160.01.

(B) A manifest shall only be used for the purposes specified in this chapter, including, but not limited to, identifying materials that the person completing the manifest reasonably believes are hazardous waste.

(C) Within 30 days from the date of transport, or submission for transport, of hazardous waste, each generator of that hazardous waste using a paper manifest shall submit to the department a legible copy of each paper manifest used. The copy submitted to the department shall contain the signatures of the generator and the transporter. The generator is not required to send the department a copy of an electronic manifest processed completely through the e-Manifest system.

(2) Except as provided in Section 25160.2 or 25160.8 or as otherwise authorized by a variance issued by the department, a person generating hazardous waste that is transported, or submitted for transportation, for offsite handling, treatment, storage, disposal, or any combination thereof, outside of the state, shall complete, whether or not the waste is determined to be hazardous by the importing country or state, a manifest in accordance with both of the following conditions:

(A) The generator shall use the manifest shipping document United States Environmental Protection Agency Form 8700-22 and include, if necessary, Form 8700-22A, or an electronic manifest, which is the electronic format of a hazardous waste manifest, that is obtained from the e-Manifest system, and that is the legal equivalent of United States Environmental Protection Agency Forms 8700-22 and 8700-22A, as specified in Section 25160.01.

(B) The generator shall submit a legible printed copy of any paper manifest used in accordance with subparagraph (A) to the department within 30 days from the date of the transport, or submission for transport, of the hazardous waste. The generator is not required to send the department a copy of an electronic manifest processed completely through the e-Manifest system.

(3) Within 30 days from the date of transport, or submission for transport, of hazardous waste out of state, each generator of that hazardous waste using a paper manifest shall submit to the department a legible printed copy of each paper manifest used. The copy submitted to the department shall contain the signatures of the generator and the initial transporter. If within 35 days from the date of the initial shipment, or for exports by water to foreign countries 60 days after the initial shipment, the generator has not received a copy of the manifest signed by all transporters and the facility operator or received verification through the e-Manifest system that the shipment has been received by the designated facility, the generator shall contact the owner or operator of the designated facility to determine the status of the hazardous waste and to request that the owner or operator immediately provide a signed copy of the manifest to the generator. Except as provided otherwise in paragraph (2) of subdivision (h) of Section 25123.3, if within 45 days from the date of the initial shipment or, for exports by water to foreign countries, 90 days from the date of the initial shipment, the generator has not received a copy of the signed manifest or verification through the e-Manifest system from the facility owner or operator that the shipment has been received and the manifest has been signed by the designated facility, the generator shall submit an exception report to the department.

(4) For shipments of waste that do not require a manifest pursuant to Title 40 of the Code of Federal Regulations, the department, by regulation, may require that a manifest be used.

(5)

(A) Notwithstanding any other provision of this section, except as provided in subparagraph (B), the generator is not required to submit a copy of the manifest to the department for any waste transported in compliance with the consolidated manifest procedures in Section 25160.2 or with the procedures specified in Section 25160.8, or when the transporter is operating pursuant to a variance issued by the department pursuant to Section 25143 authorizing the use of a consolidated manifest for waste not listed in Section 25160.2, if the generator, transporter,

and facility are all identified as the same company on the hazardous waste manifest. If multiple identification numbers are used by a single company, all of the company's identification numbers shall be included in its annual transporter registration application, if those numbers will be used with the consolidated manifest procedure. ~~Nothing in~~ This paragraph ~~affects~~does not affect the obligation of a facility operator to submit information regarding the shipment it receives through a consolidated manifest into the e-Manifest system.

(B) If the waste subject to subparagraph (A) is transported out of state, the generator shall submit a legible copy of the paper manifest to the department that contains the signatures of the generator and the initial transporter. The generator is not required to send the department a copy of an electronic manifest processed completely through the e-Manifest system.

(c)

(1) The department shall determine the form and manner in which a manifest shall be completed and the information that the manifest shall contain. The form of each manifest and the information requested on each manifest shall be the same for all hazardous wastes, regardless of whether the hazardous wastes are also regulated pursuant to the federal act or by regulations adopted by the United States Department of Transportation. However, the form of the manifest and the information required shall be consistent with federal regulations.

(2) Pursuant to federal regulations, the department may require information on the manifest in addition to the information required by federal regulations.

(d)

(1) A person who transports hazardous waste in a vehicle shall either have a legible copy of the paper manifest in their possession while transporting the hazardous waste or shall have an electronic manifest accessible during transportation that the person forwarded to the person or persons who are scheduled to receive delivery of the waste shipment. To the extent that Section 177.817 of Title 49 of the Code of Federal Regulations requires transporters of hazardous materials to carry a paper document, a hazardous waste transporter shall carry one printed copy of the paper or electronic manifest on the transport vehicle. The manifest shall be shown upon demand to any representative of the department, any officer of the Department of the California Highway Patrol, any local health officer, any certified unified program agency, or any local public officer designated by the director. If the hazardous waste is transported by rail or vessel, the railroad corporation or vessel operator shall comply with Subchapter C (commencing with Section 171.1) of Chapter 1 of Subtitle B of Title 49 of the Code of Federal Regulations and shall also enter on the shipping papers any information concerning the hazardous waste that the department may require.

(2) Any person who transports a waste, as defined by Section 25124, and who is provided with a manifest for that waste shall, while transporting that waste, comply with all requirements of this chapter, and the regulations adopted pursuant thereto, concerning the transportation of hazardous waste.

(3) A person who transports hazardous waste shall transfer a copy of the manifest to the facility operator at the time of delivery, or to the person who will subsequently transport the hazardous waste in a vehicle. A person who transports hazardous waste and then transfers custody of that hazardous waste to a person who will subsequently transport that waste by rail or vessel shall transfer a copy of the manifest to the person designated by the railroad corporation or vessel operator, as specified by Subchapter C (commencing with Section 171.1) of Chapter 1 of Subtitle B of Title 49 of the Code of Federal Regulations. The transfer of a manifest under this paragraph may be completed by either the transfer of a paper manifest or a transfer by electronic manifest transmitted to the facility operator by submission to the e-Manifest system.

(4) A person transporting hazardous waste by motor vehicle, rail, or water shall certify to the department, at the time of initial registration and at the time of renewal of that registration pursuant

to this article, that the transporter is familiar with the requirements of this section, the department regulations, and federal laws and regulations governing the use of manifests.

(e)

(1) A facility operator in the state who receives hazardous waste for handling, treatment, storage, disposal, or any combination thereof, which was transported with a manifest pursuant to this section, shall comply with the requirements of Section 264.71 or 265.71 of Title 40 of the Code of Federal Regulations, as applicable, pertaining to receipt of that shipment.

(2) Any treatment, storage, or disposal facility receiving hazardous waste generated outside this state may only accept the hazardous waste for treatment, storage, disposal, or any combination thereof, if the hazardous waste is accompanied by a completed paper or electronic manifest.

(3) A facility operator may accept hazardous waste generated offsite that is not accompanied by a properly completed and signed paper or electronic manifest if the facility operator meets both of the following conditions:

(A) The facility operator is authorized to accept the hazardous waste pursuant to a hazardous waste facilities permit or other grant of authorization from the department.

(B) The facility operator is in compliance with the regulations adopted by the department specifying the conditions and procedures applicable to the receipt of hazardous waste under these circumstances.

(4) This subdivision applies only to shipments of hazardous waste for which a manifest is required pursuant to this section and the regulations adopted pursuant to this section.

(f) The department shall make available for review, by any interested party, the department's plans for revising and enhancing its system for tracking hazardous waste for the purposes of protecting human health and the environment, enforcing laws, collecting revenue, and generating necessary reports.

SEC. 200. Section 25205.15 of the Health and Safety Code is amended to read:

25205.15.

(a) Except for the first four manifests used in a calendar year by a business with less than 100 employees, and except as provided in paragraph (2), in addition to any fees to cover printing and distribution costs, the department shall impose a manifest fee of seven dollars and fifty cents ($7.50) for each manifest form or electronic equivalent used by any person, in the following manner:

(1) The department shall bill generators for each manifest form or electronic equivalent. The billing frequency specified by the department may range from monthly to annually, with the payment by the generator required within 30 days from the date of receipt of the billing, and shall be determined based on consultation with the regulated community. In preparing the bills, the department shall distinguish between manifests used solely for recycled hazardous wastes and those used for nonrecycled hazardous wastes. In determining the billing frequency, the department may take into account each person's volume of manifest usage.

(2)

(A) The manifest fee shall not be collected on the use of manifest forms that are used solely for hazardous wastes that are recycled.

(B) The manifest fee for each manifest form or electronic equivalent used solely for hazardous waste derived from air compliance solvents~~,~~ shall be three dollars and fifty cents ($3.50). This is in addition to any fees charged to cover printing and distribution costs.

(3) The department shall implement a system for the use of manifest forms that distinguishes among recycling manifests used solely for hazardous wastes that are to be recycled, manifests

used solely to transport hazardous waste derived from air compliance solvents, and general manifests that may be used for transporting waste for any purpose.

(4)

(A) If a person erroneously reports on a manifest form or electronic equivalent that the manifest is being used for the transport of hazardous wastes that are being shipped for recycling or for the transport of hazardous wastes derived from air compliance solvents rather than the transport of other types of hazardous waste, the person shall pay the seven dollars and fifty cents ($7.50) manifest fee and an additional error correction fee of twenty dollars ($20) per manifest, as required pursuant to Section 25160.5.

(B) Notwithstanding subparagraph (A) the department shall provide the manifest user with a reasonable opportunity to notify the department of any incorrect use of the recycling manifest, as described in subparagraph (A), and to provide the department with the appropriate manifest fee payment without additional fines, penalties, or payment of the error correction fee.

(5) The department may adopt regulations to implement and administer the manifest fee system imposed pursuant to this subdivision.

(b) For purposes of subdivision (a), “manifest” has the same meaning as defined in paragraph (1) of subdivision (a) of Section 25160.

(c) The manifest fees collected pursuant to this section shall be deposited in the Hazardous Waste Control Account and be available for expenditure, upon appropriation by the Legislature.

(d) For purposes of this section, “air compliance solvent” means a solvent, including aqueous solutions, that are required or approved for use by regulations adopted by the State Air Resources Board, an air pollution control district, or an air quality management district, to meet air emission standards adopted by that board or district and, pursuant to those regulations, is required to be used instead of another solvent that was used and recycled prior to the adoption of those regulations.

SEC. 201. Section 39037.5 of the Health and Safety Code is amended to read:

39037.5.

~~“Medium duty”~~“Medium-duty” means a heavy-duty vehicle having a manufacturer’s gross vehicle weight rating under a limit established by the state board.

SEC. 202. Section 39960 of the Health and Safety Code is amended to read:

39960.

(a)

(1) The Wildfire Smoke Clean Air Centers for Vulnerable Populations Incentive Pilot Program is hereby established to be administered by the state board to provide funding through a grant program to retrofit ventilation systems to create a network of clean air centers in order to mitigate the adverse public health impacts due to wildfires and other smoke events.

(2) Moneys for the program shall be available upon appropriation by the Legislature.

(b) Qualified applicants shall include, but need not be limited to, all of the following:

(1) Schools.

(2) Community centers.

(3) Senior centers.

(4) Sports centers.

(5) Libraries.

(c) The state board shall develop guidelines and eligibility criteria for the program in consultation with districts, cities, counties, public health agencies, school districts, and other stakeholders. The guidelines and eligibility criteria shall consider all of the following:

(1) Identification of vulnerable populations, including, but not limited to, communities with diverse racial and ethnic populations and communities with low-income communities, as defined in Section 39713.

(2) Location of the applicant's facility relative to local vulnerable populations.

(3) Capacity of the applicant's facility.

(4) Facility ventilation characteristics that could provide healthier indoor air quality in the event of a localized smoke impact.

(d)

(1) The state board shall prioritize applications to the program where the project is located in an area with documented high cumulative smoke exposure burden.

(2) Within areas described in paragraph (1), the state board shall give priority to a school maintained by a local educational agency that has at least 40 percent of its pupils being from low-income families, as specified pursuant to Title I of the federal Elementary and Secondary Education Act of 1965 (20 U.S.C. Sec. 6301 et seq.).

SEC. 203. Section *40100.6.5* of the Health and Safety Code is amended to read:

40100.6.5.

(a) The San Diego County Air Pollution Control District, in addition to all other duties required of the San Diego County Air Pollution District pursuant to this division and any other law, shall do all of the following:

(1) Create and maintain an internet website separate from the County of San Diego internet website and migrate all of the existing data by December 2021, including all of the following:

(A) Agendas and minutes of the governing board of the San Diego County Air Pollution Control District.

(B) All current permit information in a format that allows that information to be downloadable and searchable by address, facility name, pollutant, permit number, and equipment or process. Permitted potential maximum emissions shall be included along with actual emissions if available.

(C)

(i) All applications for an authority to construct or a permit to operate.

(ii) By July 1, 2020, the San Diego County Air Pollution Control District shall post all applications for an authority to construct or a permit to operate within three business days of their receipt and shall accept and consider all public comments received before the district takes final action on the approval of the applications. This clause does not require the San Diego County Air Pollution Control District to respond to comments except as otherwise provided by law.

(D) All settled enforcement actions in a format that allows that information to be downloadable and searchable by address, facility name, pollutant, permit number, and equipment or process.

(E)

(i) The face sheets of notices of violation or notices to comply.

(ii) The district shall post the face sheets 30 days after the issuance of the notices. Notices found to be issued in error within 30 days of issuance shall not be posted.

(F) All documents related to the Air Toxics "Hot Spots" Information and Assessment Act of 1987 (Part 6 (commencing with Section 44300)), including all of the following:

(i) Air toxics emissions inventory reports and plans submitted by each facility pursuant to Chapter 3 (commencing with Section 44340) of Part 6 that are completed and approved by the district.

(ii) Completed health risk assessments submitted by each facility pursuant to Chapter 4 (commencing with Section 44360) of Part 6.

(iii) A copy of the public notification provided by facility, as required by the San Diego County Air Pollution Control District's rules and guidelines, and documentation of the required notice to exposed persons.

(iv) Airborne toxic risk reduction audit and plans submitted by each facility pursuant to Chapter 6 (commencing with Section 44390) of Part 6 that are completed and approved by the district.

(G) The San Diego County Air Pollution Control District budget, including revenue and expense projections and actuals.

(2) Apply for statewide grant and incentive programs, including, but not limited to, all of the following:

(A) Programs allocating moneys from the Greenhouse Gas Reduction Fund, created pursuant to Section 16428.8 of the Government Code.

(B) Programs administered by the state board.

(C) Programs administered by the United States Environmental Protection Agency.

(D) Enhanced Fleet Modernization Program (Article 11 (commencing with Section 44124) of Chapter 5 of Part 5).

(3) Evaluate the current public complaint process and provide, by December 2021, a recommended plan for updating that public complaint process, including all of the following components:

(A) A 24-hour hotline.

(B) Response to complaints within 48 hours or less.

(C) Whistleblower and public complainant protections.

(D)

(i) The posting of complaints and their resolution on the San Diego County Air Pollution Control District internet website, required pursuant to paragraph (1).

(ii) Information regarding the complaints that are posted shall consist of all the following:

(I) The date and time of the complaint.

(II) The general nature of the complaint.

(III) The closest intersection to the site of the complaint.

(iii) The name of the company or facility that is the subject of the complaint shall not be posted.

(4)

(A) Develop, no later than December 2021, a plan for a comprehensive air monitoring program. The plan shall include an evaluation of monitor locations in the most impacted communities and the monitoring of other air pollutants, such as speciated carbon particulate matter and toxic air contaminants, including metals.

(B) Air monitoring data shall be made available to the public on the ~~district's~~San Diego Air Pollution Control District's internet website within a reasonable period of time not to exceed 14 months from the date of collection. The governing board of the San Diego County Air Pollution Control District shall establish an air monitoring data program that will define reasonable timeframes for the posting of all air monitoring data based on testing methodology and ensure data is accessible and understandable to the public.

(5) Publish an annual air quality report that includes all of the following:

(A) Levels of criteria and noncriteria air pollutants, air toxics from monitors, and other sources of information.

(B) Enforcement actions.

(C) Revenue secured.

(D) Program outcomes.

(E) Emissions reduction progress.

(6) Consider adopting an indirect source rule to address pollution from mobile sources that is associated with stationary sources, such as ports, warehouses, and distribution centers.

(7)

(A) Prepare, no later than July 1, 2021, a report for consideration by the San Diego County Air Pollution Control District governing board that summarizes all of the actions taken on applications for an authority to construct or a permit to operate in the 2020 calendar year, including the number of applications, timing of actions on applications, and number of public comments submitted.

(B) Consider, based upon the report prepared pursuant to subparagraph (A), amendments to San Diego County Air Pollution Control District's rules to ensure adequate opportunity for public comment on applications within the district's deadline for action on those applications.

(b) No later than June 1, 2021, the state board shall complete a program audit of the San Diego County Air Pollution Control District for the years 2013 to 2018, inclusive.

SEC. 204. Section 50406 of the Health and Safety Code is amended to read:

50406.

For the purposes of this division, the department has all of the following powers:

(a) To sue and be sued in its own name.

(b) To have an official seal and to alter it at pleasure.

(c) To make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions.

(d) To employ architects, planners, engineers, attorneys, accountants, experts in housing construction, management and finance, and any other advisers, consultants, and agents necessary for the performance of its functions and to fix their compensation in accordance with applicable law.

(e) To provide advice, technical information, and consultative and technical services as provided in this division.

(f) To establish, revise from time to time, and charge and collect fees and charges for services provided pursuant to this division.

(g) To accept gifts, grants, or loans of funds or property, or financial or other aid, from any federal or state agency or private source and to comply with conditions thereof not contrary to law.

(h) To enter into agreements or other transactions with any governmental agency, including an agreement for administration of a housing or community development program of the governmental agency by the department, or for administration by another governmental agency of a program of the department, either in whole or in part.

(i) To enter into any agreements and perform any acts necessary to obtain subsidies for use in connection with the exercise of powers and functions of the department, and to transfer those subsidies to others as required by the agreement.

(j) To appear ~~in~~on its own behalf before boards, commissions, departments, or other agencies of local, state, or federal government.

(k) To establish any regional offices necessary to effectuate the department's purposes and functions.

(l) To acquire real or personal property, or any interest therein, on either a temporary or long-term basis, in its own name by gift, purchase, transfer, foreclosure, lease, option, or otherwise, including easements or other incorporeal rights in property.

(m) To provide bilingual staff in connection with services of the department and make available departmental publications in a language other than English when necessary to effectively serve groups for which the services or publications are made available.

(n) To do any and all things necessary to carry out its purposes and exercise the powers expressly granted by this division.

(o)

(1) To sell real property acquired by the department in a foreclosure, by deed in lieu of foreclosure, or sale under a power of sale on a deed of trust, lien, or by exercise of any other security interest on real property securing repayment of a loan or performance under a grant or loan made by the department. Real property so acquired shall be sold for market value and sale proceeds shall be placed in the fund from which the secured loan or grant was made.

(2) The department may establish terms, conditions, and restrictions for the sale of real property, including a requirement that the real property be used for housing for persons and families of low or moderate income, and those terms, conditions, and restrictions shall be set forth in the deed or other instrument of conveyance.

(3) The department may conduct the sale, utilize the assistance of any local public agency authorized to conduct sales of real property, contract with a licensed real estate broker to conduct the sale, or utilize other reasonable marketing methods if the department determines that one of these options will result in a more prompt or cost-efficient sale.

(4) If the director offers to sell residential real property directly pursuant to this subdivision, the department shall close escrow within 120 days after both of the following have occurred: a qualified buyer has received approval of the department; and the buyer has obtained adequate financing for the purchase. If the deadline set forth in this paragraph is not met, the director shall employ a licensed real estate broker in connection with the proposed sale. The department may exceed the time requirements of this paragraph if the director finds that this is necessary due to factors outside the control of the department, including death of the buyer, inability of the borrower to qualify for financing from a lender, substantial damage to the property resulting from a natural disaster or other act of God, or extraordinary procedural requirements or conditions imposed by the lender or title and escrow company.

(5) The director shall perform all of the actions specified in subparagraphs (A), (B), and (C) within 30 days after both of the following have occurred: a qualified buyer has received approval of the department; and the buyer has obtained adequate financing for the purchase.

(A) Identify repair work needed to be performed on the property.

(B) Cause an appraisal of the property to be completed.

(C) Determine whether it is appropriate to rent the property until it is sold.

(6) Sales of real property made pursuant to this section are not subject to the requirements of Sections 11011 and 11011.1 of the Government Code.

(7) Failure to comply with this subdivision ~~shall~~does not invalidate any right, title, or interest acquired by a bona fide purchaser or encumbrancer for value.

(p)

(1) Where the provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity or agency legal structure would cause a violation or not satisfy the requirements of any state financing being provided to a housing development by the department, the requirements of financing provided by the department may be modified as necessary to ensure program compatibility. Where provisions of tribal law, tribal governance, tribal charter, or difference in tribal entity legal structure or agency create minor inconsistencies, as determined by the director of the department, the department may waive the requirements of the financing provided by the department, as deemed necessary, to avoid an unnecessary administrative burden.

(2) Matters that may be waived or modified pursuant to paragraph (1) include, but are not limited to, all of the following:

(A) Instrument recordation requirements.

(B) Security requirements for state financing provided pursuant to department programs.

(C) Title insurance requirements.

(D) Target population percentage requirements, not to exceed a change of more than 5 percent of any amount expressly set forth in statute.

(E) Affordability levels and unit mix requirements, not to exceed a change of more than 5 percent of any amount expressly set forth in statute.

(F) Any matter not expressly or objectively set forth in statute, but is set forth with specificity in guidelines or regulations promulgated by the department.

(3) Any standard requirements or general rules of application that the department develops or implements to carry out modifications or waivers set forth in this subdivision shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Divisions 3 of Title 2 of the Government Code.

SEC. 205. Section 50515.02 of the Health and Safety Code is amended to read:

50515.02.

Of the amount described in paragraph (2) of subdivision (a) of Section 50515.01, one hundred twenty-five million dollars ($125,000,000) shall be available to councils of governments and other regional entities, as follows:

(a) The moneys allocated pursuant to this subdivision shall be available to the following entities:

(1) The Association of Bay Area Governments, representing the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(2) The Sacramento Area Council of Governments, representing the Counties of El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba.

(3) The San Diego Association of Governments, representing the County of San Diego.

(4) The Southern California Association of Governments, representing the Counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

(5) A central coast multiagency working group, formed in accordance with subdivision (c), consisting of the Association of Monterey Bay Area Governments, the San Luis Obispo Council of Governments, the Council of San Benito County Governments, and the Santa Barbara County Association of Governments, representing the Counties of Monterey, San Benito, San Luis Obispo, Santa Barbara, and Santa Cruz.

(6) A San Joaquin Valley multiagency working group, formed in accordance with subdivision (c), consisting of the Fresno Council of Governments, the Kern Council of Governments, the Kings County Association of Governments, the Madera County Transportation Commission, the Merced County Association of Governments, the San Joaquin Council of Governments, the Stanislaus Council of Governments, and the Tulare County Association of Governments, representing the Counties of Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare.

(7) Councils of governments from the Counties of Butte, Humboldt, Lake, and Mendocino. Notwithstanding any other provision of this chapter, the councils of governments described in this paragraph may apply directly to the department for funds pursuant to the program.

(8) The Counties of Alpine, Amador, Calaveras, Colusa, Del Norte, Glenn, Inyo, Lassen, Mariposa, Modoc, Mono, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, Tuolumne, and Trinity. Notwithstanding any other provision of this chapter, the counties described in this paragraph may apply directly to the department for funds pursuant to the program. The department may approve a fiscal agent to receive funds from the amount identified in this section on behalf of a county or consortium of counties listed in this paragraph.

(b)

(1) Except as otherwise provided in paragraphs (7) and (8) of subdivision (a), the department shall make the allocations required by this subdivision to each regional entity on behalf of all of the jurisdictions represented by that entity. The department shall calculate the amount of each allocation in accordance with the population estimates consistent with the methodology described in subdivision (a) of Section 50515.03.

(2) Each council of governments or other regional entity may, in consultation with the department and consistent with the requirements of this chapter, determine the appropriate use of funds or suballocations within its boundaries to appropriately address its unique housing and planning priorities.

(c) The following shall apply with respect to any allocation made pursuant to this subdivision to a multiagency working group, as described in paragraphs (5) and (6) of subdivision (a):

(1) Before November 30, 2019, the multiagency working groups described in paragraphs (5) and (6) of subdivision (a) shall be formed as follows:

(A) Each working group shall consist of the following members:

(i) One representative from each county described in paragraph (5) or (6), as applicable, of subdivision (a).

(ii) Two city representatives from each county described in paragraph (5) or (6), as applicable, of subdivision (a) appointed by the city selection committee for that county. In appointing city representatives, the city selection committee shall appoint one representative of a larger city within the county and one representative of a smaller city within the county.

(iii) Of the three representatives from each county serving on the multiagency working group pursuant to clauses (i) and (ii), at least one of the representatives shall also be a member of the governing body of the applicable council of governments representing the county.

(B) The multiagency working group shall select a council of governments to serve as the fiscal agent of the multiagency working group and identify staff to assist the work of the group. If the multiagency working group fails to agree to the selection of a council of governments to serve as fiscal agent pursuant to this clause within a reasonable time period, the department shall select a fiscal agent based on factors such as capacity and experience in administering grant programs.

(C) Upon its formation, the multiagency working group shall notify each city and county that is a member of a council of governments described in paragraph (5) or (6), as applicable, of subdivision (a) of its purpose pursuant to this section.

(2) In recognition of the unique challenges in developing a process through a multiagency working group, the department shall allocate eight million dollars ($8,000,000) of the amount available pursuant to this subdivision to the multiagency working groups described in ~~described in~~ paragraphs (5) and (6) of subdivision (a), as follows:

(A) Twenty-five percent of the amount subject to this subparagraph shall be allocated to the central coast multiagency working group described in paragraph (5) of subdivision (a).

(B) Seventy-five percent of the amount subject to this subparagraph shall be allocated to the San Joaquin Valley multiagency working group described in paragraph (6) of subdivision (a).

(d)

(1) Until January 31, 2021, a council of governments or other regional entity described in subdivision (a), or a county described in paragraph (8) of subdivision (a), may request an allocation of funds pursuant to this section by submitting an application, in the form and manner prescribed by the department, that includes the following information:

(A) An allocation budget for the funds provided pursuant to this section.

(B) The amounts retained by the council of governments, regional entity, or county, and any suballocations to jurisdictions.

(C) An explanation of how proposed uses will increase housing planning and facilitate local housing production.

(D) Identification of current best practices at the regional and statewide level that promote sufficient supply of housing affordable to all income levels, and a strategy for increasing adoption of these practices at the regional level, where viable.

(E) An education and outreach strategy to inform local agencies of the need and benefits of taking early action related to the sixth cycle regional housing need allocation.

(2) The department shall review an application submitted pursuant to this subdivision within 30 days. Upon approval of an application for funds pursuant to this subdivision, the department shall award the moneys for which the council of governments, other regional entity, or county, as applicable, qualifies.

(3) Commencing October 1, 2019, a council of governments, or the fiscal agent of a multiagency working group described in paragraph (5) or (6), as applicable, of subdivision (a), may request up to 25 percent of the funding available to it under this section in advance of a request for funding made pursuant to paragraph (1) to develop and accelerate the implementation of the requirements described in paragraph (1), including the development of an education and outreach strategy related to the sixth cycle regional housing need allocation. The department shall award funds requested pursuant to this paragraph to the relevant council of government or fiscal agency within 30 days of receiving that request.

(e) A council of governments, other regional entity, or county that receives an allocation of funds pursuant to this section shall establish priorities and use those moneys to increase housing planning and accelerate housing production, as follows:

(1) Developing an improved methodology for the distribution of the sixth cycle regional housing need assessment to further the objectives described in subdivision (d) of Section 65584 of the Government Code.

(2) Suballocating moneys directly and equitably to jurisdictions or other subregional entities in the form of grants, to be used in accordance with subdivision (f), for planning that will accommodate the development of housing and infrastructure that will accelerate housing production in a way that aligns with state planning priorities, housing, transportation, equity, and climate goals.

(3) Providing jurisdictions and other local agencies with technical assistance, planning, temporary staffing or consultant needs associated with updating local planning and zoning documents, expediting application processing, and other actions to accelerate additional housing production.

(4) Covering the costs of administering any programs described in this subdivision.

(f) An entity that receives a suballocation of funds pursuant to paragraph (2) of subdivision (e) shall only use that suballocation for housing-related planning activities, including, but not limited to, the following:

(1) Technical assistance in improving housing permitting processes, tracking systems, and planning tools.

(2) Establishing regional or countywide housing trust funds for affordable housing.

(3) Performing infrastructure planning, including for sewers, water systems, transit, roads, or other public facilities necessary to support new housing and new residents.

(4) Performing feasibility studies to determine the most efficient locations to site housing consistent with Sections 65041.1 and 65080 of the Government Code.

(5) Covering the costs of temporary staffing or consultant needs associated with the activities described in paragraphs (1) to (4), inclusive.

SEC. 206. Section 50675.14 of the Health and Safety Code is amended to read:

50675.14.

(a) This section ~~shall apply~~applies only to projects funded with funds appropriated for supportive housing projects.

(b) For purposes of this section, the following terms have the following meanings:

(1) "May restrict occupancy to persons with veteran status" means that the sponsor may limit occupancy to persons meeting the criteria of paragraphs (1) and (2) of subdivision (j) with respect to either of the following:

(A) Any unit in the development that has not been previously occupied.

(B) Any unit in the development that subsequently becomes vacant, for a period of not more than 120 days following the vacancy.

(2) "Supportive housing" means housing with no limit on length of stay, that is occupied by the target population, and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving their health status, and maximizing their ability to live and, when possible, work in the community.

(3)

(A) "Target population" means persons, including persons with disabilities, and families who are "homeless," as that term is defined by Section 11302 of Title 42 of the United States Code, or who are "homeless youth," as that term is defined by paragraph (2) of subdivision (e) of Section 12957 of the Government Code.

(B) Individuals and families currently residing in supportive housing meet the definition of "target population" if the individual or family was "homeless," as that term is defined by Section 11302 of Title 42 of the United States Code, when approved for tenancy in the supportive housing project in which they currently reside.

(c)

(1) The department shall ensure that at least 40 percent of the units in each development funded under the supportive housing program are targeted to one or more of the following populations:

(A) Individuals or families experiencing "chronic homelessness," as defined by the United States Department of Housing and Urban Development's Super Notice of Funding Availability for Continuum of Care or Collaborative Applicant Program.

(B) "Homeless youth," as that term is defined by paragraph (2) of subdivision (e) of Section 12957 of the Government Code.

(C) Individuals exiting institutional settings, including, but not limited to, jails, hospitals, prisons, and institutes of mental disease, who were homeless when entering the institutional setting, who have a disability, and who resided in that setting for a period of not less than 15 days.

(2) The department may decrease the number of units required to meet the criteria identified in paragraph (1) if the department determines that the program is undersubscribed after issuing at least one Notice of Funding Availability.

(3) Individuals and families currently residing in supportive housing meet the qualifications under this subdivision if the individual or family met any of the criteria specified in subparagraph (A), (B), or (C) of paragraph (1) when approved for tenancy in the supportive housing project in which they currently reside.

(d) Supportive housing projects shall provide or demonstrate collaboration with programs that provide services that meet the needs of the supportive housing residents.

(e) The criteria, established by the department, for selecting supportive housing projects shall give priority to supportive housing projects that include a focus on measurable outcomes and a plan for evaluation, which evaluation shall be submitted by the borrowers, annually, to the department.

(f) The department may provide higher per-unit loan limits as reasonably necessary to provide and maintain rents that are affordable to the target population.

(g) In an evaluation or ranking of a borrower's development and ownership experience, the department shall consider experience acquired in the prior 10 years.

(h)

(1) A borrower shall, beginning the second year after supportive housing project occupancy, include the following data in their annual report to the department. However, a borrower who submits an annual evaluation pursuant to subdivision (e) may, instead, include this information in the evaluation:

(A) The length of occupancy by each supportive housing resident for the period covered by the report and, if the resident has moved, the reason for the move and the type of housing to which the resident moved, if known.

(B) Changes in each supportive housing resident's employment status during the previous year.

(C) Changes in each supportive housing resident's source and amount of income during the previous year.

(D) The tenant's housing status prior to occupancy, including the term of the tenant's homelessness.

(2) The department shall include aggregate data with respect to the supportive housing projects described in this section in the report that it submits to the Legislature pursuant to Section 50675.12.

(i) The department shall consider, commencing in the second year of the funding, the feasibility and appropriateness of modifying its regulations to increase the use of funds by small projects. In doing this, the department shall consider its operational needs and prior history of funding supportive housing facilities.

(j) Notwithstanding any other provision of law, the sponsor of a supportive housing development may restrict occupancy to persons with veteran status if all the following conditions apply:

(1) The veterans possess significant barriers to social reintegration and employment that require specialized treatment and services that are due to a physical or mental disability, substance abuse, or the effects of long-term homelessness.

(2) The veterans are otherwise eligible to reside in an assisted unit.

(3) The sponsor also provides, or assists in providing, the specialized treatment and services.

SEC. 207. Section 50952 of the Health and Safety Code is amended to read:

50952.

The agency shall also seek to attain all of the following objectives:

(a) Acquisition of the maximum amount of funds available for subsidies for the benefit of persons and families of low or moderate income occupying units financed pursuant to this part.

(b) Housing developments providing a socially harmonious environment by meeting the housing needs of both very low income households and other persons and families of low or moderate income and by avoidance of concentration of very low income households that may lead to deterioration of a development.

(c) Emphasis on housing developments of superior design, appropriate scale and amenities, and on sites convenient to areas of employment, shopping, and public facilities.

(d) Increasing the range of housing choice for minorities in lower income households and other lower income households, rather than maintaining or increasing the impaction of low-income areas, and cooperation in implementation of local and areawide housing allocation plans adopted by cities, counties, and joint powers entities made up of counties and cities.

(e) Reducing the cost of mortgage financing for rental and cooperative housing to provide lower rent for persons and families of low or moderate income.

(f) Reducing the cost of mortgage financing for home purchase, in order to make homeownership feasible for persons and families of low or moderate income.

(g) Identification of areas of low vacancy rates where construction is needed, of areas of substandard housing where rehabilitation is needed, and of areas of credit shortage where financing is needed for transfer of existing housing, so as to maximize the impact of financing activities on employment, reduction of housing costs, and maintenance of local economic activity.

(h) A balance between urban metropolitan, nonmetropolitan, and rural metropolitan housing developments, and between family housing and housing for the elderly and handicapped, in general proportion to the needs identified in the California statewide housing plan.

(i) Minimization of fees and profit allowances of housing sponsors so far as consistent with acceptable performance, in order to maximize the benefit to persons and families of low or moderate income occupying units financed by the agency.

(j) Full utilization of federal subsidy assistance for the benefit of persons and families of low or moderate income.

(k) Full cooperation and coordination with the local public entities of the state in meeting the housing needs of cities, counties, cities and counties, and Indian reservations and rancherias on a level of government that is as close as possible to the people it serves.

(l) Promoting the recovery and growth of economically depressed business located in areas of minority concentration and in mortgage-deficient areas.

(m) Revitalization of deteriorating and deteriorated urban areas by attracting a full range of income groups to central-city areas to provide economic integration with persons and families of low or moderate income in those areas.

(n) Implementation of the goals, policies, and objectives of the California Statewide Housing Plan.

(o) Location of housing in public transit corridors with high levels of service.

(p) Reducing the cost of mortgage financing for rental housing development in order to attract private and pension fund investment in such developments.

(q) Reducing the cost of mortgage financing for ~~second unit rental housing~~accessory dwelling units, as defined by Section 65852.2 of the Government Code, in order to make rental housing more affordable for elderly persons and persons and families of low or moderate income.

SEC. 208. Section 53594 of the Health and Safety Code is amended to read:

53594.

(a) A county shall use grants awarded pursuant to this part for one or more of the following:

(1) Long-term rental assistance in an amount the county identifies, but no more than two times the fair market rent for the market area where the county is providing long-term rental assistance.

(2) Acquisition funding, new construction, gap funding, or reconstruction and rehabilitation.

(3) ~~Project based~~Project-based operating subsidies.

(4) Incentives to landlords to accept rental assistance for program participants, including security deposits and holding fees.

(5) Administrative costs, as determined by the department, of no more than 5 percent of the total grant awarded, or a higher amount upon approval by the department.

(b) Project based operating subsidies may include either or both of the following:

(1) Operating subsidies for periods of up to five years.

(2) A capitalized operating reserve for at least 15 years to pay for operating costs of an apartment or apartments receiving capital funding to provide supportive housing to people experiencing homelessness.

SEC. 209. Section 116378 of the Health and Safety Code is amended to read:

116378.

(a) The state board may order a public water system to monitor for perfluoroalkyl substances and polyfluoroalkyl substances, in accordance with conditions set by the state board. A laboratory that has accreditation or certification pursuant to Article 3 (commencing with Section 100825) of Chapter 4 of Part 1 of Division 101 shall perform the analysis of any material required by an order to monitor for these substances. The order shall identify the analytical test methods to be used by laboratories and provide for the electronic submission of monitoring results to the state board.

(b) An order issued pursuant to subdivision (a) may apply to an individual public water system, specific groups of public water systems, or to all public water systems. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to an order issued pursuant to subdivision (a) to specific groups of public water systems or to all public water systems. All monitoring results shall be submitted to the state board electronically as directed by the state board in its order.

(c)

(1) If any monitoring undertaken pursuant to an order issued under subdivision (a) results in a confirmed detection, a community water system or a nontransient noncommunity water system shall report that detection in the water system's annual consumer confidence report. Unless the water source is taken out of use or new data becomes available to show that the response level is no longer being exceeded, the community water system or nontransient noncommunity water system will provide notice of the exceedance of the response level in the water system's annual consumer confidence report.

(2) In addition to the notification pursuant to paragraph (1), for perfluoroalkyl substances and polyfluoroalkyl substances with notification levels, a community water system or a nontransient noncommunity water system shall report the detection if the level exceeds the notification level as required by Section 116455.

(3) For perfluoroalkyl substances and polyfluoroalkyl substances with response levels where detected levels of a substance exceed the response level, a community water system or a nontransient noncommunity public water system shall take a water source where detected levels exceed the response level out of use or provide public notification within 30 days of the confirmed detection. For the purposes of this paragraph, notice shall be provided as follows:

(A) A community water system shall do the following:

(i) Mail or directly deliver notice to each customer receiving a bill, including those that provide drinking water to others, and to other service connections to which water is delivered by the water system.

(ii) Email notice to each customer of the water system with an email address known by the water system.

(iii) Post the notice on the internet website of the water system.

(iv) Use one or more of the following methods to reach persons not likely to be reached by the notice provided in clause (i):

(I) Publish notice in a local newspaper for at least seven days.

(II) Post notice in conspicuous public places served by the water system for at least seven days.

(III) Post notice on an appropriate social media site for at least seven days.

(IV) Deliver notice to community organizations.

(B) A nontransient noncommunity water system shall do both of the following:

(i) Post notice in conspicuous locations throughout the area served by the water system.

(ii) Use one or more of the following methods to reach persons not likely to be reached by the notice provided in clause (i):

(I) Publish notice in a local newspaper for at least seven days.

(II) Publish notice in a newsletter distributed to customers.

(III) Send notice by email to employees or students.

(IV) Post notice on the internet website of the water system and an appropriate social media site for at least seven days.

(V) Deliver notice directly to each customer.

(C) A notice shall contain all of the following information:

(i) A statement that there was a confirmed detection above the response level, the numeric level of the applicable response level, and the level of the confirmed detection.

(ii) A description of the potential adverse health effects as identified by the state board in establishing the notification level or response level.

(iii) The population at risk, including subpopulations particularly vulnerable from exposure.

(iv) The name, business address, and phone number of the water system owner, operator, or designee, as a source of additional information concerning the notice.

(v) A statement to encourage the notice recipient to distribute the notice to other persons served, using the following standard language: “Please share this information with all of the other people who drink this water, especially those who may not have received this public notice directly (for example, people in apartments, nursing homes, schools, and businesses). You can do this by posting this notice in a public place or distributing copies by hand or mail.”

(vi) Information in Spanish regarding the importance of the notice or a telephone number or address where Spanish-speaking residents may contact the water system to obtain a translated copy of the notice or assistance in Spanish.

(vii) If a non-English speaking group other than a Spanish-speaking group exceeds 1,000 residents or 10 percent of the residents served by the water system, either of the following:

(I) Information in the appropriate language regarding the importance of the notice.

(II) A telephone number or address where a resident may contact the water system to obtain a translated copy of the notice or assistance in the appropriate language.

(D) The following requirements apply to a notice provided by a water system:

(i) The notice shall be displayed so that it catches people’s attention when printed or posted.

(ii) The message in the notice should be understandable at the eighth grade reading level.

(iii) The notice shall not contain technical language beyond an eighth grade reading level or print smaller than 12-point type.

(iv) The notice shall not contain language that minimizes or contradicts the information provided in the notice.

(d) This section is not a substitute for compliance with any requirements of Chapter 17.5 (commencing with Section 7290) of Division 7 of Title 1 of the Government Code that apply to a community water system or nontransient noncommunity water system.

SEC. 210. Section 116765 of the Health and Safety Code is amended to read:

116765.

The Legislature finds and declares all of the following:

(a) Every Californian should enjoy the same degree of protection from environmental and health hazards. Every community should be a healthy environment in which to live, work, play, and learn.

(b) No single group of people should bear a disproportionate share of the negative environmental consequences and adverse health impacts arising from industrial, governmental, or commercial operations or policies.

(c) Concentrated environmental contamination in water creates cumulative health burdens resulting in communities with higher rates of disease such as asthma, heart disease, cancer, neurological and reproductive health effects, birth defects, and obesity.

(d) Despite significant improvements in environmental protection over the past several decades, millions of Californians continue to live, work, play, and go to school in unhealthy environments.

(e) California was one of the first states in the nation to put environmental justice considerations into law and defines environmental justice as the fair treatment of people of all races, cultures, and incomes with respect to the development, adoption, implementation, and enforcement of environmental laws, regulations, and policies.

(f) California law also declares that it is the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

(g) Yet, still more than 1,000,000 Californians do not have access to safe drinking water. In communities where the sole water supply is contaminated with substances like arsenic, manganese, nitrates, or hexavalent chromium, families are often left without safe water. The central valley and central coast regions, where more than 90% of the communities rely on groundwater as a primary source of drinking water, are particularly at risk, but other communities around the state are also at risk. More than 250,000 people in the central valley alone lack access to a consistent source of safe, affordable water.

(h) The Safe Drinking Water and Toxic Enforcement Act of 1986 lists lead, arsenic, and hexavalent chromium as substances that can cause cancer and reproductive toxicity.

(i) Established state environmental justice ~~law~~laws and policies are only effective insofar as they result in true parity.

(j) It is the intent of the Legislature that the State of California bring true environmental justice to our state and begin to address the continuing disproportionate environmental burdens in the state by creating a fund to provide safe drinking water in every California community, for every Californian.

(k) Climate change is exacerbating the water impacts on disadvantaged and environmentally burdened communities by reducing surface water flows, accelerating declining groundwater basins, and contributing to increasing concentrations of environmental contamination.

(l) Enhancing the long-term sustainability of drinking water systems in disadvantaged and environmentally burdened communities increases those communities' resilience to climate change.

(m) Funding for safe and affordable drinking water under this chapter promotes investments in disadvantaged communities, provides important contributions to those communities in adapting to climate change, and is an appropriate expenditure from the Greenhouse Gas Reduction Fund created pursuant to Section 16428.8 of the Government Code.

(n) It is the intent of the Legislature that the state board, in developing the fund expenditure plan pursuant to Article 4 (commencing with Section 116768), strive to ensure all regions of the state receive the same level of consideration for funding pursuant to this chapter, to the extent practicable.

SEC. 211. Section 116770 of the Health and Safety Code is amended to read:

116770.

The fund expenditure plan may include expenditures for the following:

(a) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.

(b) The development, implementation, and sustainability of long-term drinking water solutions, including, but not limited to, the following:

(1)

(A) Technical assistance, planning, construction, repair, and operation and maintenance costs associated with any of the following:

(i) Replacing, blending, or treating contaminated drinking water.

(ii) Repairing or replacing failing water system equipment, pipes, or fixtures.

(iii) Operation and maintenance costs associated with consolidated water systems, extended drinking water services, or reliance on a substituted drinking water source.

(B) Technical assistance and planning costs may include, but are not limited to, analyses to identify and efforts to further opportunities to reduce the unit cost of providing drinking water through organizational and operational efficiency improvements, and other options and approaches to reduce costs.

(2) Creating and maintaining natural means and green infrastructure solutions that contribute to sustainable drinking water.

(3) Consolidating water systems.

(4) Extending drinking water services to other public water systems, community water systems, ~~and~~ state small water systems, or domestic wells.

(5) Satisfying outstanding long-term debt obligations of public water systems, community water systems, and state small water systems where the board determines that a system's lack of access to capital markets renders this solution the most cost effective for removing a financial barrier to the system's sustainable, long-term provision of drinking water.

(c) Identifying and providing outreach to persons who are eligible to receive assistance from the fund.

(d) Testing the drinking water quality of domestic wells serving low-income households, prioritizing those in high-risk areas identified pursuant to Article 6 (commencing with Section 116772).

(e) Providing services under Section 116686.

SEC. 212. Section 120372 of the Health and Safety Code is amended to read:

120372.

(a)

(1) By January 1, 2021, the department shall develop and make available for use by licensed physicians and surgeons an electronic, standardized, statewide medical exemption certification form that shall be transmitted directly to the department's California Immunization Registry (CAIR) established pursuant to Section 120440. Pursuant to Section 120375, the form shall be printed, signed, and submitted directly to the school or institution at which the child will attend, submitted directly to the governing authority of the school or institution, or submitted to that governing authority through the CAIR where applicable. Notwithstanding Section 120370, commencing January 1, 2021, the standardized form shall be the only documentation of a medical exemption that the governing authority may accept.

(2) At a minimum, the form shall require all of the following information:

(A) The name, California medical license number, business address, and telephone number of the physician and surgeon who issued the medical exemption, and of the primary care physician of the child, if different from the physician and surgeon who issued the medical exemption.

(B) The name of the child for whom the exemption is sought, the name and address of the child's parent or guardian, and the name and address of the child's school or other institution.

(C) A statement certifying that the physician and surgeon has conducted a physical examination and evaluation of the child consistent with the relevant standard of care and complied with all applicable requirements of this section.

(D) Whether the physician and surgeon who issued the medical exemption is the child's primary care physician. If the issuing physician and surgeon is not the child's primary care physician, the issuing physician and surgeon shall also provide an explanation as to why the issuing physician and not the primary care physician is filling out the medical exemption form.

(E) How long the physician and surgeon has been treating the child.

(F) A description of the medical basis for which the exemption for each individual immunization is sought. Each specific immunization shall be listed separately and space on the form shall be provided to allow for the inclusion of descriptive information for each immunization for which the exemption is sought.

(G) Whether the medical exemption is permanent or temporary, including the date upon which a temporary medical exemption will expire. A temporary exemption shall not exceed one year. All medical exemptions shall not extend beyond the grade span, as defined in Section 120370.

(H) An authorization for the department to contact the issuing physician and surgeon for purposes of this section and for the release of records related to the medical exemption to the department, the Medical Board of California, and the Osteopathic Medical Board of California.

(I) A certification by the issuing physician and surgeon that the statements and information contained in the form are true, accurate, and complete.

(3) An issuing physician and surgeon shall not charge for either of the following:

(A) Filling out a medical exemption form pursuant to this section.

(B) A physical examination related to the renewal of a temporary medical exemption.

(b) Commencing January 1, 2021, if a parent or guardian requests a licensed physician and surgeon to submit a medical exemption for the parent's or guardian's child, the physician and surgeon shall inform the parent or guardian of the requirements of this section. If the parent or guardian consents, the physician and surgeon shall examine the child and submit a completed medical exemption certification

form to the department. A medical exemption certification form may be submitted to the department at any time.

(c) By January 1, 2021, the department shall create a standardized system to monitor immunization levels in schools and institutions as specified in Sections 120375 and 120440, and to monitor patterns of unusually high exemption form submissions by a particular physician and surgeon.

(d)

(1) The department, at a minimum, shall annually review immunization reports from all schools and institutions in order to identify medical exemption forms submitted to the department and under this section that will be subject to paragraph (2).

(2) A clinically trained immunization department staff member, who is either a physician and surgeon or a registered nurse, shall review all medical exemptions from any of the following:

(A) Schools or institutions subject to Section 120375 with an overall immunization rate of less than 95 percent.

(B) Physicians and surgeons who have submitted five or more medical exemptions in a calendar year beginning January 1, 2020.

(C) Schools or institutions subject to Section 120375 that do not provide reports of vaccination rates to the department.

(3)

(A) The department shall identify those medical exemption forms that do not meet applicable CDC, ACIP, or AAP criteria for appropriate medical exemptions. The department may contact the primary care physician and surgeon or issuing physician and surgeon to request additional information to support the medical exemption.

(B) Notwithstanding subparagraph (A), the department, based on the medical discretion of the clinically trained immunization staff member, may accept a medical exemption that is based on other contraindications or precautions, including consideration of family medical history, if the issuing physician and surgeon provides written documentation to support the medical exemption that is consistent with the relevant standard of care.

(C) A medical exemption that the reviewing immunization department staff member determines to be inappropriate or otherwise invalid under subparagraphs (A) and (B) shall also be reviewed by the State Public Health Officer or a physician and surgeon from the department's immunization program designated by the State Public Health Officer. Pursuant to this review, the State Public Health Officer or physician and surgeon designee may revoke the medical exemption.

(4) Medical exemptions issued prior to January 1, 2020, shall not be revoked unless the exemption was issued by a physician or surgeon that has been subject to disciplinary action by the Medical Board of California or the Osteopathic Medical Board of California.

(5) The department shall notify the parent or guardian, issuing physician and surgeon, the school or institution, and the local public health officer with jurisdiction over the school or institution of a denial or revocation under this subdivision.

(6) If a medical exemption is revoked pursuant to this subdivision, the child shall continue in attendance. However, within 30 calendar days of the revocation, the child shall commence the immunization schedule required for conditional admittance under Chapter 4 (commencing with Section 6000) of Division 1 of Title 17 of the California Code of Regulations in order to remain in attendance, unless an appeal is filed pursuant to Section 120372.05 within that 30-day time period, in which case the child shall continue in attendance and shall not be required to otherwise comply with immunization requirements unless and until the revocation is upheld on appeal.

(7)

(A) If the department determines that a physician's and surgeon's practice is contributing to a public health risk in one or more communities, the department shall report the physician and surgeon to the Medical Board of California or the Osteopathic Medical Board of California, as appropriate. The department shall not accept a medical exemption form from the physician and surgeon until the physician and surgeon demonstrates to the department that the public health risk no longer exists, but in no event shall the physician and surgeon be barred from submitting these forms for less than two years.

(B) If there is a pending accusation against a physician and surgeon with the Medical Board of California or the Osteopathic Medical Board of California relating to immunization standards of care, the department shall not accept a medical exemption form from the physician and surgeon unless and until the accusation is resolved in favor of the physician and surgeon.

(C) If a physician and surgeon licensed with the Medical Board of California or the Osteopathic Medical Board of California is on probation for action relating to immunization standards of care, the department and governing authority shall not accept a medical exemption form from the physician and surgeon unless and until the probation has been terminated.

(8) The department shall notify the Medical Board of California or the Osteopathic Medical Board of California, as appropriate, of any physician and surgeon who has five or more medical exemption forms in a calendar year that are revoked pursuant to this subdivision.

(9) Notwithstanding any other provision of this section, a clinically trained immunization program staff member who is a physician and surgeon or a registered nurse may review any exemption in the CAIR or other state database as necessary to protect public health.

(e) The department, the Medical Board of California, and the Osteopathic Medical Board of California shall enter into a memorandum of understanding or similar agreement to ensure compliance with the requirements of this section.

(f) In administering this section, the department and the independent expert review panel created pursuant to Section 120372.05 shall comply with all applicable state and federal privacy and confidentiality laws. The department may disclose information submitted in the medical exemption form in accordance with Section 120440, and may disclose information submitted pursuant to this chapter to the independent expert review panel for the purpose of evaluating appeals.

(g) The department shall establish the process and guidelines for review of medical exemptions pursuant to this section. The department shall communicate the process to providers and post this information on the department's website.

(h) If the department or the California Health and Human Services Agency determines that contracts are required to implement or administer this section, the department may award these contracts on a single-source or sole-source basis. The contracts are not subject to Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, or Sections 4800 to 5180, inclusive, of the State Administrative Manual as they relate to approval of information technology projects or approval of increases in the duration or costs of information technology projects.

(i) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this section through provider bulletins, or similar instructions, without taking regulatory action.

(j) For purposes of administering this section, the department and the California Health and Human Services Agency appeals process shall be exempt from the rulemaking and administrative adjudication provisions in the Administrative Procedure Act ~~Chapter~~(Chapter 3.5 (commencing with Section 11340),

~~and~~ Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with 11400), and Chapter 5 (commencing with Section 11500) of~~,~~ Part 1 of Division 3 of Title 2 of the Government ~~Code~~Code).

SEC. 213. Section 120372.05 of the Health and Safety Code is amended to read:

120372.05.

(a) A medical exemption revoked pursuant to Section 120372 may be appealed by a parent or guardian to the Secretary of California Health and Human Services. Parents, guardians, or the physician who issued the medical exemption may provide necessary information for purposes of the appeal.

(b) The secretary shall establish an independent expert review panel, consisting of three licensed physicians and surgeons who have relevant knowledge, training, and experience relating to primary care or immunization to review appeals. The agency shall establish the process and guidelines for the appeals process pursuant to this section, including the process for the panel to contact the issuing physician and surgeon, parent, or guardian. The agency shall post this information on the agency's internet website. The agency shall also establish requirements, including conflict-of-interest standards, consistent with the purposes of this chapter, that a physician and surgeon shall meet in order to qualify to serve on the panel.

(c) The independent expert review panel shall evaluate appeals consistent with the federal Centers for Disease Control and Prevention, federal Advisory Committee on Immunization Practices, or American Academy of Pediatrics guidelines or the relevant standard of care, as applicable.

(d) The independent expert review panel shall submit its determination to the secretary. The secretary shall adopt the determination of the independent expert review panel and shall promptly issue a written decision to the child's parent or guardian. The decision shall not be subject to further administrative review.

(e) A child whose medical exemption revocation pursuant to subdivision (d) of Section 120372 is appealed under this section shall continue in attendance and shall not be required to commence the immunization required for conditional admittance under Chapter 4 (commencing with Section 6000) of Division 1 of Title 17 of the California Code of Regulations, provided that the appeal is filed within 30 calendar days of revocation of the medical exemption.

(f) For purposes for administering this section, the department and the California Health and Human Services Agency appeals process shall be exempt from the rulemaking and administrative adjudication provisions in the Administrative Procedure Act ~~Chapter~~(Chapter 3.5 (commencing with Section 11340), ~~and~~ Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with 11400), and Chapter 5 (commencing with Section 11500) of~~,~~ Part 1 of Division 3 of Title 2 of the Government ~~Code~~Code).

SEC. 214. Section 124241 of the Health and Safety Code is amended to read:

124241.

On and after January 1, 2021, a youth sports organization that conducts a tackle football program shall comply with all of the following requirements:

(a) A tackle football team shall not conduct more than two full-contact practices per week during the preseason and regular season.

(b) A tackle football team shall not hold a full-contact practice during the off-season.

(c) The full-contact portion of a practice shall not exceed 30 minutes in any single day.

(d) A coach shall annually receive a tackling and blocking certification from a nationally recognized program that emphasizes shoulder tackling, safe contact and blocking drills, and techniques

designed to minimize the risk during contact by removing the involvement of a youth tackle football participant's head from all tackling and blocking techniques.

(e) Each youth tackle football administrator, coach, and referee shall annually complete all of the following:

(1) The concussion and head injury education pursuant to Section 124235.

(2) The Opioid Factsheet for Patients pursuant to Section 124236.

(3) Training in the basic understanding of the signs, symptoms, and appropriate responses to heat-related illness.

(f) Each parent or guardian of a youth tackle football participant shall receive concussion and head injury information for that athlete pursuant to Section 124235 and the Opioid Factsheet for Patients pursuant to Section 124236.

(g) Each football helmet shall be reconditioned and recertified every other year, unless stated otherwise by the manufacturer. Only entities licensed by the National Operating Committee on Standards for Athletic Equipment shall perform the reconditioning and recertification. Every reconditioned and recertified helmet shall display a clearly recognizable mark or notice in the helmet indicating the month and year of the last certification.

(h) A minimum of one state-licensed emergency medical technician, paramedic, or ~~higher-level~~higher level licensed medical professional shall be present during all preseason, regular season, and postseason games. The emergency medical technician, paramedic, or ~~higher-level~~higher level licensed medical professional shall have the authority to evaluate and remove any youth tackle football participant from the game who exhibits an injury, including, but not necessarily limited to, symptoms of a concussion or other head injury.

(i) A coach shall annually receive first aid, cardiopulmonary resuscitation, and automated external defibrillator certification.

(j) At least one independent nonrostered individual, appointed by the youth sports organization, shall be present at all practice locations. The individual shall hold current and active certification in first aid, cardiopulmonary resuscitation, automated external defibrillator, and concussion protocols. The individual shall have the authority to evaluate and remove any youth tackle football participant from practice who exhibits an injury, including, but not limited to, symptoms of a concussion or other head injury.

(k) Safety equipment shall be inspected before every full-contact practice or game to ensure that all youth tackle football participants are properly equipped.

(l) Each youth tackle football participant removed pursuant to this section shall comply with Section 124235. The injury shall be reported to the youth tackle football league.

(m) Each youth tackle football participant shall complete a minimum of 10 hours of noncontact practice at the beginning of each season for the purpose of conditioning, acclimating to safety equipment, and progressing to the introduction of full-contact practice. During this noncontact practice, the youth tackle football participants shall not wear any pads, and shall only wear helmets if required to do so by the coaches.

(n) A youth sports organization shall annually provide a declaration to its youth tackle football league stating that it is in compliance with this article, and shall either post the declaration on its internet website or provide the declaration to all youth tackle football participants within its youth sports organization.

SEC. 215. Section *1067.11* of the Insurance Code is amended to read:

1067.11.

To aid in the detection and prevention of insurer insolvencies or impairments:

(a) It shall be the duty of the commissioner to do the following:

(1) To notify the commissioners of all the other states, territories of the United States, and the District of Columbia when the commissioner takes any of the following actions against a member insurer:

(A) Revocation of license.

(B) Suspension of license.

(C) Makes a formal order that the company restrict its premium writing, obtain additional contributions to surplus, withdraw from the state, reinsure all or any part of its business, or increase capital, surplus, or any other account for the security of policy owners or creditors.

The notice shall be mailed to all commissioners within 30 days following the action taken or the date on which the action occurs.

(2) To report to the board of directors, the Legislature, and the Governor when the commissioner has taken any of the actions set forth in paragraph (1) or has received a report from any other commissioner indicating that any action has been taken in another state. The report to the board of directors, the Legislature, and the Governor shall contain all significant details of the action taken on the report received from another commissioner.

(3) To report to the board of directors when the commissioner has reasonable cause to believe from an examination, whether completed or in process, of a member company that the company may be an impaired or insolvent insurer.

(4) To furnish to the board of directors the NAIC Insurance Regulatory Information System (IRIS) ratios and listings of companies not included in the ratios developed by the National Association of Insurance Commissioners, and the board may use the information contained therein in carrying out its duties and responsibilities under this section. The report and the information contained therein shall be kept confidential by the board of directors until that time as it is made public by the commissioner or other lawful authority.

(b) The commissioner may seek the advice and recommendations of the board of directors concerning any matter affecting the commissioner's duties and responsibilities regarding the financial condition of member insurers and companies seeking admission to transact insurance business in this state.

(c) The board of directors may, upon majority vote, make reports and recommendations to the commissioner upon any matter germane to the solvency, liquidation, rehabilitation, or conservation of a member insurer or germane to the solvency of any company seeking to do insurance business in this state. Those reports and recommendations shall not be considered public documents.

(d) The board of directors shall, upon majority vote, notify the commissioner of any information indicating a member insurer may be an impaired or insolvent insurer.

(e) The board of directors may, upon majority vote, request that the commissioner order an examination of a member insurer that the board in good faith believes may be an impaired or insolvent insurer. Within 30 days of the receipt of the request, the commissioner shall begin the examination. The examination may be conducted as a National Association of Insurance Commissioners examination or may be conducted by persons that the commissioner designates. The cost of the examination shall be paid by the association and the examination report shall be treated as are other examination reports. In no event shall the examination report be released to the board of directors prior to its release to the public, but this shall not preclude the commissioner from complying with subdivision (a).

The commissioner shall notify the board of directors when the examination is completed. The request for an examination shall be kept on file by the commissioner, but it shall not be open to public inspection prior to the release of the examination report to the public.

(f) The board of directors may, upon majority vote, make recommendations to the commissioner for the detection and prevention of insurer insolvencies.

(g) Reports, information, and recommendations from the board to the commissioner and from the commissioner to the board under this section shall be treated as confidential and shall not be considered public documents except as otherwise specifically provided in this section or by specific action of the board or commissioner.

(h) For valuation years ending in 2019 and later, an insurer with long-term care insurance contracts in force covering more than 10,000 lives as of the valuation date shall file disclosure reports with the commissioner and the department's office of principle-based reserving. The reports shall be in compliance with the long-term care insurance-specific requirements developed in Actuarial Guideline 51 to be incorporated in the National Association of Insurance Commissioners' Valuation Manual. The reports shall be submitted no later than April 1 for the previous calendar year.

(i) On or before April 1, 2019, and on or before each April 1 thereafter, the association shall provide an annual financial report to the commissioner and the chairs of the Senate Insurance Committee and the Assembly Insurance Committee. The report shall include the maximum amount of coverage the association can provide pursuant to subparagraph (A) of paragraph (1) of subdivision (e) of Section 1067.08. The report shall cover the previous calendar year.

(j) Notwithstanding any other law, the commissioner may annually assess a company that issues or renews long-term care policies in an amount up to one million dollars ($1,000,000) based on the ~~insurers'~~ insurer's pro rata share of the costs the department incurs reviewing, analyzing, and reporting on disclosure reports submitted pursuant to subdivisions (h) and (i), but not to exceed reasonable regulatory costs.

SEC. 216. Section *1192* of the Insurance Code is amended to read:

1192.

Excess funds investments may be made in:

(a) Interest-bearing obligations issued by a nonaffiliate institution, as defined in paragraph (5) of subdivision (f) of Section 1196.1, organized under the laws of any state, or of the United States, or of the District of Columbia, or of the Dominion of Canada or of any province of the Dominion of Canada, or interest-bearing obligations registered with the Securities and Exchange Commission and publicly traded issued by an affiliate corporation organized under the laws of any state, or of the United States, or of the District of Columbia, or of the Dominion of Canada or of any province of the Dominion of Canada, or interest-bearing obligations issued by an authority established pursuant to the California Industrial Development Financing Act provided for in Title 10 (commencing with Section 91500) of the Government Code, to which the corporation is obligated with respect to payment, or

(b) Equipment trust obligations or certificates, or other adequately secured instruments, evidencing an interest in or lien upon transportation equipment used or to be used by a common carrier or common carriers and a right to receive determined portions of fixed obligatory payments for the use or purchase of this equipment, when the obligations, certificates, or instruments are issued by a corporation specified in ~~paragraph~~subdivision (a) or are unconditionally guaranteed or assumed by the corporation as to principal and as to interest or dividends and as to the payment of the fixed obligatory payments or the payment of the determined portions thereof.

SEC. 217. Section *10127.19* of the Insurance Code is amended to read:

10127.19.

(a) Commencing March 1, 2013, and at least annually thereafter, a health insurer, not including a health insurer offering specialized health insurance policies, shall provide to the department, in a form and manner determined by the department in consultation with the Department of Managed Health Care, the number of covered lives, by product type, as of December 31 of the prior year, that receive health care coverage under a health insurance policy that covers individuals and small groups inside and outside of the California Health Benefit Exchange, large groups, administrative services only business lines, and any other business lines. Health insurers shall include the unduplicated enrollment data in specific product types as determined by the department, including, but not limited to, HMO, point-of-service, PPO, grandfathered, and Medi-Cal managed care. Data reported pursuant to this subdivision shall specify the covered persons that are being reported pursuant to subdivision (b).

(b) Commencing March 1, 2020, and at least annually thereafter, information specific to a multiple ~~employee~~employer welfare arrangement (MEWA) shall be provided to the department, in a form and manner determined by the department in consultation with the Department of Managed Health Care, as follows:

(1) A health insurer that provides coverage through a MEWA that is not subject to Article 4.7 (commencing with Section 742.20) of Chapter 1 of Part 2 of Division 1 shall provide the name of each MEWA and the number of covered persons in each MEWA as of December 31 of the prior year, divided by market segment and product type. Data reported pursuant to this subdivision shall be identified and separately reported under subdivision (a).

(2) A MEWA that is subject to Article 4.7 (commencing with Section 742.20) of Chapter 1 of Part 2 of Division 1 shall provide the number of covered persons in the MEWA as of December 31 of the prior year, divided by product type. Compliance with a data call issued pursuant to this section satisfies the requirements of this subdivision.

(c) The department shall publicly report the data provided by each health insurer and MEWA pursuant to this section, including, but not limited to, posting the data on the department's internet website. The department shall consult with the Department of Managed Health Care to ensure that the data reported is comparable and consistent, does not duplicate existing reporting requirements, and utilizes existing reporting formats. The data for the previous calendar year shall be made available no later than April 15 of each calendar year.

SEC. 218. Section *10176.11* of the Insurance Code is amended to read:

10176.11.

(a) An insurer that provides a policy of health insurance shall accept premium payments from the following third-party entities without the need to comply with subdivision (c):

(1) A Ryan White HIV/AIDS Program under Title XXVI of the federal Public Health Service Act.

(2) An Indian tribe, tribal organization, or urban Indian organization.

(3) A local, state, or federal government program, including a grantee directed by a government program to make payments on its behalf.

(4) A member of the individual's family, defined for purposes of this section to include the individual's spouse, domestic partner, child, parent, grandparent, and siblings, unless the true source of funds used to make the premium payment originates with a financially interested entity.

(b) A financially interested entity that is not specified in subdivision (a) and is making third-party premium payments shall comply with all of the following requirements:

(1) It shall provide assistance for the full policy year and notify the insured prior to an open enrollment period, if applicable, if financial assistance will be discontinued. Notification shall include information regarding alternative coverage options, including, but not limited to, Medicare, Medicaid, individual market policies, and employer policies, if applicable. Assistance may be discontinued at the request of an insured who obtains other health insurance coverage, or if the insured dies during the policy year.

(2) It shall agree not to condition financial assistance on eligibility for, or receipt of, any surgery, transplant, procedure, drug, or device.

(3) It shall inform an applicant of financial assistance, and shall inform an insured annually, of all available health coverage options, including, but not limited to, Medicare, Medicaid, individual market plans, and employer plans, if applicable.

(4) It shall agree not to steer, direct, or advise the insured into or away from a specific coverage program option or health coverage.

(5) It shall agree that financial assistance shall not be conditioned on the use of a specific facility, health care provider, or coverage type.

(6) It shall agree that financial assistance shall be based on financial need in accordance with criteria that are uniformly applied and publicly available.

(c) A financially interested entity shall not make a third-party premium payment unless the entity complies with both of the following requirements:

(1) Annually provides a statement to the health insurer that it meets the requirements set forth in subdivision (b), as applicable.

(2) Discloses to the health insurer, prior to making the initial payment, the name of the insured for each policy on whose behalf a third-party premium payment described in this section will be made.

(d)

(1) Reimbursement for insureds for whom a nonprofit financially interested entity described in paragraph (2) of subdivision (h) that was already making premium payments to a health insurer on the insured's behalf prior to October 1, 2019, is not subject to subdivisions (e) and (f) and the financially interested entity is not required to comply with the disclosure requirements described in subdivision (c) for those insureds.

(2) Notwithstanding paragraph (1), a financially interested entity shall comply with the disclosure requirements of subdivision (c) for an insured on whose behalf the financially interested entity was making premium payments to a health insurer on the insured's behalf prior to October 1, 2019, if the insured changes health insurers on or after March 1, 2020.

(3) The amount of reimbursement for services paid to a financially interested provider shall be governed by the terms of the insured's health insurance policy contract, except for an insured who has changed health insurers pursuant to paragraph (2), in which case, commencing January 1, 2022, the reimbursement amount shall be determined in accordance with subdivisions (e) and (f).

(e) Commencing January 1, 2022, if a financially interested entity makes a third-party premium payment to a health insurer on behalf of an insured, reimbursement to a financially interested provider for covered services shall be determined by the following:

(1) For a contracted financially interested provider that makes a third-party premium payment or has a financial relationship with the entity making the third-party premium payment, the amount of reimbursement for covered services that shall be paid to the financially interested provider on behalf of the insured shall be governed by the higher of the Medicare reimbursement or the rate determined pursuant to the process described in this subdivision, if a rate determination pursuant to that process is sought by either the provider or the health insurer. Financially interested providers shall neither bill the insured nor seek reimbursement from the insured for services provided, except

for cost sharing pursuant to the terms and conditions of the insured's health insurance policy. If an insured's policy imposes a coinsurance payment for a claim that is subject to this paragraph, the coinsurance payment shall be based on the amount paid by the health insurer pursuant to this paragraph.

(2) For a noncontracting financially interested provider that makes a third-party premium payment or has a financial relationship with the entity making the third-party premium payment, the amount of reimbursement for covered services that shall be paid to the financially interested provider on behalf of the insured shall be governed by the terms and conditions of the insured's health insurance policy or the rate determined pursuant to the process described in this subdivision, whichever is lower, if a rate determination pursuant to that process is sought by either the provider or the health insurer. Financially interested providers shall not bill the insured nor seek reimbursement from the insured for services provided, except for cost sharing pursuant to the terms and conditions of the insured's health insurance policy. If the insured's policy imposes a coinsurance payment for a claim that is subject to this paragraph, the coinsurance payment shall be based on the amount paid by the health insurer pursuant to this paragraph. A claim submitted to a health insurer by a noncontracting financially interested provider may be considered an incomplete claim and contested by the health insurer pursuant to Section 10123.13 or 10123.147 if the financially interested provider has not provided the information as required in subdivision (c).

(f)

(1) By October 1, 2021, the department shall establish an independent dispute resolution process for the purpose of determining if the amount required to be reimbursed by subdivision (e) is appropriate.

(2) If either the provider or health insurer submits a claim to the department's independent dispute resolution process, the other party shall participate in the independent dispute resolution process.

(3) In making its determination, the independent organization shall consider information submitted by either party regarding the actual cost to provide services, patient eligibility for Medicare or Medi-Cal, and the rate that would be paid by Medicare or Medi-Cal for patients eligible for those programs.

(4) The health insurer shall implement the determination obtained through the independent dispute resolution process. The independent organization's determination of the amount required to be reimbursed shall apply for the duration of the policy year for that insured. If dissatisfied, either party may pursue any right, remedy, or penalty established under any other applicable law.

(5) In establishing the independent dispute resolution process, the department shall permit the bundling of claims submitted to the same insurer or the same delegated entity for the same or similar services. The department shall permit claims on behalf of multiple insureds from the same provider to the same health insurer to be combined into a single independent dispute resolution process.

(6) The department shall establish uniform written procedures for the submission, receipt, processing, and resolution of claim payment disputes pursuant to this section and any other guidelines for implementing this section.

(7) The department shall establish reasonable and necessary fees not to exceed the reasonable costs of administering this subdivision.

(8) The department may contract with one or more independent organizations to conduct the proceedings. The independent organization handling a dispute shall be independent of either party to the dispute.

(9) The department shall use conflict-of-interest standards consistent with the standards pursuant to subdivisions (c) and (d) of Section 10169.2.

(10) The department may contract with the same independent organization or organizations as the Department of Managed Health Care.

(11) The independent organization retained to conduct proceedings shall be deemed to be consultants for purposes of Section 43.98 of the Civil Code.

(12) Contracts entered into pursuant to the authority in this subdivision shall be exempt from Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, Section 19130 of the Government Code, and Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, and shall be exempt from the review or approval of any division of the Department of General Services.

(13) This subdivision does not alter a health insurer's obligations under Section 10123.13.

(14) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section by issuing guidance, without taking regulatory action, until regulations are adopted.

(g) For the purposes of this section, third-party premium payments only include health insurance premium payments made directly by a provider or other third party, made indirectly through payments to the individual for the purpose of making health insurance premium payments, or provided to one or more intermediaries with the intention that the funds be used to make health insurance premium payments for the individuals.

(h) The following definitions apply for purposes of this section:

(1) "Financially interested" includes any of the following entities:

(A) A provider of health care services that receives a direct or indirect financial benefit from a third-party premium payment.

(B) An entity that receives the majority of its funding from one or more financially interested providers of health care services, parent companies of providers of health care services, subsidiaries of health care service providers, or related entities.

(C) A chronic dialysis clinic that is operated, owned, or controlled by a parent entity or related entity that meets the definition of a large dialysis clinic organization (LDO) under the federal Centers for Medicare and Medicaid Services Comprehensive ESRD Care Model as of January 1, 2019. A chronic dialysis clinic that does not meet the definition of an LDO or has no more than 10 percent of California's market share of licensed chronic dialysis clinics shall not be considered financially interested for purposes of this section.

(2) "Health insurance" means an individual or group health insurance policy as defined in subdivision (b) of Section 106. The term does not include coverage of Medicare services pursuant to contracts with the United States government, Medicare supplement coverage, or specialized health insurance coverage as described in subdivision (c) of Section 106.

(3) "Insured" means an individual whose health insurance premiums are paid by a financially interested entity.

(4) "Provider" means a professional person, organization, health facility, or other person or institution that delivers or furnishes health care services.

(i) The following shall occur if a health insurer subsequently discovers that a financially interested entity fails to provide disclosure pursuant to subdivision (c):

(1) The health insurer shall be entitled to recover 120 percent of the difference between payment made to a provider and the payment to which the provider would have been entitled pursuant to subdivision (e), including interest on that difference.

(2) The health insurer shall notify the department of the amount by which the provider was overpaid and shall remit to the department any amount exceeding the difference between the

payment made to the provider and the payment to which the provider would have been entitled pursuant to subdivision (e), including interest on that difference that was recovered pursuant to paragraph (1).

(j) Commencing January 1, 2022, each health insurer licensed by the department and subject to this section shall provide to the department information regarding premium payments by financially interested entities and reimbursement for services to providers under subdivision ~~(d)~~(e). The information shall be provided at least annually at the discretion of the department and shall include, to the best of the health insurer's knowledge, the number of insureds whose premiums were paid by financially interested entities, disclosures provided to the insurer pursuant to subdivision (c), the identities of any providers whose reimbursement rate was governed by subdivision (e), the identities of any providers who failed to provide disclosure as described in subdivision (c), and, at the discretion of the department, additional information necessary for the implementation of this section.

(k) This section does not limit the authority of the Attorney General to take action to enforce this section.

(l) This section does not affect a contracted payment rate for a provider who is not financially interested.

(m) This section does not alter any of a health insurer's obligations and requirements under this part, including, but not limited to, the following:

(1) The obligation of a health insurer to fairly and affirmatively offer, market, sell, and issue a health benefit plan to any individual, consistent with Chapter 9.9 (commencing with Section 10965), or small employer, consistent with Chapter 8 (commencing with Section 10700).

(2) The obligations of a health insurer with respect to cancellation or nonrenewal as provided in this part, including, but not limited to, Sections 10273.4, 10273.6, and 10273.7.

(3) A health insurer may not deny coverage to an insured whose premiums are paid by a third party.

(n) This section does not supersede or modify any privacy and information security requirements and protections in federal and state law regarding protected health information or personally identifiable information, including, but not limited to, the federal Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Sec. 300gg).

(o) Notwithstanding clause (iii) of subparagraph (A) of paragraph (1) of subdivision (d) of Section 10965.3, an insured's loss of coverage due to a financially interested entity's failure to pay premiums on a timely basis shall be deemed a triggering event for special enrollment pursuant to subparagraph (A) of paragraph (1) of subdivision (d) of Section 10965.3.

SEC. 219. Section *10181.3* of the Insurance Code is amended to read:

10181.3.

(a)

(1) A health insurer shall file with the department all required rate information for grandfathered individual and grandfathered and nongrandfathered group health insurance policies at least 120 days before implementing any rate change.

(2) A health insurer shall file with the department all required rate information for nongrandfathered individual health insurance policies on the earlier of the following dates:

(A) One hundred days before the commencement of the annual enrollment period of the preceding policy year.

(B) The date specified in the federal guidance issued pursuant to Section 154.220(b) of Title 45 of the Code of Federal Regulations.

(3) For large group products that are either experience rated, in whole or blended, or community rated, a health insurer shall file the information required by this article at least annually and shall file 120 days before any change in the methodology, factors, or assumptions that would affect the rates paid by a large group.

(b) An insurer shall disclose to the department all of the following for each rate filing for products in the individual, small group, community-rated segment of the large group market, and experience-rated segment, in whole or blended, in the large group market:

(1) Company name and contact information.

(2) Number of policy forms covered by the filing.

(3) Policy form numbers covered by the filing.

(4) Product type, such as indemnity or preferred provider organization.

(5) Segment type.

(6) Type of insurer involved, such as for profit or not for profit.

(7) Whether the products are opened or closed.

(8) Enrollment in each policy and rating form.

(9) Insured months in each policy form.

(10) Annual rate.

(11) Total earned premiums in each policy form.

(12) Total incurred claims in each policy form.

(13) Average rate increase initially requested.

(14) Review category: initial filing for new product, filing for existing product, or resubmission.

(15) Average rate of increase.

(16) Effective date of rate increase.

(17) Number of policyholders or insureds affected by each policy form.

(18) A comparison of claims cost and rate of changes over time.

(19) Any changes in insured cost sharing over the prior year associated with the submitted rate filing.

(20) Any changes in insured benefits over the prior year associated with the submitted rate filing.

(21) The certification described in subdivision (b) of Section 10181.6.

(22) Any changes in administrative costs.

(23) Any other information required for rate review under PPACA.

(c) A health insurer subject to subdivision (a) shall disclose the following by geographic region for individual, grandfathered group, and nongrandfathered group policies:

(1) The insurer’s overall annual medical trend factor assumptions for all benefits and by aggregate benefit category, including hospital inpatient, hospital outpatient, physician services, prescription drugs and other ancillary services, laboratory, and radiology. The insurer shall also disclose integrated care management fees or other similar fees, as well as reclassification of services from one benefit category to another, such as from inpatient to outpatient.

(2) Aggregated additional data that demonstrates or reasonably estimates year-to-year cost increases in specific benefit categories.

(3) Information by benefit category that demonstrates the price paid compared to the price paid by the Medicare Program for the same services.

(4) Variation in trend, by geographic region, if the insurer serves more than one geographic region.

(d) A health insurer subject to subdivision (a) shall disclose, by geographic region for individual, grandfathered group, and nongrandfathered group policies, the amount of the projected trend attributable to the use of services, price inflation, or fees and risk for annual policy trends by aggregate benefit category, such as hospital inpatient, hospital outpatient, physician services, prescription drugs and other ancillary services, laboratory, and radiology.

(e) An insurer subject to subdivision (a) shall also disclose the following aggregate data for all rate filings submitted under this section in the individual and group health insurance markets:

(1) Number and percentage of rate filings reviewed by the following:

(A) Plan year.

(B) Segment type.

(C) Product type.

(D) Number of policyholders.

(E) Number of covered lives affected.

(2) The insurer's average rate increase by the following categories:

(A) Plan year.

(B) Segment type.

(C) Product type.

(3) Any cost containment and quality improvement efforts since the insurer's last rate filing for the same category of health benefit plan. To the extent possible, the insurer shall describe any significant new health care cost containment and quality improvement efforts and provide an estimate of potential savings together with an estimated cost or savings for the projection period. If rate filings in a prior year or years included a description of cost containment or quality improvement efforts, the insurer shall document the effects of those efforts, if any, including the impact on rates and documented improvements in quality, such as reduction of readmissions, reduction of emergency room use, or other recognized measures of quality improvement.

(f) For large group experience-rated, in whole or blended, and community-rated filings, the insurer shall also submit the following:

(1) The geographic regions used.

(2) Age, including age rating factors.

(3) Industry or occupation adjustments.

(4) Family composition.

(5) Insured cost sharing.

(6) Covered benefits in addition to basic health care services, as defined in subdivision (b) of Section 1345 of the Health and Safety Code, and other benefits mandated by this article.

(7) The base rate or rates and the factors used to determine the base rate or rates.

(8) Whether benefits, including prescription drugs, dental, and vision, are separately contracted.

(9) Variations in covered benefits, including durable medical equipment, infertility, and other similar benefits.

(10) Cost-sharing variations, described with actuarial value ranges and any expected impact on rates.

(11) Any other factor that affects the community rating.

(g) For large group filings that are experience rated, either in whole or blended, the insurer shall submit the methodology for modifying the rate based on experience.

(h)

(1) The department may require all health insurers to submit all rate filings to the National Association of Insurance Commissioners' System for Electronic Rate and Form Filing (SERFF). Submission of the required rate filings to SERFF shall be deemed to be filing with the department for purposes of compliance with this section.

(2) If California-specific information is required, the department may require additional schedules or documents.

(i) A health insurer shall submit any other information required under PPACA. A health insurer shall also submit any other information required pursuant to a regulation adopted by the department to comply with this article.

(j)

(1) A health insurer shall respond to the department's request for any additional information necessary for the department to complete its review of the health insurer's rate filing for individual and group health insurance policies under this article within five business days of the department's request or as otherwise required by the department.

(2) Except as provided in paragraph (3), the department shall determine whether a health insurer's rate change for individual and small group insurance policies is unreasonable or not justified no later than 60 days following receipt of all the information the department requires to make its determination. For both experience-rated, in whole or blended, and community-rated large groups, the department shall determine whether the methodology, factors, and assumptions used to determine rates are unreasonable or not justified no later than 60 days following receipt of all the information the department requires to make its determination.

(3) For all nongrandfathered individual health insurance policies, the department shall issue a determination that the health insurer's rate change is unreasonable or not justified no later than 15 days before the start of the next annual enrollment period. If a health insurer fails to provide all the information the department requires in order for the department to make its determination, the department may determine that a health insurer's rate change is unreasonable or not justified.

(4) The department may contract with a consultant or consultants with expertise to assist the department in its review. Contracts entered into pursuant to the authority in this article shall be exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, and the State Contract Act (Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code).

(k) If the department determines that a health insurer's rate change for individual or group health insurance policies is unreasonable or not justified consistent with this article, the health insurer shall provide notice of that determination to any individual or group applicant. For both experience-rated, in whole or blended, and ~~community-rated~~community-rated large groups, the determination by the department shall apply to methodology, factors, and assumptions used to determine rates. The notice provided to an individual applicant shall be consistent with the notice described in subdivision (c) of

Section 10113.9. The notice provided to a group applicant shall be consistent with the notice described in subdivision (d) of Section 10199.1.

(l) Failure to provide the information required by subdivision (b), (c), (d), (e), (f), or (g) shall constitute an unjustified rate.

(m) For purposes of this section, “policy year” has the same meaning as set forth in subdivision (g) of Section 10965.

(n)

(1) The department may adopt emergency regulations implementing this section. The department may, on a one-time basis, readopt an emergency regulation authorized by this section that is the same as, or substantially equivalent to, an emergency regulation previously adopted under this section.

(2) The initial adoption of emergency regulations implementing this section and the readoption of emergency regulations authorized by this subdivision shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. The initial emergency regulations and the readoption of emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and each shall remain in effect for no more than 180 days, by which time final regulations may be adopted.

(o) The amendments made to this section by ~~Assembly~~Chapter 807 of the Statutes of 2019 (Assembly Bill 731 of the 2019–20 Regular ~~Session~~Session) shall become operative on July 1, 2020.

SEC. 220. Section *10192.92* of the Insurance Code is amended to read:

10192.92.

The following standards are applicable to all Medicare supplement policies or certificates delivered or issued for delivery in this state to individuals newly eligible for Medicare on or after January 1, 2020. ~~No~~A policy or certificate that provides coverage of the Medicare Part B deductible ~~may~~shall not be advertised, solicited, delivered, or issued for delivery in the state as a Medicare supplement policy or certificate to individuals newly eligible for Medicare on or after January 1, 2020. All policies must comply with the following benefit standards. Benefit plan standards applicable to Medicare supplement policies and certificates issued to individuals eligible for Medicare before January 1, 2020, remain subject to the requirements of Section 10192.91 or ~~Section~~ 10192.9, as applicable.

(a) The standards and requirements of Section 10192.91 ~~shall~~ apply to all Medicare supplement policies delivered or issued for delivery to individuals newly eligible for Medicare on or after January 1, 2020, with the following exceptions:

(1) Standardized Medicare supplement benefit plan C is redesignated as plan D and shall provide the benefits described in paragraph (3) of subdivision (e) of Section 10192.91 but shall not provide coverage for 100 percent, or any portion, of the Medicare Part B deductible.

(2) Standardized Medicare supplement benefit plan F is redesignated as plan G and shall provide the benefits described in paragraph (5) of subdivision (e) of Section 10192.91, but shall not provide coverage for 100 percent, or any portion, of the Medicare Part B deductible.

(3) Standardized Medicare supplement benefit plans C, F, and high deductible plan F may not be offered to individuals newly eligible for Medicare on or after January 1, 2020.

(4) Standardized Medicare supplement benefit high deductible plan F is redesignated as high deductible plan G and shall provide the benefits described for standardized Medicare supplement benefit high deductible plan F in paragraph (6) of subdivision (e) of Section 10192.91, but shall not provide coverage for 100 percent, or any portion, of the Medicare Part

B deductible. The Medicare Part B deductible paid by the beneficiary shall be considered an out-of-pocket expense in meeting the annual deductible under high deductible plan G.

(5) The reference to standardized Medicare supplement benefit ~~plans~~plan C or F in paragraph (2) of subdivision (a) of Section 10192.91 shall, for purposes of this section, be deemed a reference to standardized Medicare supplement benefit plan D or G, respectively.

(b) This section ~~shall apply~~applies only to individuals who are newly eligible for Medicare on or after January 1, 2020. For purposes of this section, "newly eligible Medicare beneficiary" means an individual who satisfies one of the following:

(1) The individual has attained 65 years of age on or after January 1, 2020.

(2) The individual is entitled to benefits under Medicare Part A pursuant to Section 226(b) or 226A of the federal Social Security Act, or is deemed eligible for benefits under Section 226(a) of the federal Social Security Act, on or after January 1, 2020.

(c) For purposes of subdivision (e) of Section 10192.12, in the case of an individual newly eligible for Medicare on or after January 1, 2020, any reference to standardized Medicare supplement benefit plan C, plan F, or high deductible plan F shall be deemed to be a reference to standardized Medicare supplement benefit plan D, plan G, or high deductible plan G, respectively, that meet the requirements of subdivision (a).

(d) On or after January 1, 2020, the standardized Medicare supplement benefit plans described in paragraph (4) of subdivision (a) may be offered to any individual who was eligible for Medicare prior to January 1, 2020, in addition to the standardized Medicare supplement benefit plans described in subdivision (e) of Section 10192.91.

SEC. 221. Section *10235.45* of the Insurance Code is amended to read:

10235.45.

(a) If a life insurance policy issued on or after January 1, 2021, contains long-term care benefits and permits policy loans or cash withdrawals, then access to those loans or withdrawals shall not be prohibited or limited due to the payment of long-term care benefits, except as provided in paragraphs (1) and (2).

(1) Payment of an accelerated death benefit for long-term care shall result in no more than a pro rata reduction in the cash value of the life insurance policy. A reduction in cash value shall be proportionally equal to the percentage of death benefits accelerated to produce the accelerated death benefit payment. Future access to policy loans may be limited to the remaining cash value.

(2) Notwithstanding paragraph (1), payment of an accelerated death benefit for long-term care may be considered a lien against the death benefit of the life insurance policy, and access to the cash value of the life insurance policy may be restricted to the excess of the cash value over the sum of any outstanding policy loans and the lien. Future access to policy loans and cash withdrawals may also be limited to the excess of the cash value over the sum of any outstanding policy loans and the lien.

(b) If payment of an accelerated death benefit for long-term care results in a pro rata reduction in the cash value of the life insurance policy, the payment may be applied toward repayment of a pro rata portion of outstanding policy loans. The amount of the loan repayment shall be proportionally equal to the percentage of death benefits accelerated to produce the accelerated death benefit payment.

(c) At least 30 days before the first payment of an accelerated death benefit for long-term care, the insurer shall send the policyholder or certificate holder a statement that includes all of the following:

(1) The scheduled payment date and an option to cancel the payment before the payment date. The policyholder or certificate holder may cancel the payment by contacting the insurer at the insurer's address or telephone number at any time before the payment date.

(2) An explanation of any changes to the policy that would occur as a result of the payment, including, but not limited to, a prohibition or limitation of access to loans or cash withdrawals.

(3) A numerical demonstration of the effect of the payment on the remaining death benefit, cash value or accumulation amount, policy loan value, outstanding policy loan amount, no-lapse guarantee, policy lien, and premium payments or cost of insurance charges.

(4) A notice stating: "WARNING: Payment of an accelerated death benefit for long-term care will reduce and may potentially eliminate your death benefit. Receipt of an accelerated death benefit for long-term care may be taxable and may also adversely affect your eligibility for Medicaid or other government entitlements. Please consult a financial advisor."

(d) The statement required by subdivision (c) is required only once per policy, or once per policyholder if a policy has multiple policyholders, and does not need to be provided for later accelerated death benefit claims by the same policyholder.

(e) No later than 30 days after every payment of an accelerated death benefit for long-term care, the insurer shall provide the policyholder or certificate holder with a report that includes all of the following:

(1) The accelerated death benefits paid out during the prior month.

(2) An explanation of any changes to the remaining death benefit, cash value or accumulation account, policy loan value, outstanding policy loan amount, no-lapse guarantee, policy lien, and premium payments or cost of insurance charges.

(3) The amount of the remaining benefits that can be accelerated.

(f) If a policyholder or ~~certificateholder~~certificate holder initiates a request to take a loan or withdrawal from the cash value of a life insurance policy that accelerates benefits for long-term care, the insurer shall provide the policyholder or ~~certificateholder~~certificate holder with the information described in paragraphs (1) to (7), inclusive, of this subdivision. The request shall be deemed incomplete, and the insurer shall not approve the loan or withdrawal, until the information has been provided and the policyholder or ~~certificateholder~~certificate holder submits a response that finalizes the request for the loan or withdrawal. The insurer shall send the policyholder or ~~certificateholder~~certificate holder a dated statement that includes all of the following:

(1) An explanation of any changes to the policy that would occur as a result of the loan or withdrawal.

(2) A numerical demonstration of the effect of the payment on the remaining death benefit, cash value or accumulation amount, policy loan value, outstanding policy loan amount, no-lapse guarantee, policy lien, premium payments or cost of insurance charges, and daily, monthly, or lifetime long-term care benefits.

(3) If a policyholder or ~~certificateholder~~certificate holder is initiating a request for a loan, a notice stating: "WARNING: Loans may reduce and potentially eliminate your death benefit and your long-term care benefits. Receipt of a loan may adversely affect your eligibility for Medicaid or other government entitlements, and loan proceeds may be taxable at your death if the loan is not repaid. Please consult a financial advisor."

(4) If a policyholder or ~~certificateholder~~certificate holder is initiating a request for a withdrawal, a notice stating: "WARNING: Cash withdrawals may reduce and potentially eliminate your death benefit and your long-term care benefits. Receipt of a cash withdrawal may be taxable and may also adversely affect your eligibility for Medicaid or other government benefits or entitlements. Please consult a financial advisor."

(5) A description of circumstances in which a loan or withdrawal may result in or contribute to the lapse of the policy.

(6) If applicable, a hypothetical demonstration of how loan repayment may be deducted from a future payment of an accelerated death benefit for long-term care.

(7) If applicable, a notice explaining the rate at which the loan will accrue interest and stating the projected outstanding loan amount after five years, assuming that the interest rate does not change, no loan repayments are made, and no additional loans are taken.

(g) The statements and notices required by this section shall be in at least 12-point type.

SEC. 222. Section *220* of the Labor Code is amended to read:

220.

(a) Sections 201.3, 201.5, 201.6, 201.7, 201.8, 203.1, 203.5, 204, 204a, 204b, 204c, 204.1, 205, and 205.5 do not apply to the payment of wages of employees directly employed by the State of California. Except as provided in subdivision (b), all other employment is subject to these provisions.

(b) Sections 200 to 211, inclusive, and Sections 215 to 219, inclusive, do not apply to the payment of wages of employees directly employed by any county, incorporated city, or town or other municipal corporation. All other employments are subject to these provisions.

SEC. 223. Section *1197.1* of the Labor Code is amended to read:

1197.1.

(a) Any employer or other person acting either individually or as an officer, agent, or employee of another person, who pays or causes to be paid to any employee a wage less than the minimum fixed by an applicable state or local law, or by an order of the commission, shall be subject to a civil penalty, restitution of wages, liquidated damages payable to the employee, and any applicable penalties imposed pursuant to Section 203 as follows:

(1) For any initial violation that is intentionally committed, one hundred dollars ($100) for each underpaid employee for each pay period for which the employee is underpaid. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203.

(2) For each subsequent violation for the same specific offense, two hundred fifty dollars ($250) for each underpaid employee for each pay period for which the employee is underpaid regardless of whether the initial violation is intentionally committed. This amount shall be in addition to an amount sufficient to recover underpaid wages, liquidated damages pursuant to Section 1194.2, and any applicable penalties imposed pursuant to Section 203.

(3) Wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203, recovered pursuant to this section shall be paid to the affected employee.

(b) If, upon inspection or investigation, the Labor Commissioner determines that a person has paid or caused to be paid a wage less than the minimum under applicable law, the Labor Commissioner may issue a citation to the person in violation. In addition, if, upon inspection or investigation, the Labor Commissioner determines that an employer has paid or caused to be paid a wage less than the wage set by contract in excess of the applicable minimum wage, the Labor Commissioner may issue a citation to the employer in violation to recover restitution of those amounts owed. The citation may be served personally, in the same manner as provided for service of a summons as described in Chapter 4 (commencing with Section 413.10) of Title 5 of Part 2 of the Code of Civil Procedure, by certified mail with return receipt requested, or by registered mail in accordance with subdivision (c) of Section 11505 of the Government Code. Each citation shall be in writing and shall describe the nature of the violation,

including reference to the statutory provision alleged to have been violated, if contract wages are unpaid, or both. The Labor Commissioner shall promptly take all appropriate action, in accordance with this section, to enforce the citation and to recover the civil penalty assessed, wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203 in connection with the citation.

(c)

(1) If a person desires to contest a citation or the proposed assessment of a civil penalty, wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203 therefor, the person shall, within 15 business days after service of the citation, notify the office of the Labor Commissioner that appears on the citation of their appeal by a request for an informal hearing. The Labor Commissioner or their deputy or agent shall, within 30 days, hold a hearing at the conclusion of which the citation or proposed assessment of a civil penalty, wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203 shall be affirmed, modified, or dismissed.

(2) The decision of the Labor Commissioner shall consist of a notice of findings, findings, and an order, all of which shall be served on all parties to the hearing within 15 days after the hearing by regular first-class mail at the last known address of the party on file with the Labor Commissioner. Service shall be completed pursuant to Section 1013 of the Code of Civil Procedure. Any amount found due by the Labor Commissioner as a result of a hearing shall become due and payable 45 days after notice of the findings ~~and~~, written findings, and order have been mailed to the party assessed. A writ of mandate may be taken from this finding to the appropriate superior court. The party shall pay any judgment and costs ultimately rendered by the court against the party for the assessment. The writ shall be taken within 45 days of service of the notice of findings, findings, and order thereon.

(3) As a condition to filing a petition for a writ of mandate, the petitioner seeking the writ shall first post a bond with the Labor Commissioner equal to the total amount of any minimum wages, contract wages, liquidated damages, and overtime compensation that are due and owing as determined pursuant to subdivision (b) of Section 558, as specified in the citation being challenged. The bond amount shall not include amounts for penalties. The bond shall be issued by a surety duly authorized to do business in this state, shall be issued in favor of unpaid employees, and shall ensure that the petitioner makes payments as set forth in this paragraph. If a decision is entered which affirms or modifies the amounts for minimum wages, contract wages, liquidated damages, or overtime compensation, the petitioner shall pay the amounts owed for the specified items included in a clerk's judgment entered under subdivision (f) based on the decision, or pursuant to a court judgment in a writ of mandate proceeding under paragraph (2). If the request for a writ is withdrawn or dismissed without entry of judgment, the petitioner shall pay the amounts owed for the specified items pursuant to the citation, or the administrative decision if a pending writ of mandate is dismissed prior to a court decision, unless the parties have executed a settlement agreement for payment of some other amount. In the case of a settlement agreement, the petitioner shall pay the amount they are obligated to pay under the terms of the settlement.

(4) If the employer fails to pay the amount of minimum wages, contract wages, liquidated damages, or overtime compensation owed within 10 days of the entry of judgment, dismissal or withdrawal of writ, or the execution of a settlement agreement, a portion of the undertaking, described in paragraph (3), equal to the amount owed, or the entire undertaking if the amount owed exceeds the undertaking, shall be forfeited to the Labor Commissioner for appropriate distribution.

(d) A person to whom a citation has been issued shall, in lieu of contesting a citation pursuant to this section, transmit to the office of the Labor Commissioner designated on the citation the amount specified for the violation within 15 business days after issuance of the citation.

(e) When no petition objecting to a citation or the proposed assessment of a civil penalty, wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203 is filed, a certified copy of the citation or proposed civil penalty, wages, liquidated damages, and any applicable penalties

imposed pursuant to Section 203 may be filed by the Labor Commissioner in the office of the clerk of the superior court in any county in which the person assessed has or had a place of business. The clerk, immediately upon the filing, shall enter judgment for the state against the person assessed in the amount shown on the citation or proposed assessment of a civil penalty, wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203.

(f) When findings and the order thereon are made affirming or modifying a citation or proposed assessment of a civil penalty, wages, liquidated damages, and any applicable penalties imposed pursuant to Section 203 after hearing, a certified copy of these findings and the order entered thereon may be entered by the Labor Commissioner in the office of the clerk of the superior court in any county in which the person assessed has property or in which the person assessed has or had a place of business. The clerk, immediately upon the filing, shall enter judgment for the state against the person assessed in the amount shown on the certified order.

(g) A judgment entered pursuant to this section shall bear the same rate of interest and shall have the same effect as other judgments and be given the same preference allowed by the law on other judgments rendered for claims for taxes. The clerk shall make no charge for the service provided by this section to be performed by them.

(h) In a jurisdiction where a local entity has the legal authority to issue a citation against an employer for a violation of any applicable local minimum wage law, the Labor Commissioner, pursuant to a request from the local entity, may issue a citation against an employer for a violation of any applicable local minimum wage law if the local entity has not cited the employer for the same violation. If the Labor Commissioner issues a citation, the local entity shall not cite the employer for the same violation.

(i) The civil penalties provided for in this section are in addition to any other penalty provided by law.

(j) This section ~~shall~~does not apply to any order of the commission relating to household occupations.

(k) This section does not change the applicability of local minimum wage laws to any entity.

(l) “Contract wages,” as used in this section, means wages based upon an agreement, in excess of the applicable minimum wage, for regular, nonovertime hours.

SEC. 224. Section *2750.3* of the Labor Code is amended to read:

2750.3.

(a)

(1) For purposes of the provisions of this code and the Unemployment Insurance Code, and for the wage orders of the Industrial Welfare Commission, a person providing labor or services for remuneration shall be considered an employee rather than an independent contractor unless the hiring entity demonstrates that all of the following conditions are satisfied:

(A) The person is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.

(B) The person performs work that is outside the usual course of the hiring entity’s business.

(C) The person is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

(2) Notwithstanding paragraph (1), any exceptions to the terms “employee,” “employer,” “employ,” or “independent contractor,” and any extensions of employer status or liability, that are expressly made by a provision of this code, the Unemployment Insurance Code, or in an applicable order of the Industrial Welfare Commission, including, but not limited to, the definition of “employee” in subdivision 2(E) of Wage Order No. 2, shall remain in effect for the purposes set forth therein.

(3) If a court of law rules that the three-part test in paragraph (1) cannot be applied to a particular context based on grounds other than an express exception to employment status as provided under paragraph (2), then the determination of employee or independent contractor status in that context shall instead be governed by the California Supreme Court's decision in *S. G. Borello & Sons, Inc. v. Department of Industrial Relations (1989) 48 Cal.3d 341 (Borello)*.

(b) Subdivision (a) and the holding in *Dynamex Operations West, Inc. v. Superior Court of Los Angeles (2018) 4 Cal.5th 903 (Dynamex)*, do not apply to the following occupations as defined in the paragraphs below, and instead, the determination of employee or independent contractor status for individuals in those occupations shall be governed by Borello.

(1) A person or organization who is licensed by the Department of Insurance pursuant to Chapter 5 (commencing with Section 1621), Chapter 6 (commencing with Section 1760), or Chapter 8 (commencing with Section 1831) of Part 2 of Division 1 of the Insurance Code.

(2) A physician and surgeon, dentist, podiatrist, psychologist, or veterinarian licensed by the State of California pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, performing professional or medical services provided to or by a health care entity, including an entity organized as a sole proprietorship, partnership, or professional corporation as defined in Section 13401 of the Corporations Code. ~~Nothing in~~ This subdivision ~~shall~~does not apply to the employment settings currently or potentially governed by collective bargaining agreements for the licensees identified in this paragraph.

(3) An individual who holds an active license from the State of California and is practicing one of the following recognized professions: lawyer, architect, engineer, private investigator, or accountant.

(4) A securities broker-dealer or investment adviser or their agents and representatives that are registered with the Securities and Exchange Commission or the Financial Industry Regulatory Authority or licensed by the State of California under Chapter 2 (commencing with Section 25210) or Chapter 3 (commencing with Section 25230) of Division 1 of Part 3 of Title 4 of the Corporations Code.

(5) A direct sales salesperson as described in Section 650 of the Unemployment Insurance Code, so long as the conditions for exclusion from employment under that section are met.

(6) A commercial fisherman working on an American vessel as defined in subparagraph (A) below.

(A) For the purposes of this paragraph:

(i) "American vessel" has the same meaning as defined in Section 125.5 of the Unemployment Insurance Code.

(ii) "Commercial fisherman" means a person who has a valid, unrevoked commercial fishing license issued pursuant to Article 3 (commencing with Section 7850) of Chapter 1 of Part 3 of Division 6 of the Fish and Game Code.

(iii) "Working on an American vessel" means the taking or the attempt to take fish, shellfish, or other fishery resources of the state by any means, and includes each individual aboard an American vessel operated for fishing purposes who participates directly or indirectly in the taking of these raw fishery products, including maintaining the vessel or equipment used aboard the vessel. However, "working on an American vessel" does not apply to anyone aboard a licensed commercial fishing vessel as a visitor or guest who does not directly or indirectly participate in the taking.

(B) For the purposes of this paragraph, a commercial fisherman working on an American vessel is eligible for unemployment insurance benefits if they meet the definition of "employment" in Section 609 of the Unemployment Insurance Code and are otherwise eligible for those benefits pursuant to the provisions of the Unemployment Insurance Code.

(C) On or before March 1, 2021, and each March 1 thereafter, the Employment Development Department shall issue an annual report to the Legislature on the use of unemployment insurance in the commercial fishing industry. This report shall include, but not be limited to, reporting the number of commercial fishermen who apply for unemployment insurance benefits, the number of commercial fishermen who have their claims disputed, the number of commercial fishermen who have their claims denied, and the number of commercial fishermen who receive unemployment insurance benefits. The report required by this subparagraph shall be submitted in compliance with Section 9795 of the Government Code.

(D) This paragraph shall become inoperative on January 1, 2023, unless extended by the Legislature.

(7) A newspaper distributor working under contract with a newspaper publisher, as defined in subparagraph (A), and a newspaper carrier working under contract either with a newspaper publisher or newspaper distributor.

(A) For purposes of this paragraph:

(i) "Newspaper" means a newspaper of general circulation, as defined in Section 6000 of the Government Code, and any other publication circulated to the community in general as an extension of or substitute for that newspaper's own publication, whether that publication be designated a "shoppers' guide," as a zoned edition, or otherwise.

(ii) "Publisher" means the natural or corporate person that manages the newspaper's business operations, including circulation.

(iii) "Newspaper distributor" means a person or entity that contracts with a publisher to distribute newspapers to the community.

(iv) "Carrier" means a person who effects physical delivery of the newspaper to the customer or reader.

(B) This paragraph shall become inoperative on January 1, 2021, unless extended by the Legislature.

(c)

(1) Subdivision (a) and the holding in Dynamex do not apply to a contract for "professional services" as defined below, and instead the determination of whether the individual is an employee or independent contractor shall be governed by Borello if the hiring entity demonstrates that all of the following factors are satisfied:

(A) The individual maintains a business location, which may include the individual's residence, that is separate from the hiring entity. ~~Nothing in~~ This subdivision ~~prohibits~~does not prohibit an individual from choosing to perform services at the location of the hiring entity.

(B) If work is performed more than six months after the effective date of this section, the individual has a business license, in addition to any required professional licenses or permits for the individual to practice in their profession.

(C) The individual has the ability to set or negotiate their own rates for the services performed.

(D) Outside of project completion dates and reasonable business hours, the individual has the ability to set the individual's own hours.

(E) The individual is customarily engaged in the same type of work performed under contract with another hiring entity or holds themselves out to other potential customers as available to perform the same type of work.

(F) The individual customarily and regularly exercises discretion and independent judgment in the performance of the services.

(2) For purposes of this subdivision:

(A) An "individual" includes an individual providing services through a sole proprietorship or other business entity.

(B) "Professional services" means services that meet any of the following:

(i) Marketing, provided that the contracted work is original and creative in character and the result of which depends primarily on the invention, imagination, or talent of the employee or work that is an essential part of or necessarily incident to any of the contracted work.

(ii) Administrator of human resources, provided that the contracted work is predominantly intellectual and varied in character and is of such character that the output produced or the result accomplished cannot be standardized in relation to a given period of time.

(iii) Travel agent services provided by either of the following: (I) a person regulated by the Attorney General under Article 2.6 (commencing with Section 17550) of Chapter 1 of Part 3 of Division 7 of the Business and Professions Code, or (II) an individual who is a seller of travel within the meaning of subdivision (a) of Section 17550.1 of the Business and Professions Code and who is exempt from the registration under subdivision (g) of Section 17550.20 of the Business and Professions Code.

(iv) Graphic design.

(v) Grant writer.

(vi) Fine artist.

(vii) Services provided by an enrolled agent who is licensed by the United States Department of the Treasury to practice before the Internal Revenue Service pursuant to Part 10 of Subtitle A of Title 31 of the Code of Federal Regulations.

(viii) Payment processing agent through an independent sales organization.

(ix) Services provided by a still photographer or photojournalist who ~~do~~does not license content submissions to the putative employer more than 35 times per year. This clause is not applicable to an individual who works on motion pictures, which includes, but is not limited to, projects produced for theatrical, television, internet streaming for any device, commercial productions, broadcast news, music videos, and live shows, whether distributed live or recorded for later broadcast, regardless of the distribution platform. For purposes of this clause a "submission" is one or more items or forms of content produced by a still photographer or photojournalist that: (I) pertains to a specific event or specific subject; (II) is provided for in a contract that defines the scope of the work; and (III) is accepted by and licensed to the publication or stock photography company and published or posted. ~~Nothing in~~ This section ~~shall~~does not prevent a photographer or artist from displaying their work product for sale.

(x) Services provided by a freelance writer, editor, or newspaper cartoonist who does not provide content submissions to the putative employer more than 35 times per year. Items of content produced on a recurring basis related to a general topic shall be considered separate submissions for purposes of calculating the 35 times per year. For purposes of this clause, a "submission" is one or more items or forms of content produced by a freelance journalist that: (I) pertains to a specific event or topic; (II) is provided for in a contract that defines the scope of the work; and (III) is accepted by the publication or company and published or posted for sale.

(xi) Services provided by a licensed esthetician, licensed electrologist, licensed manicurist, licensed barber, or licensed cosmetologist provided that the individual:

(I) Sets their own rates, processes their own payments, and is paid directly by clients.

(II) Sets their own hours of work and has sole discretion to decide the number of clients and which clients for whom they will provide services.

(III) Has their own book of business and schedules their own appointments.

(IV) Maintains their own business license for the services offered to clients.

(V) If the individual is performing services at the location of the hiring entity, then the individual issues a Form 1099 to the salon or business owner from which they rent their business space.

(VI) This subdivision shall become inoperative, with respect to licensed manicurists, on January 1, 2022.

(d) Subdivision (a) and the holding in Dynamex do not apply to the following, which are subject to the Business and Professions Code:

(1) A real estate licensee licensed by the State of California pursuant to Division 4 (commencing with Section 10000) of the Business and Professions Code, for whom the determination of employee or independent contractor status shall be governed by subdivision (b) of Section 10032 of the Business and Professions Code. If that section is not applicable, then this determination shall be governed as follows: (A) for purposes of unemployment insurance by Section 650 of the Unemployment Insurance Code; (B) for purposes of~~workers~~workers' compensation by Section 3200 et seq.; and (C) for all other purposes in the Labor Code by Borello. The statutorily imposed duties of a responsible broker under Section 10015.1 of the Business and Professions Code are not factors to be considered under the Borello test.

(2) A repossession agency licensed pursuant to Section 7500.2 of the Business and Professions Code, for whom the determination of employee or independent contractor status shall be governed by Section 7500.2 of the Business and Professions Code, if the repossession agency is free from the control and direction of the hiring person or entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.

(e) Subdivision (a) and the holding in Dynamex do not apply to a bona fide business-to-business contracting relationship, as defined below, under the following conditions:

(1) If a business entity formed as a sole proprietorship, partnership, limited liability company, limited liability partnership, or corporation ("business service provider") contracts to provide services to another such business ("contracting business"), the determination of employee or independent contractor status of the business services provider shall be governed by Borello, if the contracting business demonstrates that all of the following criteria are satisfied:

(A) The business service provider is free from the control and direction of the contracting business entity in connection with the performance of the work, both under the contract for the performance of the work and in fact.

(B) The business service provider is providing services directly to the contracting business rather than to customers of the contracting business.

(C) The contract with the business service provider is in writing.

(D) If the work is performed in a jurisdiction that requires the business service provider to have a business license or business tax registration, the business service provider has the required business license or business tax registration.

(E) The business service provider maintains a business location that is separate from the business or work location of the contracting business.

(F) The business service provider is customarily engaged in an independently established business of the same nature as that involved in the work performed.

(G) The business service provider actually contracts with other businesses to provide the same or similar services and maintains a clientele without restrictions from the hiring entity.

(H) The business service provider advertises and holds itself out to the public as available to provide the same or similar services.

(I) The business service provider provides its own tools, vehicles, and equipment to perform the services.

(J) The business service provider can negotiate its own rates.

(K) Consistent with the nature of the work, the business service provider can set its own hours and location of work.

(L) The business service provider is not performing the type of work for which a license from the Contractor's State License Board is required, pursuant to Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code.

(2) This subdivision does not apply to an individual worker, as opposed to a business entity, who performs labor or services for a contracting business.

(3) The determination of whether an individual working for a business service provider is an employee or independent contractor of the business service provider is governed by paragraph (1) of subdivision (a).

(4) This subdivision does not alter or supersede any existing rights under Section 2810.3.

(f) Subdivision (a) and the holding in Dynamex do not apply to the relationship between a contractor and an individual performing work pursuant to a subcontract in the construction industry, and instead the determination of whether the individual is an employee of the contractor shall be governed by Section 2750.5 and by Borello, if the contractor demonstrates that all the following criteria are satisfied:

(1) The subcontract is in writing.

(2) The subcontractor is licensed by the Contractors State License Board and the work is within the scope of that license.

(3) If the subcontractor is domiciled in a jurisdiction that requires the subcontractor to have a business license or business tax registration, the subcontractor has the required business license or business tax registration.

(4) The subcontractor maintains a business location that is separate from the business or work location of the contractor.

(5) The subcontractor has the authority to hire and to fire other persons to provide or to assist in providing the services.

(6) The subcontractor assumes financial responsibility for errors or omissions in labor or services as evidenced by insurance, legally authorized indemnity obligations, performance bonds, or warranties relating to the labor or services being provided.

(7) The subcontractor is customarily engaged in an independently established business of the same nature as that involved in the work performed.

(8)

(A) Paragraph (2) shall not apply to a subcontractor providing construction trucking services for which a contractor's license is not required by Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code, provided that all of the following criteria are satisfied:

(i) The subcontractor is a business entity formed as a sole proprietorship, partnership, limited liability company, limited liability partnership, or corporation.

(ii) For work performed after January 1, 2020, the subcontractor is registered with the Department of Industrial Relations as a public works contractor pursuant to Section 1725.5, regardless of whether the subcontract involves public work.

(iii) The subcontractor utilizes its own employees to perform the construction trucking services, unless the subcontractor is a sole proprietor who operates their own truck to perform the entire subcontract and holds a valid motor carrier permit issued by the Department of Motor Vehicles.

(iv) The subcontractor negotiates and contracts with, and is compensated directly by, the licensed contractor.

(B) For work performed after January 1, 2020, any business entity that provides construction trucking services to a licensed contractor utilizing more than one truck shall be deemed the employer for all drivers of those trucks.

(C) For purposes of this paragraph, "construction trucking services" mean hauling and trucking services provided in the construction industry pursuant to a contract with a licensed contractor utilizing vehicles that require a commercial driver's license to operate or have a gross vehicle weight rating of 26,001 or more pounds.

(D) This paragraph shall only apply to work performed before January 1, 2022.

(E) ~~Nothing in~~ This paragraph ~~prohibits~~does not prohibit an individual who owns their truck from working as an employee of a trucking company and utilizing that truck in the scope of that employment. An individual employee providing their own truck for use by an employer trucking company shall be reimbursed by the trucking company for the reasonable expense incurred for the use of the ~~employee owned~~employee-owned truck.

(g) Subdivision (a) and the holding in Dynamex do not apply to the relationship between a referral agency and a service provider, as defined below, under the following conditions:

(1) If a business entity formed as a sole proprietor, partnership, limited liability company, limited liability partnership, or corporation ("service provider") provides services to clients through a referral agency, the determination whether the service provider is an employee of the referral agency shall be governed by Borello, if the referral agency demonstrates that all of the following criteria are satisfied:

(A) The service provider is free from the control and direction of the referral agency in connection with the performance of the work for the client, both as a matter of contract and in fact.

(B) If the work for the client is performed in a jurisdiction that requires the service provider to have a business license or business tax registration, the service provider has the required business license or business tax registration.

(C) If the work for the client requires the service provider to hold a state contractor's license pursuant to Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code, the service provider has the required contractor's license.

(D) The service provider delivers services to the client under the service provider's name, rather than under the name of the referral agency.

(E) The service provider provides its own tools and supplies to perform the services.

(F) The service provider is customarily engaged in an independently established business of the same nature as that involved in the work performed for the client.

(G) The service provider maintains a clientele without any restrictions from the referral agency and the service provider is free to seek work elsewhere, including through a competing agency.

(H) The service provider sets its own hours and terms of work and is free to accept or reject clients and contracts.

(I) The service provider sets its own rates for services performed, without deduction by the referral agency.

(J) The service provider is not penalized in any form for rejecting clients or contracts. This subparagraph does not apply if the service provider accepts a client or contract and then fails to fulfill any of its contractual obligations.

(2) For purposes of this subdivision, the following definitions apply:

(A) "Animal services" means services related to daytime and nighttime pet care including pet boarding under Section 122380 of the Health and Safety Code.

(B) "Client" means a person or business that engages a service contractor through a referral agency.

(C) "Referral agency" is a business that connects clients with service providers that provide graphic design, photography, tutoring, event planning, minor home repair, moving, home cleaning, errands, furniture assembly, animal services, dog walking, dog grooming, web design, picture hanging, pool cleaning, or yard cleanup.

(D) "Referral agency contract" is the agency's contract with clients and service contractors governing the use of its intermediary services described in subparagraph (C).

(E) "Service provider" means a person or business who agrees to the referral agency's contract and uses the referral agency to connect with clients.

(F) "Tutor" means a person who develops and teaches their own curriculum. A "tutor" does not include a person who teaches a curriculum created by a public school or who contracts with a public school through a referral company for purposes of teaching students of a public school.

(3) This subdivision does not apply to an individual worker, as opposed to a business entity, who performs services for a client through a referral agency. The determination of whether such an individual is an employee of a referral agency is governed by subdivision (a).

(h) Subdivision (a) and the holding in Dynamex do not apply to the relationship between a motor club holding a certificate of authority issued pursuant to Chapter 2 (commencing with Section 12160) of Part 5 of Division 2 of the Insurance Code and an individual performing services pursuant to a contract between the motor club and a third party to provide motor club services utilizing the employees and vehicles of the third party and, instead, the determination of whether such an individual is an employee of the motor club shall be governed by Borello, if the motor club demonstrates that the third party is a separate and independent business from the motor club.

(i)

(1) The addition of subdivision (a) to this section of the Labor Code by this act does not constitute a change in, but is declaratory of, existing law with regard to wage orders of the Industrial Welfare Commission and violations of the Labor Code relating to wage orders.

(2) Insofar as the application of subdivisions (b), (c), (d), (e), (f), (g), and (h) of this section would relieve an employer from liability, those subdivisions shall apply retroactively to existing claims and actions to the maximum extent permitted by law.

(3) Except as provided in paragraphs (1) and (2) of this subdivision, the provisions of this section of the Labor Code shall apply to work performed on or after January 1, 2020.

(j) In addition to any other remedies available, an action for injunctive relief to prevent the continued misclassification of employees as independent contractors may be prosecuted against the putative employer in a court of competent jurisdiction by the Attorney General or by a city attorney of a city having a population in excess of 750,000, or by a city attorney in a city and county or, with the consent

of the district attorney, by a city prosecutor in a city having a full-time city prosecutor in the name of the people of the State of California upon their own complaint or upon the complaint of a board, officer, person, corporation, or association.

SEC. 225. Section *6709* of the Labor Code is amended to read:

6709.

(a) The Legislature finds and declares that Valley Fever is caused by a microscopic fungus known as Coccidioides immitis, which lives in the top 2 to 12 inches of soil in many parts of the state. When soil is disturbed by activities such as digging, grading, or driving, or is disturbed by environmental conditions such as ~~or~~ high winds, fungal spores can become airborne and can potentially be inhaled.

(b) This section applies to a construction employer with employees working at worksites in counties where Valley Fever is highly endemic, including, but not limited to, the Counties of Fresno, Kern, Kings, Madera, Merced, Monterey, San Joaquin, San Luis Obispo, Santa Barbara, Tulare, and Ventura, where work activities disturb the soil, including, but not limited to, digging, grading, or other earth moving operations, or vehicle operation on dirt roads, or high winds. Highly endemic means that the annual incidence rate of Valley Fever is greater than 20 cases per 100,000 persons per year.

(c) An employer subject to this section pursuant to subdivision (b) shall provide effective awareness training on Valley Fever to all employees by May 1, 2020, and annually by that date thereafter, and before an employee begins work that is reasonably anticipated to cause exposure to substantial dust disturbance. Substantial dust disturbance means visible airborne dust for a total duration of one hour or more on any day. The training may be included in the employer's injury and illness prevention program training or as a standalone training program. The training shall include all of the following topics:

(1) What Valley Fever is and how it is contracted.

(2) High risk areas and types of work and environmental conditions during which the risk of contracting Valley Fever is highest.

(3) Personal risk factors that may create a higher risk for some individuals, including pregnancy, diabetes, having a compromised immune system due to causes including, but not limited to, human immunodeficiency virus (HIV) or acquired immunodeficiency syndrome (AIDS), having received an organ transplant, or taking immunosuppressant drugs such as corticosteroids or tumor necrosis factor inhibitors.

(4) Personal and environmental exposure prevention methods that may include, but are not limited to, water-based dust suppression, good hygiene when skin and clothing is soiled by dust, limiting contamination of drinks and food, working upwind from dusty areas when feasible, wet cleaning dusty equipment when feasible, and wearing a respirator when exposure to dust cannot be avoided.

(5) The importance of early detection, diagnosis, and treatment to help prevent the disease from progressing. Early diagnosis and treatment are important because the effectiveness of medication is greatest in early stages of the disease.

(6) Recognizing common signs and symptoms of Valley Fever, which include fatigue, cough, fever, shortness of breath, headache, muscle aches or joint pain, rash on upper body or legs, and symptoms similar to influenza that linger longer than usual.

(7) The importance of reporting symptoms to the employer and seeking medical attention from a physician and surgeon for appropriate diagnosis and treatment.

(8) Common treatment and prognosis for Valley Fever.

(d) Training materials may include existing material on Valley Fever developed by a federal, state, or local agency, including, but not limited to, the federal Centers for Disease Control and Prevention, the State Department of Public Health, or a local health department.

(e) In the event that a county which has not been previously identified as being highly endemic is determined to be highly endemic per the annual report published by the State Department of Public Health, this section ~~shall~~does not apply in the initial year of that county's listing in the report. However, this section ~~shall begin to apply~~applies to employers in that county in the year subsequent to the department's publication that initially identified the county as being highly endemic.

(f) This section ~~shall apply~~applies to an employer whenever employment exists in connection with the construction, alteration, painting, repairing, construction maintenance, renovation, removal, or wrecking of any fixed structure or its parts.

SEC. 226. Section *9040* of the Labor Code is amended to read:

9040.

Every employer using carcinogens shall provide for medical examinations of affected employees where required by standards adopted pursuant to subdivision ~~(b)~~(c) of Section 142.3. The standards board shall continue to require medical examinations in at least as effective a manner as provided in Sections 5208, 5209, and 5210 of Title 8 of the California Administrative Code on January 1, 1986.

SEC. 227. Section 55 of the Military and Veterans Code is amended to read:

55.

(a) A person serving in the position of inspector general shall satisfy all of the following requirements:

(1) Be appointed by the Governor, with consideration of the recommendation of the Adjutant General and notification to the Senate Committee on Rules, and shall serve a four-year term from the effective date of appointment. The inspector general ~~may~~shall not be removed from office during that term, except for good cause. An inspector general ~~may~~shall not serve more than two consecutive terms.

(2) Meet the same qualifications established in this code for the Assistant Adjutant General.

(3) Be an advisor to the Governor and responsive to the Adjutant General and serve on state active duty at the grade of O-6 or higher.

(b)

(1) The inspector general may not serve as the Adjutant General or the Assistant Adjutant General for four years from the date of leaving the position of inspector general.

(2) A commissioned officer on state active duty appointed to the position of inspector general who, immediately prior to that duty, held a permanent state active duty position shall remain on state active duty upon vacating the inspector general position.

(3) The inspector general, as soon as able after their appointment, shall attend the Department of Defense Inspector General School.

(c) The department shall, from the amount annually appropriated to it for purposes of this office, continue to fund the position of inspector general.

(d) The inspector general shall have access to all employees and documents of the department.

(e) The inspector general may receive communications from any person, including, but not limited to, any member of the department.

(f) The inspector general shall, at a minimum, continue to perform the functions of inspections, assistance, investigations, and teaching and training. The functions of the inspector general shall be performed in accordance with applicable service laws, rules, and regulations governing federal inspectors general.

(g) The inspector general shall continue to maintain a toll-free public telephone number and an internet website to receive complaints and allegations, including, but not limited to, those described in subdivision (h) or the California Military Whistleblower Protection Act. The inspector general shall continue to post the telephone number and internet website in clear view at every California National Guard armory, flight facility, airfield, or installation.

(h)

(1) At the discretion of the inspector general or the Adjutant General, or upon a written request by the Governor, a Member of the Legislature, any member of the department, or any member of the public, the inspector general shall, in compliance with Army Regulation 20-1 or any subsequent regulation governing activities and procedures of the inspector general, expeditiously investigate any complaint or allegation regarding the following:

(A) A violation of law, including, but not limited to, regulations, the Uniform Code of Military Justice, and any law prohibiting sexual harassment or unlawful discrimination.

(B) Gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specified danger to the public health or safety.

(2)

(A) For all written requests submitted by a Member of the Legislature, the inspector general shall respond in writing with the inspector general's findings. The response shall contain only that information that may be lawfully disclosed, and, if a complaint or allegation is at issue, the response shall contain, at a minimum, information regarding whether the complaint or allegation was unfounded or sustained.

(B) If the inspector general conducts an investigation at the request of a Member of the Legislature, the inspector general shall submit to that member a report of the inspector general's findings of that investigation. The report shall contain only information that may be lawfully disclosed, and shall contain, at a minimum, information regarding whether the complaint or allegations were unfounded or sustained.

(3) The inspector general shall notify a person who submitted a request for investigation pursuant to paragraph (1) of the results of the investigation, with respect to those issues and allegations directly pertaining to, or made by, the person.

(4)

(A) A request described in paragraph (1) is not a public record and is not subject to disclosure under the California Public Records Act set forth in Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code.

(B) The inspector general shall not disclose to any person or entity the identity of a person making a written request or an allegation or complaint described in paragraph (1), unless the person making the request, allegation, or complaint has consented to the disclosure in writing.

(5)

(A) When deemed appropriate by the inspector general, the inspector general may refer to the Chief of the National Guard Bureau any complaints or allegations described in paragraph (1), any violations of the Uniform Code of Military Justice, or any violations of any other state or federal law.

(B) When deemed appropriate by the inspector general, the inspector general may refer to the State Auditor any complaints or allegations described in subparagraph (B) of paragraph (1) or any violation of state or federal law.

(i) If the inspector general receives, or becomes aware of, an allegation, complaint, or misconduct regarding the Adjutant General or the Assistant Adjutant General, the inspector general shall immediately refer the matter to the Chief of the National Guard Bureau and the Governor for review. The inspector general, by order of the Governor, shall conduct an investigation regarding the allegations concerning the Adjutant General or the Assistant Adjutant General concurrently with any federal investigation where appropriate. The inspector general shall report the findings to the Governor under this subdivision.

(j) If the inspector general receives, or becomes aware of, an allegation, complaint, or instance of misconduct regarding an inspector general, the inspector general shall immediately refer the allegation, by rapid and confidential means, to the Governor and the next higher echelon inspector general for appropriate action within 10 working days after receipt.

(k) Any allegation presented to the inspector general against a person recognized by the federal government as grade E-8 or E-9, or against any officer recognized by the federal government as a rank of major through colonel, that resulted in the initiation of an inspector general investigation or investigative inquiry or a command-directed action, such as an investigation pursuant to Army Regulation 15-6, commander's inquiry, or referral to the United States Army Criminal Investigation Command, shall be reported to the inspector general of the Department of the Army or the inspector general of the Department of the Air Force, as appropriate, and the Adjutant General within 10 working days after receipt.

(l) Any allegation presented to the inspector general against a person not recognized by the federal government as grade E-8~~,~~ or E-9, or against any officer not recognized by the federal government as a rank of major through colonel, that resulted in the initiation of an inspector general investigation or investigative inquiry or a command-directed action, such as an investigation pursuant to Army Regulation 15-6, commander's inquiry, or referral to the United States Army Criminal Investigation Command, shall be reported to the Governor and the Adjutant General within 10 working days after receipt.

(m) Any allegation presented to the inspector general against general officers or brigadier general selectees shall be reported, by rapid and confidential means, to the Governor and the Adjutant General within 10 working days after receipt.

(n)

(1)

(A) The inspector general shall, on or before July 1, 2013, and on or before July 1 each year thereafter, submit a report to the Governor, the Legislature, the Senate Committee on Veterans Affairs, and the Assembly Committee on Veterans Affairs. The report shall include, but not be limited to, a description of significant problems discovered by the office and a summary of investigations conducted by the office during the previous year. Upon submitting the report to the Governor, the Legislature, the Senate Committee on Veterans Affairs, and the Assembly Committee on Veterans Affairs the report shall be made available to the public and posted on the office's internet website.

(B) A report to be submitted pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.

(2) Upon the completion of an investigation conducted by the inspector general pursuant to paragraph (1) of subdivision (h) or Section 56, the inspector general shall also prepare and issue on a quarterly basis a public report that includes all investigations completed in the previous quarter. The inspector general shall submit a copy of the quarterly report to the Legislature, the

Senate Committee on Veterans Affairs, and the Assembly Committee on Veterans Affairs. The inspector general shall have the discretion to redact or otherwise protect the names of individuals, specific locations, or other facts that, if not redacted, might hinder prosecution under state or federal law or the Uniform Code of Military Justice related to the investigation, or where disclosure of the information is otherwise prohibited by law, and to decline to produce any of the underlying materials. In a case where allegations were deemed to be unfounded, all applicable identifying information shall be redacted. Each quarterly report shall be made available to the public and posted on the office's internet website.

(o) For purposes of this section, all of the following ~~shall~~ apply:

(1) "Department" means the Military Department.

(2) "Inspector general" means the California Military Department Inspector General.

(3) "Member of the department" means the Adjutant General, any person under the command of the Adjutant General, any person employed by the department, including, but not limited to, any service member or employee of the office of the Adjutant General, the California National Guard, the State Military Reserve, the California Cadet Corps, or the Naval Militia, any person on state active duty, any person with a state commission, or any civil service or part-time employee of the department.

(4) "Office" means the Office of the California Military Department Inspector General.

SEC. 228. Section 412.5 of the Military and Veterans Code is amended to read:

412.5.

(a) Notwithstanding any other law, the Adjutant General may do all of the following:

(1) Establish support programs, including, but not limited to, morale, welfare, recreational, training, and educational programs for the benefit of the Military Department, its components, and its soldiers, airmen, cadets, and their family members. These programs shall be collectively known as the California Military Department Foundation.

(2) Establish, construct, or acquire facilities or equipment for the purposes specified in paragraph (1).

(3) Adopt rules and regulations for all of the following:

(A) For the California Military Department Foundation.

(B) For the solicitation and acceptance of funds authorized pursuant to subdivision (b).

(C) For the establishment, deposit, and expenditure of military post, welfare, or similar unit funds.

(4) Perform any other acts as may be necessary, desirable, or proper to carry out the purposes of this section.

(5) The Adjutant General and the Military Department may enter into agreements with nonprofit military or veteran foundations, or military organizations, or other entities, to conduct California Military Department Support Fund activities pursuant to established rules and regulations.

(b)

(1) Notwithstanding any other law, the Adjutant General and the Military Department may solicit and accept funds or other donations which shall be deposited in the California Military Department Support Fund, which is hereby established in the State Treasury. In-kind donations may be accepted and accounted for pursuant to rules and regulations promulgated by the department. The money in the fund is available, upon appropriation by the Legislature, solely for the purposes prescribed by this section.

(2) Section 11005 of the Government Code~~shall~~does not apply to the acceptance of funds or other donations pursuant to this subdivision.

(3) It is the intent of the Legislature that funds appropriated to the Military Department as provided by this section be used to supplement, not supplant, funding appropriated to the Military Department pursuant to any other law for the purposes prescribed by this section.

(c)

(1) The California Military Department Support Fund shall include the California National Guard Military Family Relief Fund, a special fund as established within the California Military Department Support Fund by subdivision (d).

(2) For accounting and recordkeeping purposes, the California Military Department Support Fund shall be deemed to be a single special fund, and any special funds therein shall constitute and be deemed to be a separate account in the California Military Department Support Fund. Each account or fund shall be available for expenditure only for the purposes as are now or may hereafter be provided by law.

(d)

(1) Notwithstanding subdivision (d) of former Section 18709 of the Revenue and Taxation Code as added by Chapter 546 of the Statutes of 2004, the California National Guard Military Family Relief Fund is hereby established as an account within the California Military Department Support Fund for the purpose of providing financial aid grants to members of the California National Guard who are California residents and who have been called to active duty.

(2) The Military Department shall establish eligibility criteria for the grants by January 1, 2015. The criteria shall include, but not be limited to, a demonstration of financial need.

(3) In addition to criteria established by the Military Department pursuant to paragraph (2), members of the California National Guard shall show proof of all of the following to be eligible to receive a grant pursuant to subdivision (d):

(A) Current membership in the California National Guard.

(B) Residency in California.

(C) Deployment to active duty for at least 60 consecutive days.

(4) Grants awarded pursuant to this subdivision may be used only for food, housing, ~~child care~~childcare, utilities, medical services, medical prescriptions, insurance, and vehicle payments.

(5) A California National Guard ~~members shall not be~~member is not eligible to receive a grant if the member receives a punitive discharge or an administrative discharge with service characterized as under other than honorable conditions.

(e) On or before March 31 of each year, the Adjutant General shall conduct an internal audit of the fund established in accordance with subdivisions (b) and (c) and report the findings of the audit to the Department of Finance.

SEC. 229. Section *647* of the Penal Code is amended to read:

647.

Except as provided in paragraph (5) of subdivision (b) and subdivision (k), every person who commits any of the following acts is guilty of disorderly conduct, a misdemeanor:

(a) An individual who solicits anyone to engage in or who engages in lewd or dissolute conduct in any public place or in any place open to the public or exposed to public view.

(b)

(1) An individual who solicits, or who agrees to engage in, or who engages in, any act of prostitution with the intent to receive compensation, money, or anything of value from another person. An individual agrees to engage in an act of prostitution when, with specific intent to so engage, the individual manifests an acceptance of an offer or solicitation by another person to so engage, regardless of whether the offer or solicitation was made by a person who also possessed the specific intent to engage in an act of prostitution.

(2) An individual who solicits, or who agrees to engage in, or who engages in, any act of prostitution with another person who is 18 years of age or older in exchange for the individual providing compensation, money, or anything of value to the other person. An individual agrees to engage in an act of prostitution when, with specific intent to so engage, the individual manifests an acceptance of an offer or solicitation by another person who is 18 years of age or older to so engage, regardless of whether the offer or solicitation was made by a person who also possessed the specific intent to engage in an act of prostitution.

(3) An individual who solicits, or who agrees to engage in, or who engages in, any act of prostitution with another person who is a minor in exchange for the individual providing compensation, money, or anything of value to the minor. An individual agrees to engage in an act of prostitution when, with specific intent to so engage, the individual manifests an acceptance of an offer or solicitation by someone who is a minor to so engage, regardless of whether the offer or solicitation was made by a minor who also possessed the specific intent to engage in an act of prostitution.

(4) A manifestation of acceptance of an offer or solicitation to engage in an act of prostitution does not constitute a violation of this subdivision unless some act, in addition to the manifestation of acceptance, is done within this state in furtherance of the commission of the act of prostitution by the person manifesting an acceptance of an offer or solicitation to engage in that act. As used in this subdivision, “prostitution” includes any lewd act between persons for money or other consideration.

(5) Notwithstanding paragraphs (1) to (3), inclusive, this subdivision does not apply to a child under 18 years of age who is alleged to have engaged in conduct to receive money or other consideration that would, if committed by an adult, violate this subdivision. A commercially exploited child under this paragraph may be adjudged a dependent child of the court pursuant to paragraph (2) of subdivision (b) of Section 300 of the Welfare and Institutions Code and may be taken into temporary custody pursuant to subdivision (a) of Section 305 of the Welfare and Institutions Code, if the conditions allowing temporary custody without warrant are met.

(c) Who accosts other persons in any public place or in any place open to the public for the purpose of begging or soliciting alms.

(d) Who loiters in or about any toilet open to the public for the purpose of engaging in or soliciting any lewd or lascivious or any unlawful act.

(e) Who lodges in any building, structure, vehicle, or place, whether public or private, without the permission of the owner or person entitled to the possession or in control of it.

(f) Who is found in any public place under the influence of intoxicating liquor, any drug, controlled substance, toluene, or any combination of any intoxicating liquor, drug, controlled substance, or toluene, in a condition that they are unable to exercise care for their own safety or the safety of others, or by reason of being under the influence of intoxicating liquor, any drug, controlled substance, toluene, or any combination of any intoxicating liquor, drug, or toluene, interferes with or obstructs or prevents the free use of any street, sidewalk, or other public way.

(g) If a person has violated subdivision (f), a peace officer, if reasonably able to do so, shall place the person, or cause the person to be placed, in civil protective custody. The person shall be taken to a facility, designated pursuant to Section 5170 of the Welfare and Institutions Code, for the 72-hour treatment and evaluation of inebriates. A peace officer may place a person in civil protective

custody with that kind and degree of force authorized to effect an arrest for a misdemeanor without a warrant. A person who has been placed in civil protective custody shall not thereafter be subject to any criminal prosecution or juvenile court proceeding based on the facts giving rise to this placement. This subdivision does not apply to the following persons:

(1) A person who is under the influence of any drug, or under the combined influence of intoxicating liquor and any drug.

(2) A person who a peace officer has probable cause to believe has committed any felony, or who has committed any misdemeanor in addition to subdivision (f).

(3) A person who a peace officer in good faith believes will attempt escape or will be unreasonably difficult for medical personnel to control.

(h) Who loiters, prowls, or wanders upon the private property of another, at any time, without visible or lawful business with the owner or occupant. As used in this subdivision, “loiter” means to delay or linger without a lawful purpose for being on the property and for the purpose of committing a crime as opportunity may be discovered.

(i) Who, while loitering, prowling, or wandering upon the private property of another, at any time, peeks in the door or window of any inhabited building or structure, without visible or lawful business with the owner or occupant.

(j)

(1) A person who looks through a hole or opening, into, or otherwise views, by means of any instrumentality, including, but not limited to, a periscope, telescope, binoculars, camera, motion picture camera, camcorder, mobile phone, electronic device, or unmanned aircraft system, the interior of a bedroom, bathroom, changing room, fitting room, dressing room, or tanning booth, or the interior of any other area in which the occupant has a reasonable expectation of privacy, with the intent to invade the privacy of a person or persons inside. This subdivision does not apply to those areas of a private business used to count currency or other negotiable instruments.

(2) A person who uses a concealed camcorder, motion picture camera, or photographic camera of any type, to secretly videotape, film, photograph, or record by electronic means, another identifiable person under or through the clothing being worn by that other person, for the purpose of viewing the body of, or the undergarments worn by, that other person, without the consent or knowledge of that other person, with the intent to arouse, appeal to, or gratify the lust, passions, or sexual desires of that person and invade the privacy of that other person, under circumstances in which the other person has a reasonable expectation of privacy. For the purposes of this paragraph, “identifiable” means capable of identification, or capable of being recognized, meaning that someone, including the victim, could identify or recognize the victim. It does not require the victim’s identity to actually be established.

(3)

(A) A person who uses a concealed camcorder, motion picture camera, or photographic camera of any type, to secretly videotape, film, photograph, or record by electronic means, another identifiable person who may be in a state of full or partial undress, for the purpose of viewing the body of, or the undergarments worn by, that other person, without the consent or knowledge of that other person, in the interior of a bedroom, bathroom, changing room, fitting room, dressing room, or tanning booth, or the interior of any other area in which that other person has a reasonable expectation of privacy, with the intent to invade the privacy of that other person. For the purposes of this paragraph, “identifiable” means capable of identification, or capable of being recognized, meaning that someone, including the victim, could identify or recognize the victim. It does not require the victim’s identity to actually be established.

(B) Neither of the following is a defense to the crime specified in this paragraph:

(i) The defendant was a cohabitant, landlord, tenant, cotenant, employer, employee, or business partner or associate of the victim, or an agent of any of these.

(ii) The victim was not in a state of full or partial undress.

(4)

(A) A person who intentionally distributes the image of the intimate body part or parts of another identifiable person, or an image of the person depicted engaged in an act of sexual intercourse, sodomy, oral copulation, sexual penetration, or an image of masturbation by the person depicted or in which the person depicted participates, under circumstances in which the persons agree or understand that the image shall remain private, the person distributing the image knows or should know that distribution of the image will cause serious emotional distress, and the person depicted suffers that distress.

(B) A person intentionally distributes an image described in subparagraph (A) when that person personally distributes the image, or arranges, specifically requests, or intentionally causes another person to distribute that image.

(C) As used in this paragraph, “intimate body part” means any portion of the genitals, the anus and, in the case of a female, also includes any portion of the breasts below the top of the areola, that is either uncovered or clearly visible through clothing.

(D) It shall not be a violation of this paragraph to distribute an image described in subparagraph (A) if any of the following applies:

(i) The distribution is made in the course of reporting an unlawful activity.

(ii) The distribution is made in compliance with a subpoena or other court order for use in a legal proceeding.

(iii) The distribution is made in the course of a lawful public proceeding.

(5) This subdivision does not preclude punishment under any section of law providing for greater punishment.

(k)

(1) A second or subsequent violation of subdivision (j) is punishable by imprisonment in a county jail not exceeding one year, or by a fine not exceeding two thousand dollars ($2,000), or by both that fine and imprisonment.

(2) If the victim of a violation of subdivision (j) was a minor at the time of the offense, the violation is punishable by imprisonment in a county jail not exceeding one year, or by a fine not exceeding two thousand dollars ($2,000), or by both that fine and imprisonment.

(l)

(1) If a crime is committed in violation of subdivision (b) and the person who was solicited was a minor at the time of the offense, and if the defendant knew or should have known that the person who was solicited was a minor at the time of the offense, the violation is punishable by imprisonment in a county jail for not less than two days and not more than one year, or by a fine not exceeding ten thousand dollars ($10,000), or by both that fine and imprisonment.

(2) The court may, in unusual cases, when the interests of justice are best served, reduce or eliminate the mandatory two days of imprisonment in a county jail required by this subdivision. If the court reduces or eliminates the mandatory two days’ imprisonment, the court shall specify the reason on the record.

SEC. 230. Section *4011.3* of the Penal Code is amended to read:

4011.3.

(a) Notwithstanding Section 4011.1, a sheriff, chief or director of corrections, or chief of police shall not charge a fee for durable medical equipment or medical supplies provided to an inmate confined in a county or city jail as medically necessary to ensure the inmate has equal access to jail services, programs, or activities.

(b)

(1) For purposes of this section, "durable medical equipment" means equipment that is prescribed by a licensed provider to meet the medical needs of an inmate and that meets all of the following criteria:

(A) The equipment can withstand repeated use.

(B) The equipment is used to serve a medical purpose.

(C) The equipment is not normally useful to an individual in the absence of an illness, injury, functional impairment, or congenital anomaly.

(D) The equipment is appropriate for use in or out of the ~~prison~~jail.

(2) Durable medical equipment includes, but is not limited to, eyeglasses, artificial eyes, dentures, artificial limbs, orthopedic braces and shoes, and hearing aids.

(c) For purposes of this section, "medical supplies" means supplies that are prescribed by a licensed provider to meet the medical needs of an inmate and that meet all of the following criteria:

(1) The supplies cannot withstand repeated use.

(2) The supplies are usually disposable in nature.

(3) The supplies are used to serve a medical purpose.

(4) The supplies are not normally useful to an individual in the absence of an illness, injury, functional impairment, or congenital anomaly.

(5) The supplies are intended for use in an outpatient setting.

SEC. 231. Section *6102* of the Penal Code is amended to read:

6102.

The primary purpose of the medical facility shall be the receiving, segregation, confinement, treatment, and care of males under the custody of the Department of Corrections and Rehabilitation or any agency thereof who are any of the following:

(a) Persons with mental health disorders.

(b) Persons with developmental disabilities.

(c) Persons who are addicted to the use of controlled substances.

(d) Persons who are suffering from any other chronic disease or condition.

SEC. 232. Section *15004* of the Probate Code is amended to read:

15004.

Unless otherwise provided by statute, this division applies to charitable trusts that are subject to the jurisdiction of the Attorney General to the extent that the application of the provision is not in conflict

with the ~~Uniform~~ Supervision of Trustees and Fundraisers for Charitable Purposes Act, Article 7 (commencing with Section 12580) of Chapter 6 of Part 2 of Division 3 of Title 2 of the Government Code.

SEC. 233. Section *3502* of the Public Contract Code is amended to read:

3502.

(a) By January 1, 2021, the department shall establish, and publish in the State Contracting Manual or a department management memorandum, or make available on the department's ~~Internet Web Site~~internet website, a maximum acceptable global warming potential for each category of eligible materials in accordance with both of the following requirements:

(1) The department shall set the maximum acceptable global warming potential at the industry average of facility-specific global warming potential emissions for that material with a phase-in period of not more than two years. The department shall determine the industry average by consulting recognized databases of environmental product declarations. When determining the industry averages pursuant to this paragraph, the department should include all stages of manufacturing required by the relevant product category rule. However, when setting the initial industry average, the department may exclude emissions that occur during fabrication stages, and make reasonable judgments aligned with the product category rule.

(2) The department shall express the maximum acceptable global warming potential as a number that states the maximum acceptable facility-specific global warming potential for each category of eligible materials. The department may set different maximums for different products within each category and, when more than one set of product category rules exists for a category or set of products, may set a different maximum for each set of product category rules. The global warming potential shall be provided in a manner that is consistent with criteria in an Environmental Product Declaration.

(b) The department, by January 1, 2021, shall submit a report to the Legislature that describes the method that the department used to develop the maximum global warming potential for each category of eligible materials pursuant to subdivision (a). The report required by this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

(c) By January 1, 2024, and every three years thereafter, the department shall review the maximum acceptable global warming potential for each category of eligible materials established pursuant to subdivision (a), and may adjust that number downward for any eligible material to reflect industry improvements if the department, based on the process described in paragraph (1) of subdivision (a), determines that the industry average has changed, but the department shall not adjust that number upward for any eligible material. At that time, the department shall update the State Contracting Manual, department management memorandum, or information available on the department's ~~Internet Web Site~~internet website, to reflect that adjustment.

SEC. 234. Section *3201* of the Public Resources Code is amended to read:

3201.

(a) The operator of a well or production facility shall notify the supervisor or the district deputy, in writing, in the form that the supervisor or the district deputy may direct, of the sale, assignment, transfer, conveyance, exchange, or other disposition of the well or production facility by the operator of the well or production facility as soon as is reasonably possible, but in no event later than the date that the sale, assignment, transfer, conveyance, exchange, or other disposition becomes final. The operator shall not be relieved of responsibility for the well or production facility until the supervisor or the district deputy acknowledges the sale, assignment, transfer, conveyance, exchange, or other disposition, in

writing, and the person acquiring the well or production facility is in compliance with Section 3202. The operator's notice shall contain all of the following information:

(1) The name and address of the person to whom the well or production facility was or will be sold, assigned, transferred, conveyed, exchanged, or otherwise disposed.

(2) The name and location of the well or production facility, and a description of the land upon which the well or production facility is situated.

(3) The date that the sale, assignment, transfer, conveyance, exchange, or other disposition becomes final.

(4) The date when possession was or will be relinquished by the operator as a result of that disposition.

(b)

(1) Upon request of the supervisor, the former operator shall, within 15 days, provide to the division copies of the documents recorded with a governmental office involving the sale, assignment, transfer, conveyance, exchange, or other disposition of the well or production facility ~~to the division~~.

(2) If after reviewing the documents submitted pursuant to paragraph (1) the division determines additional documentation is needed to validate the sale, assignment, transfer, conveyance, exchange, or other disposition of the well or production facility, the division shall notify the former operator.

(3) Upon receiving notice pursuant to paragraph (2), the former operator shall, within 30 days, provide to the division documents necessary to identify the operator of the well or production facility ~~to the division~~. If the documents are not otherwise publicly available, the former operator may redact information from the documents before submitting them to the division if the division agrees the information is not relevant to identification of the current operator of the well or production facility.

SEC. 235. Section *3202* of the Public Resources Code is amended to read:

3202.

(a) A person who acquires the right to operate a well or production facility, whether by purchase, transfer, assignment, conveyance, exchange, or other disposition, shall, as soon as it is reasonably possible, but not later than the date when the acquisition of the well or production facility becomes final, notify the supervisor or the district deputy, in writing, of the person's operation. The acquisition of a well or production facility shall not be recognized as complete by the supervisor or the district deputy until the new operator provides all of the following material:

(1) The name and address of the person from whom the well or production facility was acquired.

(2) The name and location of the well or production facility, and a description of the land upon which the well or production facility is situated.

(3) The date when the acquisition becomes final.

(4) The date when possession was or will be acquired.

(5) An indemnity bond for each well as required under Section 3204 or 3205.

(b)

(1) Upon request of the supervisor, the new operator shall, within 15 days, provide to the division copies of the documents recorded with a governmental office involving the sale, assignment, transfer, conveyance, exchange, or other disposition of the well or production facility ~~to the division~~.

(2) If after reviewing the documents submitted pursuant to paragraph (1) the division determines additional documentation is needed to validate the sale, assignment, transfer, conveyance, exchange, or other disposition of the well or production facility, the division shall notify the new operator.

(3) Upon receiving notice pursuant to paragraph (2), the new operator shall, within 30 days, provide to the division documents necessary to identify the operator of the well or production facility ~~to the division~~.

(c) After notice is given pursuant to subdivision (a) and until another person acquires the well or production facility, the new operator shall notify the supervisor whether any of the rights have changed. That notification shall be in writing and occur every other year by July 1.

(d) The new operator shall also notify the supervisor within 30 days of any quitclaim of a well or production facility.

SEC. 236. Section *3205.7* of the Public Resources Code is amended to read:

3205.7.

(a)

(1) Commencing July 1, 2022, the division shall begin requiring each operator of an oil or gas well to submit a report to the supervisor that demonstrates the operator's total liability to plug and abandon all wells and to decommission all attendant production facilities, including any needed site remediation, pursuant to Section 3208 and Article 4.2 (commencing with Section 3250), as applicable, on a schedule determined by the supervisor.

(2) For purposes of paragraph (1), the supervisor shall set the schedule in a manner that staggers the initial reports by operators to ensure that some reporting commences on July 1, 2022, that at least one-half of required operators will have submitted their initial report by July 1, 2024, that all initial reporting is completed by July 1, 2026, and that followup reporting is required for each operator on a continual basis that is no less frequent than every five years after the initial report.

(b) The division shall develop criteria to be used by operators for estimating costs to plug and abandon wells and decommission attendant production facilities, including site remediation. The criteria shall include, but not be limited to, all of the following requirements:

(1) Operators shall calculate the estimated cost to plug and abandon each well and decommission attendant production facilities of the operator using the criteria developed by the division pursuant to this subdivision.

(2) For the site of each well, attendant production facility, or lease, the operator shall calculate the estimated cost of full site remediation using criteria developed by the division pursuant to this subdivision.

(3) Calculations of estimated costs under this subdivision shall be determined in accordance with generally accepted accounting principles issued by the Financial Accounting Standards Board.

(c) In preparing each report for the supervisor pursuant to subdivision (a), the operator shall do both of the following:

(1) Calculate cost estimates to plug and abandon wells and decommission attendant production facilities, including site remediation, using the criteria developed by the division pursuant to subdivision (b).

(2) Exclude from each initial report due on or before July 1, 2026, all offshore wells and facilities of the operator evaluated pursuant to Section 3205.6. Include in each followup report due after July 1, 2026, all offshore wells and facilities of the operator.

(d) If the supervisor determines that the operator has failed to use the requisite criteria or has otherwise provided estimates in the report that are neither credible nor accurate, the supervisor may request the operator to submit revised estimates for review and approval on a timely schedule to be determined by the supervisor. Failure to comply with this requirement or a request pursuant to this section is a violation of this chapter and is subject to any penalty provided by law, including, but not limited to, Sections 3236 and 3236.5.

SEC. 237. Section *4592.5* of the Public Resources Code is amended to read:

4592.5.

(a) The department shall provide guidance and assistance to ensure the uniform and efficient implementation of processes and procedures regulating the filing, review, approval, required modification, and completion of timber harvesting plans, and the appeal of decisions relating to timber harvesting plans. The guidance and assistance shall comply with all of the following requirements:

(1) A plan submitter has the expectation of a timely determination under Section 4582.7 and any relevant administrative regulations.

(2) The department shall provide clearly written guidance documents that explain the regulatory process. In this context, the department shall publish a list of all information required in a plan, using the rules of the board, and an explanation of the criteria that will be used by the department to determine whether the information contained in a plan at the time of submission is adequate.

(3) The department, using the rules of the board, shall provide a checklist that, if properly followed by the registered professional forester, should result in a plan that complies with Section 4582 for the purposes of filing. The department, in the implementation of an electronic plan submission program, shall incorporate procedures that address this information.

(b) In addition to the requirements in subdivision (a), the department shall issue guidance to achieve greater timber harvesting plan review accuracy and efficiency and to avoid duplication of efforts. The guidance shall include guidance to responsible agencies that rely on the timber harvesting plan for their analysis under the California Environmental Quality Act (Division 13 (commencing with Section 21000)) when the agencies are issuing a permit to enable implementation of all or part of the project. This guidance shall assist the responsible agencies to avoid duplication in information requests for the responsible ~~agencies~~agencies' permits. Responsible agencies are encouraged to include mitigation measures prior to the close of public comment to ensure they are examined at a sufficient level of detail prior to the close of public comment.

(c) This section does not preclude the department or other public agencies from imposing postapproval compliance requirements as the result of newly discovered or unforeseen conditions.

(d) For purposes of this section, "plan" or "timber harvesting plan" includes all forms or documents required to be submitted to the department for review, including, but not limited to, timber harvesting plan documents, program timberland environmental impact reports, program timber ~~harvest~~harvesting plans, modified timber harvesting plans, nonindustrial timber management plans, sustained yield plans, and working forest management plans.

SEC. 238. Section *4630.1* of the Public Resources Code is amended to read:

4630.1.

(a) On or before July 1, 2020, the department, in consultation with the board, shall identify barriers to in-state production of mass timber and other innovative forest products~~,~~ and shall develop solutions that are consistent with the state's climate objectives on forest lands.

(b) The department shall collaborate, in implementing this section, with members of the working group established pursuant to Section 717, other state agencies, and independent experts, including with apprenticeship programs of organized labor, community colleges, and others with similar expertise, on innovative forest products and mass timber workforce training and job creation.

SEC. 239. Section *21080.27* of the Public Resources Code is amended to read:

21080.27.

(a) For purposes of this section, the following definitions apply:

(1) "Eligible public agency" means any of the following:

(A) The County of Los Angeles.

(B) The Los Angeles Unified School District.

(C) The Los Angeles County Metropolitan Transportation Authority.

(D) The Housing Authority of the City of Los Angeles.

(E) The Los Angeles Homeless Services Authority.

(F) The Los Angeles Community College District.

(G) The successor agency for the former Community Redevelopment Agency of the City of Los Angeles.

(H) The Department of Transportation.

(I) The Department of Parks and Recreation.

(2) "Emergency shelters" mean shelters, during a declaration of a shelter crisis described in Section 8698.2 of the Government Code, that meet the definition of low barrier navigation center set forth in Section 65660 of the Government Code and meet the requirements of Section 65662 of the Government Code, that is located in either a mixed-use or nonresidential zone permitting multifamily uses or infill site, and that is funded, in whole or in part, by any of the following:

(A) The Homeless Emergency Aid program established pursuant to Section 50211 of the Health and Safety Code.

(B) The Homeless Housing, Assistance, and Prevention program established pursuant to Section 50217 of the Health and Safety Code.

(C) Measure H sales tax proceeds approved by the voters ~~on~~at the March 7, 2017, special election in the County of Los Angeles.

(D) General ~~bond obligations~~obligation bonds issued pursuant to Proposition HHH, approved by the voters of the City of Los Angeles at the November 8, 2016, statewide general election.

(3) "Supportive housing" means supportive housing, as defined in Section 50675.14 of the Health and Safety Code, that meets the eligibility requirements of Article 11 (commencing with Section 65650) of Chapter 3 of Division 1 of Title 7 of the Government Code or the eligibility requirements for qualified supportive housing or qualified permanent supportive housing set forth in Ordinance No. 185,489 or 185,492, and that is funded, in whole or in part, by any of the following:

(A) The No Place Like Home Program (Part 3.9 (commencing with Section 5849.1) of Division 5 of the Welfare and Institutions Code).

(B) The Building Homes and Jobs Trust Fund established pursuant to Section 50470 of the Health and Safety Code.

(C) Measure H sales tax proceeds approved by the voters ~~on~~at the March 7, 2017, special election in the County of Los Angeles.

(D) General ~~bond obligations~~obligation bonds issued pursuant to Proposition HHH, approved by the voters of the City of Los Angeles at the November 8, 2016, statewide general election.

(E) The City of Los Angeles Housing Impact Trust Fund.

(b)

(1) This division does not apply to any activity approved by or carried out by the City of Los Angeles in furtherance of providing emergency shelters or supportive housing in the City of Los Angeles.

(2) This division does not apply to any action taken by an eligible public agency to lease, convey, or encumber land owned by that agency, or to any action taken by an eligible public agency to facilitate the lease, conveyance, or encumbrance of land owned by that agency, or to any action taken by an eligible public agency in providing financial assistance, in furtherance of providing emergency shelters or supportive housing in the City of Los Angeles.

(3) This division does not apply to the adoption of Ordinance Nos. 185,489 and 185,492 by the City of Los Angeles in 2018.

(c) If a lead agency determines that an activity is not subject to this division pursuant to paragraph (1) or (2) of subdivision (b) and determines to approve or carry out the activity, the lead agency shall file a notice of exemption with the Office of Planning and Research and the county clerk in the manner specified in subdivisions (b) and (c) of Section 21108 or subdivisions (b) and (c) of Section 21152.

(d) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 240. Section *25402* of the Public Resources Code is amended to read:

25402.

The commission shall, after one or more public hearings, do all of the following in order to reduce the wasteful, uneconomic, inefficient, or unnecessary consumption of energy, including the energy associated with the use of water, and to manage energy loads to help maintain electrical grid reliability:

(a)

(1) Prescribe, by regulation, lighting, insulation, climate control system, and other building design and construction standards that increase efficiency in the use of energy and water for new residential and new nonresidential buildings. The commission shall periodically update the standards and adopt any revision that, in its judgment, it deems necessary. Six months after the commission certifies an energy conservation manual pursuant to subdivision (c) of Section 25402.1, a city, county, city and county, or state agency shall not issue a permit for a building unless the building satisfies the standards prescribed by the commission pursuant to this subdivision or subdivision (b) that are in effect on the date an application for a building permit is filed. Water efficiency standards adopted pursuant to this subdivision shall be demonstrated by the commission to be necessary to save energy.

(2) Before adopting a water efficiency standard for residential buildings, the Department of Housing and Community Development and the commission shall issue a joint finding whether the standard (A) is equivalent or superior in performance, in safety, and for the protection of life, health, and general welfare to standards in Title 24 of the California Code of Regulations and (B) does not unreasonably or unnecessarily impact the ability of Californians to purchase or rent affordable housing, as determined by taking account of the overall benefit derived from water efficiency standards. ~~Nothing in~~This subdivision does not in any way ~~reduces~~reduce the authority of the Department of Housing and Community Development to adopt standards and regulations pursuant to the State Housing Law (Part 1.5 (commencing with Section 17910) of Division 13 of the Health and Safety Code).

(3) Water efficiency standards and water conservation design standards adopted pursuant to this subdivision and subdivision (b) shall be consistent with the legislative findings of this division to ensure and maintain a reliable supply of electrical energy and be equivalent to or superior to the performance, safety, and protection of life, health, and general welfare standards contained in Title 24 of the California Code of Regulations. The commission shall consult with the members of the coordinating council as established in Section 18926 of the Health and Safety Code in the development of these standards.

(b)

(1) Prescribe, by regulation, energy and water conservation design standards for new residential and new nonresidential buildings. The standards shall be performance standards and shall be promulgated in terms of energy consumption per gross square foot of floorspace, but may also include devices, systems, and techniques required to conserve energy and water. The commission shall periodically review the standards and adopt any revision that, in its judgment, it deems necessary. A building that satisfies the standards prescribed pursuant to this subdivision need not comply with the standards prescribed pursuant to subdivision (a). Water conservation design standards adopted pursuant to this subdivision shall be demonstrated by the commission to be necessary to save energy. Before adopting a water conservation design standard for residential buildings, the Department of Housing and Community Development and the commission shall issue a joint finding whether the standard (A) is equivalent or superior in performance, in safety, and for the protection of life, health, and general welfare to standards in Title 24 of the California Code of Regulations and (B) does not unreasonably or unnecessarily impact the ability of Californians to purchase or rent affordable housing, as determined by taking account of the overall benefit derived from the water conservation design standards. This subdivision does not in any way reduce the authority of the Department of Housing and Community Development to adopt standards and regulations pursuant to the State Housing Law (Part 1.5 (commencing with Section 17910) of Division 13 of the Health and Safety Code).

(2) In order to increase public participation and improve the efficacy of the standards adopted pursuant to subdivision (a) and this subdivision, the commission shall, before publication of the notice of proposed action required by Section 18935 of the Health and Safety Code, involve parties who would be subject to the proposed regulations in public meetings regarding the proposed regulations. All potential affected parties shall be provided advance notice of these meetings and given an opportunity to provide written or oral comments. During these public meetings, the commission shall receive and take into consideration input from all parties concerning the parties' design recommendations, cost considerations, and other factors that would affect consumers and California businesses of the proposed standard. The commission shall take into consideration before the start of the notice of proposed action any input provided during these public meetings.

(3) The standards adopted or revised pursuant to subdivision (a) and this subdivision shall be cost-effective when taken in their entirety and when amortized over the economic life of the structure compared with historic practice. When determining cost-effectiveness, the commission shall consider the value of the water or energy saved, the impact on product efficacy for the consumer, and the life-cycle cost of complying with the standard. The commission shall consider other relevant factors, as required by Sections 18930 and 18935 of the Health and Safety Code, including, but not limited to, the impact on housing costs, the total statewide costs and benefits of the standard over its lifetime, the economic impact on California businesses, and any alternative approaches and their associated costs.

(c)

(1)

(A) Prescribe, by regulation, standards for minimum levels of operating efficiency, based on a reasonable use pattern, and may prescribe other cost-effective measures, including incentive programs, fleet averaging, energy and water consumption labeling not preempted by federal labeling law, and consumer education programs, to promote the use of ~~energy and water efficient~~energy- and water-efficient appliances whose use, as determined by the commission, requires a significant amount of energy or water on a statewide basis. The minimum levels of operating efficiency shall be based on feasible and attainable efficiencies or feasible improved efficiencies that will reduce the energy or water consumption growth rates. The standards shall become effective no sooner than one year after the date of adoption or revision. A new appliance manufactured on or after the effective date of the standards shall not be sold or offered for sale in the state, unless it is certified by the manufacturer of the appliance to be in compliance with the standards. The standards shall be drawn so that they do not result in any added total costs for consumers over the designed life of the appliances concerned.

(B) In order to increase public participation and improve the efficacy of the standards adopted pursuant to this subdivision, the commission shall, before publication of the notice of proposed action required by Section 18935 of the Health and Safety Code, involve parties who would be subject to the proposed regulations in public meetings regarding the proposed regulations. All potential affected parties shall be provided advance notice of these meetings and given an opportunity to provide written or oral comments. During these public meetings, the commission shall receive and take into consideration input from all parties concerning the parties' design recommendations, cost considerations, and other factors that would affect consumers and California businesses of the proposed standard. The commission shall take into consideration before the start of the notice of proposed action any input provided during these public meetings.

(C) The standards adopted or revised pursuant to this subdivision shall not result in any added total costs for consumers over the designed life of the appliances concerned. When determining cost-effectiveness, the commission shall consider the value of the water or energy saved, the impact on product efficacy for the consumer, and the life-cycle cost to the consumer of complying with the standard. The commission shall consider other relevant factors, as required by Sections 11346.5 and 11357 of the Government Code, including, but not limited to, the impact on housing costs, the total statewide costs and benefits of the standard over its lifetime, the economic impact on California businesses, and any alternative approaches and their associated costs.

(2) A new appliance, except for a plumbing fitting, regulated under paragraph (1), that is manufactured on or after July 1, 1984, shall not be sold, or offered for sale, in the state, unless the date of the manufacture is permanently displayed in an accessible place on that appliance.

(3) During the period of five years after the commission has adopted a standard for a particular appliance under paragraph (1), an increase or decrease in the minimum level of operating efficiency required by the standard for that appliance shall not become effective, unless the commission adopts other cost-effective measures for that appliance.

(4) Neither the commission nor any other state agency shall take any action to decrease any standard adopted under this subdivision on or before June 30, 1985, prescribing minimum levels of operating efficiency or other energy conservation measures for any appliance, unless the commission finds by a four-fifths vote that a decrease is of benefit to ratepayers, and that there is significant evidence of changed circumstances. Before January 1, 1986, the commission shall not take any action to increase a standard prescribing minimum levels of operating efficiency for any appliance or adopt a new standard under paragraph (1). Before January 1, 1986, any appliance manufacturer doing business in this state shall provide directly, or through an appropriate trade or industry association, information, as specified by the commission after consultation with manufacturers doing business in the state and appropriate

trade or industry associations on sales of appliances so that the commission may study the effects of regulations on those sales. These informational requirements shall remain in effect until the information is received. The trade or industry association may submit sales information in an aggregated form in a manner that allows the commission to carry out the purposes of the study. The commission shall treat any sales information of an individual manufacturer as confidential and that information shall not be a public record. The commission shall not request any information that cannot be reasonably produced in the exercise of due diligence by the manufacturer. At least one year before the adoption or amendment of a standard for an appliance, the commission shall notify the Legislature of its intent, and the justification to adopt or amend a standard for the appliance. Notwithstanding paragraph (3) and this paragraph, the commission may do any of the following:

(A) Increase the minimum level of operating efficiency in an existing standard up to the level of the National Voluntary Consensus Standards 90, adopted by the American Society of Heating, Refrigerating and Air-Conditioning Engineers or, for appliances not covered by that standard, up to the level established in a similar nationwide consensus standard.

(B) Change the measure or rating of efficiency of any standard, if the minimum level of operating efficiency remains substantially the same.

(C) Adjust the minimum level of operating efficiency in an existing standard in order to reflect changes in test procedures that the standards require manufacturers to use in certifying compliance, if the minimum level of operating efficiency remains substantially the same.

(D) Readopt a standard preempted, enjoined, or otherwise found legally defective by an administrative agency or a lower court, if final legal action determines that the standard is valid and if the standard that is readopted is not more stringent than the standard that was found to be defective or preempted.

(E) Adopt or amend any existing or new standard at any level of operating efficiency, if the Governor has declared an energy emergency as described in Section 8558 of the Government Code.

(5) Notwithstanding paragraph (4), the commission may adopt standards pursuant to Commission Order No. 84-0111-1, on or before June 30, 1985.

(d) Recommend minimum standards of efficiency for the operation of a new facility at a particular site that are technically and economically feasible. A site and related facility shall not be certified pursuant to Chapter 6 (commencing with Section 25500), unless the applicant certifies that standards recommended by the commission have been considered, which certification shall include a statement specifying the extent to which conformance with the recommended standards will be achieved.

(e)

(1) Not later than January 1, 2004, amend any regulations in effect on January 1, 2003, pertaining to the energy efficiency standards for residential clothes washers to require that residential clothes washers manufactured on or after January 1, 2007, be at least as water efficient as commercial clothes washers.

(2) Not later than April 1, 2004, petition the federal Department of Energy for an exemption from any relevant federal regulations governing energy efficiency standards that are applicable to residential clothes washers.

(f)

(1) Adopt, by regulation, and periodically update, standards for appliances to facilitate the deployment of flexible demand technologies. These regulations may include labeling provisions to promote the use of appliances with flexible demand capabilities. The flexible demand

appliance standards shall be based on feasible and attainable efficiencies or feasible improvements that will enable appliance operations to be scheduled, shifted, or curtailed to reduce emissions of greenhouse gases associated with electricity generation. The standards shall become effective no sooner than one year after the date of their adoption or updating.

(2) In adopting the flexible demand appliance standards, the commission shall consider the National Institute of Standards and Technology's reliability and cybersecurity protocols, or other cybersecurity protocols that are equally or more protective, and shall adopt, at a minimum, the North American Electric Reliability Corporation's Critical Infrastructure Protection standards.

(3) The flexible demand appliance standards shall be cost effective. When determining cost-effectiveness, solely for purposes of this subdivision, the commission may consider, as appropriate, the cost of flexible demand appliances compared to nonflexible demand appliances, the value of increased or decreased emissions of greenhouse gases associated with the timing of an appliance's use, the life-cycle cost to the consumer from using a product that complies with the standard, and the life-cycle costs and benefits to consumers, including the ability to conserve energy and better align consumer and electric system demand. The commission shall consider other relevant factors, as required by Sections 11346.5 and 11357 of the Government Code, including, but not limited to, the impact on housing costs, the total statewide costs and benefits of the standard over its lifetime, the economic impact on California businesses, and alternative approaches and their associated costs.

(4) The commission shall consult with the Public Utilities Commission and load-serving entities to better align the flexible demand appliance standards with demand response programs administered by the state and load-serving entities and to incentivize the deployment of flexible demand appliances.

(5) The flexible demand appliance standards shall prioritize all of the following:

(A) Appliances that can more conveniently have their electrical demand controlled by load-management technology and third-party load-management programs.

(B) Appliances with load-management technology options that are readily available.

(C) Appliances that have a user-friendly interface and follow a straightforward setup and connection process, such as remote setup by means of an internet website or application.

(D) Appliances with load-management technology options that follow simple standards for third-party direct operation of the appliances.

(E) Appliances that are interoperable or open source.

(6) On or before January 1, 2021, and as necessary thereafter, the commission shall include as part of each integrated energy policy report adopted pursuant to Chapter 4 (commencing with Section 25300) a description of any actions it has taken pursuant to this subdivision and the flexible demand appliance standards' cost to consumers.

(7) For purposes of this subdivision, both of the following definitions apply:

(A) "Flexible demand" means the capability to schedule, shift, or curtail the electrical demand of a load-serving entity's customer through direct action by the customer or through action by a third party, the load-serving entity, or a grid balancing authority, with the customer's consent.

(B) "Load-serving entity" has the same meaning as defined in Section 380 of the Public Utilities Code.

SEC. 241. Section *26011.8* of the Public Resources Code, as amended by Section 5.5 of Chapter 690 of the Statutes of 2019, is amended to read:

26011.8.

(a) The purpose of this section is to promote the creation of California-based manufacturing, California-based jobs, advanced manufacturing, the reduction of greenhouse gases, or reductions in air and water pollution or energy consumption. In furtherance of this purpose, the authority may approve a project for financial assistance in the form of the sales and use tax exclusion established in Section 6010.8 of the Revenue and Taxation Code.

(b) For purposes of this section, the following terms have the following meanings:

(1) "Project" means tangible personal property if at least 50 percent of its use is either to process recycled feedstock that is intended to be reused in the production of another product or using recycled feedstock in the production of another product or soil amendment, or tangible personal property that is used in the state for the design, manufacture, production, or assembly of advanced manufacturing, advanced transportation technologies, or alternative source products, components, or systems, as defined in Section 26003. "Project" does not include tangible personal property that processes or uses recycled feedstock in a manner that would constitute disposal as defined in subdivision (b) of Section 40192.

(2) "Recycled feedstock" means materials that would otherwise be destined for disposal, having completed their intended end use and product lifecycle.

(3) "Soil amendments" may include "compost," as defined in Section 14525 of the Food and Agricultural Code, "fertilizing material," as defined in Section 14533 of the Food and Agricultural Code, "gypsum" or "phosphatic sulfate gypsum," as those terms are defined in Section 14537 of the Food and Agricultural Code, or a substance distributed for the purpose of promoting plant growth or improving the quality of crops by conditioning soils through physical means.

(c) The authority shall publish notice of the availability of project applications and deadlines for submission of project applications to the authority.

(d) The authority shall evaluate a project application based on all of the following criteria:

(1) The extent to which the project develops manufacturing facilities, or purchases equipment for manufacturing facilities, located in California.

(2) The extent to which the anticipated benefit to the state from the project equals or exceeds the projected benefit to the participating party from the sales and use tax exclusion.

(3) The extent to which the project will create new, or result in the loss of, permanent, full-time jobs in California, including the average and minimum wage for each classification of full-time employees proposed to be hired or not retained.

(4) To the extent feasible, the extent to which the project, or the product produced by the project, results in a reduction of greenhouse gases, a reduction in air or water pollution, an increase in energy efficiency, or a reduction in energy consumption, beyond what is required by federal or state law or regulation.

(5) The extent of unemployment in the area in which the project is proposed to be located.

(6) Any other factors the authority deems appropriate in accordance with this section.

(e) At a duly noticed public hearing, the authority shall approve, by resolution, project applications for financial assistance.

(f) Notwithstanding subdivision (j), and without regard to the actual date of any transaction between a participating party and the authority, any project approved by the authority by resolution for the sales and use tax exclusion pursuant to Section 6010.8 of the Revenue and Taxation Code before March 24, 2010, shall not be subject to this section.

(g) The Legislative Analyst's Office shall report to the Joint Legislative Budget Committee on the effectiveness of this program, on or before January 1, 2019, by evaluating factors, including, but not limited to, the following:

(1) The number of jobs created by the program in California.

(2) The number of businesses that have remained in California or relocated to California as a result of this program.

(3) The amount of state and local revenue and economic activity generated by the program.

(4) The types of advanced manufacturing, as defined in paragraph (1) of subdivision (a) of Section 26003, utilized.

(5) The amount of reduction in greenhouse gases, air pollution, water pollution, or energy consumption.

(h) The exclusions granted pursuant to Section 6010.8 of the Revenue and Taxation Code for projects approved by the authority pursuant to this section shall not exceed one hundred million dollars ($100,000,000) for each calendar year.

(i)

(1) The authority shall study the efficacy and cost benefit of the sales and use tax exemption as it relates to advanced manufacturing projects. The study shall include the number of jobs created, the costs of each job, and the annual salary of each job. The study shall also consider a dynamic analysis of the economic output to the state that would occur without the sales and use tax exemption. Before January 1, 2017, the authority shall submit to the Legislature, consistent with Section 9795 of the Government Code, the result of the study.

(2) Before January 1, 2015, the authority shall, consistent with Section 9795 of the Government Code, submit to the Legislature an interim report on the efficacy of the program conducted pursuant to this section. The study shall include recommendations on program changes that would increase the program's efficacy in creating permanent and temporary jobs, and whether eligibility for the program should be ~~extended or narrowed~~narrowed or extended to other manufacturing types. The authority may work with the Legislative Analyst's Office in preparing the report and its recommendations.

(j) This section shall remain in effect only until January 1, 2026, and as of that date is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2026, deletes or extends that date. The sale or purchase of tangible personal property of a project approved before January 1, 2026, shall continue to be excluded from sales and use taxes pursuant to Section 6010.8 of the Revenue and Taxation Code for the period of time set forth in the authority's resolution approving the project pursuant to this section.

SEC. 242. Section *42971* of the Public Resources Code is amended to read:

42971.

For purposes of this chapter, and unless the context otherwise requires, the following definitions govern the construction of this chapter:

(a) "Brand" means a name, symbol, word, or mark that identifies the carpet, rather than its components, and attributes the carpet to the owner or licensee of the brand as the manufacturer.

(b) "CARE" means the Carpet America Recovery Effort, a third-party nonprofit carpet stewardship organization incorporated as a nonprofit corporation pursuant to Section 501(c)(3) of Title 26 of the United States Code in 2002 and established to increase the reclamation and stewardship of postconsumer carpet.

(c) “CARE MOU” means the 2012 Memorandum of Understanding for Carpet Stewardship, as to be negotiated among the carpet industry, states, and nongovernmental organization stakeholders as a successor to the 2002 memorandum of understanding.

(d)

(1) “Carpet” means a manufactured article that is used in commercial or residential buildings affixed or placed on the floor or building walking surface as a decorative or functional building interior feature and that is primarily constructed of a top visible surface of synthetic or natural face fibers or yarns or tufts attached to a backing system derived from synthetic or natural materials.

(2) “Carpet” includes, but is not limited to, a commercial or a residential broadloom carpet or modular carpet tiles.

(3) “Carpet” does not include a rug, pad, cushion, or underlayment used in conjunction with, or separately from, a carpet.

(e) “Carpet stewardship organization” or “organization” means either of the following:

(1) An organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. Sec. 501(c)(3)) that is appointed by one or more manufacturers to act as an agent on behalf of the manufacturer to design, submit, and administer a carpet stewardship plan pursuant to this chapter.

(2) A carpet manufacturer that complies with this chapter as an individual manufacturer.

(f) “Carpet stewardship plan” or “plan” means a plan written by an individual manufacturer or a carpet stewardship organization, on behalf of one or more manufacturers, that includes all of the information required by Section 42972.

(g) “Consumer” means a purchaser, owner, or lessee of carpet, including a person, business, corporation, limited partnership, nonprofit organization, or governmental entity.

(h) “Department” means the Department of Resources Recycling and Recovery.

(i) “Label” means a graphic representation of three chasing arrows with a carpet roll inside the arrows, or an alternative design, designed by CARE, after consultation with retailers and wholesalers, and approved by the department for use on all invoices or functionally equivalent billing documents pursuant to paragraph (3) of subdivision (c) of Section 42972.

(j) “Manufacturer” means, with regard to a carpet that is sold, offered for sale, or distributed in the state, any of the following:

(1) The person who manufactures the carpet and who sells, offers for sale, or distributes that carpet in the state under that person’s own name or brand.

(2) If there is no person who sells, offers for sale, or distributes the carpet in the state under the person’s own name or brand, the manufacturer of the carpet is the owner or licensee of a trademark or brand under which the carpet is sold or distributed in the state, whether or not the trademark is registered.

(3) If there is no person who is a manufacturer of the carpet for the purpose of paragraphs (1) and (2), the manufacturer of that carpet is the person who imports the carpet into the state for sale or distribution.

(k) “Postconsumer carpet” means carpet that is no longer used for its manufactured purpose.

(l) “Processor” means a company that uses a process, including, but not limited to, shredding, grinding, sheering, or depolymerization, to convert discarded whole carpet into finished recycled output that is ready to be utilized as an input material for manufacturing products.

(m) “Recycling” means the process, consistent with Section 40180, of converting postconsumer carpet into a useful product that meets the quality standards necessary to be used in the marketplace.

(n) “Retailer” means a person who offers new carpet in a retail sale, as defined in Section 6007 of the Revenue and Taxation Code, including a retail sale through any means, including remote offerings such as sales outlets, catalogs, or an internet website or other similar electronic means.

(o) “Sell” or “sales” means a transfer of title of a carpet for consideration, including a remote sale conducted through a sales outlet, catalog, or internet website or similar electronic means. For purposes of this chapter, “sell” or “sales” includes a lease through which a carpet is provided to a consumer by a manufacturer, wholesaler, or retailer.

(p) “Wholesaler” means a person who offers new carpet for sale in this state in a sale that is not a retail sale, as defined in Section 6007 of the Revenue and Taxation Code, and in which the carpet is intended to be resold.

SEC. 243. Section *71205.3* of the Public Resources Code is amended to read:

71205.3.

(a) The commission shall adopt regulations that do all of the following:

(1) Require an owner or operator of a vessel carrying, or capable of carrying, ballast water that operates in the waters of the state to implement the ballast water discharge performance standards set forth in Section 151.2030(a) of Title 33 of the Code of Federal Regulations, or as that regulation may be amended.

(2) Require an owner or operator of a vessel carrying, or capable of carrying, ballast water that operates in the waters of the state to comply with the performance standards set forth in Section 151.2035(b) of Title 33 of the Code of Federal Regulations, or as that regulation may be amended, except as prescribed in Section 151.2036 of Title 33 of the Code of Federal Regulations, or as that regulation may be amended.

(3) Require an owner or operator of a vessel carrying, or capable of carrying, ballast water that operates in the waters of the state to implement the interim performance standards for the discharge of ballast water recommended in accordance with Table X-1 of the California State Lands Commission Report on Performance Standards for Ballast Water Discharges in California Waters, as approved by the commission on January 26, 2006, by January 1, 2030.

(4) Require an owner or operator of a vessel carrying, or capable of carrying, ballast water that operates in the waters of the state to meet the final performance standard for the discharge of ballast water of zero detectable living organisms for all organism size classes no later than January 1, 2040. If, based on a review of ballast water treatment technologies submitted in a report to the Legislature in conformance with provisions of subdivision (b), achievement of the final performance standard becomes practicable sooner than January 1, 2040, the commission shall establish an earlier effective date in regulation.

(b)

(1) Not less than 18 months before January 1, 2030, and January 1, 2040, the commission, in consultation with the board, the United States Coast Guard, and an advisory panel described in paragraph (3), shall prepare, or update, and submit to the Legislature a report on the efficacy, availability, and environmental impacts, including the effect on water quality, of currently available technologies for ballast water treatment systems. If technologies to meet the performance standards are determined in a review to be unavailable, the commission shall include in that review an assessment of why the technologies are unavailable.

(2) The advisory panel described in paragraph (3) shall make recommendations regarding the content and issuance of the report and implementation of the performance standards to the commission.

(3)

(A) The advisory panel shall include, but not be limited to, representatives from one or more state regional water quality control boards, the Department of Fish and Wildlife, the United States Coast Guard, the United States Environmental Protection Agency, and other persons representing shipping, port, conservation, fishing, aquaculture, agriculture, and public water agency interests. The commission shall ensure that the advisory panel meets in a manner that facilitates the effective participation of both the public and private members. The advisory panel's meetings shall be open to the public.

(B) The commission shall provide notice of the advisory panel's meetings to any person who requests that notice in writing, as well as on the commission's internet website. The commission shall provide that notice at least 10 days before an advisory panel meeting and shall include the meeting's agenda and the name, address, and telephone number of a person who can provide additional information before the meeting.

(4)

(A) The requirement for submitting a report imposed under this subdivision is inoperative on January 1, 2034, for the interim performance standard, and January 1, 2044, for the final performance standard, pursuant to Section 10231.5 of the Government Code.

(B) A report required to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

SEC. 244. Section *75241* of the Public Resources Code is amended to read:

75241.

(a) The Strategic Growth Council shall award competitive grants to eligible entities through an application process. An eligible entity, including, but not limited to, a nonprofit organization, a community-based organization, a faith-based organization, a coalition or association of nonprofit organizations, a community development finance institution, a community development corporation, a local agency, a joint powers authority, or a tribal government, shall demonstrate multistakeholder partnerships with local agencies, community-based organizations, labor groups, workforce investment boards, and other stakeholders, as appropriate. The Strategic Growth Council shall award grants for projects that demonstrate community engagement in all phases.

(b)

(1) In awarding grants, the Strategic Growth Council shall make grant selections for plan development contingent on the implementation of one or more projects identified by the plan.

(2) In awarding grants, the Strategic Growth Council may give priority to plans and projects that cover areas that have a high proportion of census ~~tracks~~tracts identified as disadvantaged communities and that focus on communities that are most disadvantaged.

(3) The Strategic Growth Council may award a grant over multiple years.

(4) The Strategic Growth Council shall consider applicants for projects undertaken in disadvantaged communities located in unincorporated areas of a county.

(c) To be eligible for funding under the program, a plan, and a project that implements a plan, shall demonstrate that it will achieve a reduction in emissions of greenhouse gases.

(d) The California Environmental Protection Agency shall provide assistance in performing outreach to disadvantaged communities and assessing the environmental justice benefits of project awards.

(e) Projects shall maximize climate, public health, environmental, workforce, and economic benefits.

SEC. 245. Section *216* of the Public Utilities Code is amended to read:

216.

(a)

(1) "Public utility" includes every common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, and heat corporation, where the service is performed for, or the commodity is delivered to, the public or any portion thereof.

(2) A provider of last resort, as defined in Section ~~397~~387, that is providing service pursuant to Article ~~13~~8.5 (commencing with Section ~~397~~387) of Chapter 2.3 is a public utility subject to the jurisdiction, control, and regulation of the commission and the provisions of this part regarding providing that service.

(b) Whenever any common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, or heat corporation performs a service for, or delivers a commodity to, the public or any portion thereof for which any compensation or payment whatsoever is received, that common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, or heat corporation, is a public utility subject to the jurisdiction, control, and regulation of the commission and the provisions of this part.

(c) When any person or corporation performs any service for, or delivers any commodity to, any person, private corporation, municipality, or other political subdivision of the state, that in turn either directly or indirectly, mediately or immediately, performs that service for, or delivers that commodity to, the public or any portion thereof, that person or corporation is a public utility subject to the jurisdiction, control, and regulation of the commission and the provisions of this part.

(d) Ownership or operation of a facility that employs cogeneration technology or produces power from other than a conventional power source or the ownership or operation of a facility which employs landfill gas technology does not make a corporation or person a public utility within the meaning of this section solely because of the ownership or operation of that facility.

(e) Any corporation or person engaged directly or indirectly in developing, producing, transmitting, distributing, delivering, or selling any form of heat derived from geothermal or solar resources or from cogeneration technology to any privately owned or publicly owned public utility, or to the public or any portion thereof, is not a public utility within the meaning of this section solely by reason of engaging in any of those activities.

(f) The ownership or operation of a facility that sells compressed natural gas or hydrogen at retail to the public for use only as a motor vehicle fuel, and the selling of compressed natural gas or hydrogen at retail from that facility to the public for use only as a motor vehicle fuel, does not make the corporation or person a public utility within the meaning of this section solely because of that ownership, operation, or sale.

(g) Ownership or operation of a facility that is an exempt wholesale generator, as defined in the Public Utility Holding Company Act of 2005 (42 U.S.C. Sec. 16451(6)), does not make a corporation or person a public utility within the meaning of this section, solely due to the ownership or operation of that facility.

(h) The ownership, control, operation, or management of an electric plant used for direct transactions or participation directly or indirectly in direct transactions, as permitted by subdivision (b) of Section

365, sales into a market established and operated by the Independent System Operator or any other wholesale electricity market, or the use or sale as permitted under subdivisions (b) to (d), inclusive, of Section 218, shall not make a corporation or person a public utility within the meaning of this section solely because of that ownership, participation, or sale.

(i) The ownership, control, operation, or management of a facility that supplies electricity to the public only for use to charge light duty plug-in electric vehicles does not make the corporation or person a public utility within the meaning of this section solely because of that ownership, control, operation, or management. For purposes of this subdivision, "light duty plug-in electric vehicles" includes light duty battery electric and plug-in hybrid electric vehicles. This subdivision does not affect the commission's authority under Section 454 or 740.2 or any other applicable statute.

SEC. 246. Section *365.3* of the Public Utilities Code is amended to read:

365.3.

(a) The commission shall post, in a consolidated location on its internet website, each load-serving ~~entities'~~entity's residential electric rate tariffs and programs to enable customers and local governments to compare rates, services, environmental attributes, and other offerings. The documents posted shall include, but not be limited to, joint comparison rates for each ~~of the~~ community choice ~~aggregators and investor-owned utilities~~aggregator and electrical corporation and the disclosures required of retail sellers pursuant to Sections 398.4 and 398.5. This information shall ~~also~~ be available and easily accessible on the load-serving entities' internet websites.

(b) Pursuant to subdivision (a), each load-serving entity shall make available to the commission all information about its residential electric rate tariffs and programs.

(c) Dissemination of publicly available and factual information pursuant to subdivision (a) by a load-serving entity to a customer shall not constitute a violation of Section 707.

(d) For purposes of this section, "load-serving entity" has the same meaning as in Section 380.

SEC. 247. Section *387* of the Public Utilities Code is amended to read:

387.

(a) For purposes of this article, the following terms have the following meanings:

(1) "Carbon-free electrical resource" means a source of electrical generation that emits no greenhouse gases when generating electricity that is deliverable to retail end-use customers in California.

(2) "Load-serving entity" has the same meaning as defined in Section 380.

(3) "Provider of last resort" means a load-serving entity that the commission determines meets the minimum requirements of this article and designates to provide electrical service to any retail customer whose service is transferred to the designated load-serving entity because the customer's load-serving entity failed to provide, or denied, service to the customer or otherwise failed to meet its obligations.

(b) The provider of last resort shall be the electrical corporation in its service territory unless provided otherwise in a service territory boundary agreement entered into pursuant to Article 1 (commencing with Section 8101) of Chapter 6 of Division 4, or unless another load-serving entity is designated by the commission pursuant to subdivision (c) or (d).

(c) The commission may designate a load-serving entity other than the electrical corporation to serve as a provider of last resort in the electrical corporation's service territory by approving a joint application by the electrical corporation and the load-serving entity that proposes to become the new provider of last resort in the electrical corporation's service territory. The application may request a transfer of the

responsibilities of the provider of last resort for the entire service territory of the electrical corporation or for a portion of that service territory. The application shall include all of the following:

(1) A demonstrated ability by the load-serving entity seeking to become the new provider of last resort to post a bond sufficient to meet the minimum threshold established pursuant to subdivision (e).

(2) A demonstrated history of contracting for electricity and access to carbon-free electrical resources by the load-serving entity seeking to become provider of last resort.

(3) A viable plan for meeting the resource adequacy requirements established pursuant to Section 380, the requirements of the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11)), and all other load-serving entity procurement requirements.

(4) A history of the load-serving entity seeking to become the provider of last resort participating in, and complying with the requirements of, the integrated resource planning process pursuant to Sections 454.51, 454.52, and 454.54, and all other load-serving entity procurement requirements.

(5) The full disclosure by the load-serving entity seeking to become the provider of last resort of any fines or penalties imposed by, or violations of law found by, any regulatory body of any state or territory, or the federal government.

(6) A detailed history of the safety record of the load-serving entity seeking to become the provider of last resort.

(7) An implementation plan to provide for universal access, equitable treatment of all classes of customers, and other customer protections including electric service disconnection procedures consistent with Sections 718 and 779.3.

(d) The commission shall develop a process to facilitate a joint application from load-serving entities that are not electrical corporations to request to transfer the responsibilities of the provider of last resort. This process shall apply when one load-serving entity that is not an electrical corporation has already been designated as a provider of last resort, as described in subdivision (c). The commission may approve a joint application by the designated provider of last resort and the load-serving entity that proposes to become the new provider of last resort in the service territory. The application may request a transfer of responsibilities of the provider of last resort for the entire service territory or for a portion of that service territory. The application shall include all of the elements described in subdivision (c). All of the requirements of this article are applicable to the load-serving entity that proposes to become the new provider of last resort in the applicable service territory.

(e) While a load-serving entity is serving as the new provider of last resort pursuant to subdivision (c) or (d), the commission shall not enforce the provider of last resort requirements on the former provider or providers of last resort.

(f) The commission shall develop additional threshold attributes for a load-serving entity other than an electrical corporation to serve as a provider of last resort to retail end-use customers in California that include all of the following:

(1) Minimum insurance requirements.

(2) Minimum financial requirements necessary to provide electricity to retail end-use customers in each service territory.

(3) Compliance with resource adequacy requirements pursuant to Section 380, requirements of the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11)), integrated resource planning requirements pursuant to Sections 454.51, 454.52, and 454.54, and all other state-mandated procurement requirements.

(4) Electric service disconnection rules pursuant to Sections 718 and 779.3.

(5) Any additional minimum requirements that the commission determines are needed to ensure that the provider of last resort will perform its obligation to serve.

(g) The commission shall ensure that the provider of last resort for each service territory receives reasonable cost recovery for being designated and serving as a provider of last resort.

(h) To ensure continued achievement of California's greenhouse gas emission reduction and air quality goals, and continued accounting of emissions of greenhouse gases for California pursuant to Part 2 (commencing with Section 38530) of Division 25.5 of the Health and Safety Code and other emissions reporting programs, in preparation for an unplanned customer migration to a provider of last resort, the commission, in consultation with the Energy Commission, may do both of the following:

(1) Establish rules for all load-serving entities in preparation of any potentially large and unplanned customer migration.

(2) Recommend to agencies modifications to relevant regulations.

(i) Notwithstanding any other law, electrical corporations shall continue to provide all metering, billing, and collection to retail customers served by the provider of last resort. Bills sent by an electrical corporation to retail customers shall identify the designated provider of last resort. The commission shall determine the terms and conditions under which the electrical corporation provides these services to the provider of last resort.

(j) The commission shall supervise and regulate each provider of last resort, as necessary, as a public utility for the services provided by the provider of last resort pursuant to this article to ensure the provision of electrical service to customers without disruption if a load-serving entity fails to provide, or denies, service to any retail end-use customer in California for any reason. The commission may do all things that are necessary and convenient in the exercise of this power.

(k) ~~Nothing in this section limits~~This section does not limit the authority of the commission to regulate the terms of service or establish requirements for provider of last resort service by an electrical corporation or any new provider of last resort.

SEC. 248. Section *399.13* of the Public Utilities Code, as amended by Section 1 of Chapter 401 of the Statutes of 2019, is amended to read:

399.13.

(a)

(1) The commission shall direct each electrical corporation to annually prepare a renewable energy procurement plan that includes the elements specified in paragraph (6), to satisfy its obligations under the renewables portfolio standard. To the extent feasible, this procurement plan shall be proposed, reviewed, and adopted by the commission as part of, and pursuant to, a general procurement plan process. The commission shall require each electrical corporation to review and update its renewable energy procurement plan as it determines to be necessary. The commission shall require all other retail sellers to prepare and submit renewable energy procurement plans that address the requirements identified in paragraph (6).

(2) Every electrical corporation that owns electrical transmission facilities shall annually prepare, as part of the Federal Energy Regulatory Commission Order 890 process, and submit to the commission, a report identifying any electrical transmission facility, upgrade, or enhancement that is reasonably necessary to achieve the renewables portfolio standard procurement requirements of this article. Each report shall look forward at least five years and, to ensure that adequate investments are made in a timely manner, shall include a preliminary schedule when an application for a certificate of public convenience and necessity will be made, pursuant to Chapter 5 (commencing with Section 1001), for any electrical transmission facility identified as being reasonably necessary to achieve the renewable energy resources procurement requirements of

this article. Each electrical corporation that owns electrical transmission facilities shall ensure that project-specific interconnection studies are completed in a timely manner.

(3) The commission shall direct each retail seller to prepare and submit an annual compliance report that includes all of the following:

(A) The current status and progress made during the prior year toward procurement of eligible renewable energy resources as a percentage of retail sales, including, if applicable, the status of any necessary siting and permitting approvals from federal, state, and local agencies for those eligible renewable energy resources procured by the retail seller, and the current status of compliance with the portfolio content requirements of subdivision (c) of Section 399.16, including procurement of eligible renewable energy resources located outside the state and within the WECC and unbundled renewable energy credits.

(B) If the retail seller is an electrical corporation, the current status and progress made during the prior year toward construction of, and upgrades to, transmission and distribution facilities and other electrical system components it owns to interconnect eligible renewable energy resources and to supply the electricity generated by those resources to load, including the status of planning, siting, and permitting transmission facilities by federal, state, and local agencies.

(C) Recommendations to remove impediments to making progress toward achieving the renewable energy resources procurement requirements established pursuant to this article.

(4) The commission shall review each annual compliance report filed by a retail seller. The commission shall notify a retail seller if the commission has determined, based upon its review, that the retail seller may be at risk of not satisfying the renewable energy procurement requirements for the then-current or a future compliance period and shall provide recommendations in that circumstance regarding satisfying those requirements.

(5) The commission shall adopt, by rulemaking, all of the following:

(A) A process that provides criteria for the rank ordering and selection of least-cost and best-fit eligible renewable energy resources to comply with the California Renewables Portfolio Standard Program obligations on a total cost and best-fit basis. This process shall take into account all of the following:

(i) Estimates of indirect costs associated with needed transmission investments.

(ii) The cost impact of procuring the eligible renewable energy resources on the electrical corporation’s electricity portfolio.

(iii) The viability of the project to construct and reliably operate the eligible renewable energy resource, including the developer’s experience, the feasibility of the technology used to generate electricity, and the risk that the facility will not be built, or that construction will be delayed, with the result that electricity will not be supplied as required by the contract.

(iv) Workforce recruitment, training, and retention efforts, including the employment growth associated with the construction and operation of eligible renewable energy resources and goals for recruitment and training of women, minorities, and disabled veterans.

(v)

(I) Estimates of electrical corporation expenses resulting from integrating and operating eligible renewable energy resources, including, but not limited to, any additional wholesale energy and capacity costs associated with integrating each eligible renewable resource.

(II) No later than December 31, 2015, the commission shall approve a methodology for determining the integration costs described in subclause (I).

(vi) Consideration of any statewide greenhouse gas emissions limit established pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code).

(vii) Consideration of capacity and system reliability of the eligible renewable energy resource to ensure grid reliability.

(B) Rules permitting retail sellers to accumulate, beginning January 1, 2011, excess procurement in one compliance period to be applied to any subsequent compliance period. The rules shall apply equally to all retail sellers. In determining the quantity of excess procurement for the applicable compliance period, the commission shall retain the rules adopted by the commission and in effect as of January 1, 2015, for the compliance period specified in subparagraphs (A) to (C), inclusive, of paragraph (1) of subdivision (b) of Section 399.15. For any subsequent compliance period, the rules shall allow the following:

(i) For electricity products meeting the portfolio content requirements of paragraph (1) of subdivision (b) of Section 399.16, contracts of any duration may count as excess procurement.

(ii) Electricity products meeting the portfolio content requirements of paragraph (2) or (3) of subdivision (b) of Section 399.16 shall not be counted as excess procurement. Contracts of any duration for electricity products meeting the portfolio content requirements of paragraph (2) or (3) of subdivision (b) of Section 399.16 that are credited towards a compliance period shall not be deducted from a retail seller's procurement for purposes of calculating excess procurement.

(iii) If a retail seller notifies the commission that it will comply with the provisions of subdivision (b) for the compliance period beginning January 1, 2017, the provisions of clauses (i) and (ii) shall take effect for that retail seller for that compliance period.

(C) Standard terms and conditions to be used by all electrical corporations in contracting for eligible renewable energy resources, including performance requirements for renewable generators. A contract for the purchase of electricity generated by an eligible renewable energy resource, at a minimum, shall include the renewable energy credits associated with all electricity generation specified under the contract. The standard terms and conditions shall include the requirement that, no later than six months after the commission's approval of an electricity purchase agreement entered into pursuant to this article, the following information about the agreement shall be disclosed by the commission: party names, resource type, project location, and project capacity.

(D) An appropriate minimum margin of procurement above the minimum procurement level necessary to comply with the renewables portfolio standard to mitigate the risk that renewable projects planned or under contract are delayed or canceled. This paragraph does not preclude an electrical corporation from voluntarily proposing a margin of procurement above the appropriate minimum margin established by the commission.

(6) Consistent with the goal of increasing California's reliance on eligible renewable energy resources, the renewable energy procurement plan shall include all of the following:

(A) An assessment of annual or multiyear portfolio supplies and demand to determine the optimal mix of eligible renewable energy resources with deliverability characteristics that may include peaking, dispatchable, baseload, firm, and as-available capacity.

(B) Potential compliance delays related to the conditions described in paragraph (5) of subdivision (b) of Section 399.15.

(C) A bid solicitation setting forth the need for eligible renewable energy resources of each deliverability characteristic, required online dates, and locational preferences, if any.

(D) A status update on the development schedule of all eligible renewable energy resources currently under contract.

(E) Consideration of mechanisms for price adjustments associated with the costs of key components for eligible renewable energy resource projects with online dates more than 24 months after the date of contract execution.

(F) An assessment of the risk that an eligible renewable energy resource will not be built, or that construction will be delayed, with the result that electricity will not be delivered as required by the contract.

(7) In soliciting and procuring eligible renewable energy resources, each electrical corporation shall offer contracts of no less than 10 years duration, unless the commission approves of a contract of shorter duration.

(8)

(A) In soliciting and procuring eligible renewable energy resources for California-based projects, each electrical corporation shall give preference to renewable energy projects that provide environmental and economic benefits to communities afflicted with poverty or high unemployment, or that suffer from high emission levels of toxic air contaminants, criteria air pollutants, and greenhouse gases.

(B) Subparagraph (A) applies to all procurement of eligible renewable energy resources for California-based projects, whether the procurement occurs through all-source requests for offers, eligible renewable resources only requests for offers, or other procurement mechanisms. This subparagraph is declaratory of existing law.

(9) In soliciting and procuring eligible renewable energy resources, each retail seller shall consider the best-fit attributes of resource types that ensure a balanced resource mix to maintain the reliability of the electrical grid.

(b) A retail seller may enter into a combination of long- and short-term contracts for electricity and associated renewable energy credits. Beginning January 1, 2021, at least 65 percent of the procurement a retail seller counts toward the renewables portfolio standard requirement of each compliance period shall be from its contracts of 10 years or more in duration or in its ownership or ownership agreements for eligible renewable energy resources.

(c) The commission shall review and accept, modify, or reject each electrical corporation's renewable energy resource procurement plan ~~prior to~~before the commencement of renewable energy procurement pursuant to this article by an electrical corporation. The commission shall assess adherence to the approved renewable energy resource procurement plans in determining compliance with the obligations of this article.

(d) Unless previously preapproved by the commission, an electrical corporation shall submit a contract for the generation of an eligible renewable energy resource to the commission for review and approval consistent with an approved renewable energy resource procurement plan. If the commission determines that the bid prices are elevated due to a lack of effective competition among the bidders, the commission shall direct the electrical corporation to renegotiate the contracts or conduct a new solicitation.

(e) If an electrical corporation fails to comply with a commission order adopting a renewable energy resource procurement plan, the commission shall exercise its authority to require compliance.

(f)

(1) The commission may authorize a procurement entity to enter into contracts on behalf of customers of a retail seller for electricity products from eligible renewable energy resources to satisfy the retail seller's renewables portfolio standard procurement requirements. The commission

shall not require any person or corporation to act as a procurement entity or require any party to purchase eligible renewable energy resources from a procurement entity.

(2) Subject to review and approval by the commission, the procurement entity shall be permitted to recover reasonable administrative and procurement costs through the retail rates of end-use customers that are served by the procurement entity and are directly benefiting from the procurement of eligible renewable energy resources.

(g) Procurement and administrative costs associated with contracts entered into by an electrical corporation for eligible renewable energy resources pursuant to this article and approved by the commission are reasonable and prudent and shall be recoverable in rates.

(h) Construction, alteration, demolition, installation, and repair work on an eligible renewable energy resource that receives production incentives pursuant to former Section 25742 of the Public Resources Code, as that section read on June 26, 2012, including work performed to qualify, receive, or maintain production incentives, are “public works” for the purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

SEC. 249. Section *399.19* of the Public Utilities Code is amended to read:

399.19.

(a) The commission shall modify, and extend until December 31, 2026, or until all available program funds are expended, whichever occurs first, the monetary incentive program for biomethane projects adopted in Decision 15-06-029 (June 11, 2015), Decision Regarding the Costs of Compliance with Decision 14-01-034 and Adoption of Biomethane Promotion Policies and Program, as follows:

(1) Except for a dairy cluster biomethane project, the total available incentive limitation for a project shall be increased from one million five hundred thousand dollars ($1,500,000) to three million dollars ($3,000,000).

(2) For a dairy cluster biomethane project, the total available incentive limitation shall be raised to five million dollars ($5,000,000), which may be used for interconnection costs and costs incurred for gathering lines to help reduce emissions of short-lived climate pollutants pursuant to Section 39730 of the Health and Safety Code. For purposes of this subdivision, a dairy cluster biomethane project means a biomethane project of three or more dairies in close proximity to one another employing multiple facilities for the capture of biogas that is transported by multiple gathering lines to a centralized processing facility where the biogas is processed to meet the biomethane standards adopted by the commission pursuant to subdivisions (c) and (d), or updated pursuant to subdivision (e), of Section 25421 of the Health and Safety Code and injected into the pipeline of the gas corporation through a single interconnection.

(b) This section shall remain in effect only until January 1, 2027, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2027, deletes or extends that date.

SEC. 250. Section *454.5* of the Public Utilities Code is amended to read:

454.5.

(a) The commission shall specify the allocation of electricity, including quantity, characteristics, and duration of electricity delivery, that the Department of Water Resources shall provide under its power purchase agreements to the customers of each electrical corporation, which shall be reflected in the electrical corporation’s proposed procurement plan. Each electrical corporation shall file a proposed procurement plan with the commission not later than 60 days after the commission specifies the allocation of electricity. The proposed procurement plan shall specify the date that the electrical corporation intends to resume procurement of electricity for its retail customers, consistent with its

obligation to serve. After the commission's adoption of a procurement plan, the commission shall allow not less than 60 days before the electrical corporation resumes procurement pursuant to this section.

(b) An electrical corporation's proposed procurement plan shall include, but not be limited to, all of the following:

(1) An assessment of the price risk associated with the electrical corporation's portfolio, including any utility-retained generation, existing power purchase and exchange contracts, and proposed contracts or purchases under which an electrical corporation will procure electricity, electricity demand reductions, and electricity-related products and the remaining open position to be served by spot market transactions.

(2) A definition of each electricity product, electricity-related product, and ~~procurement related~~procurement-related financial product, including support and justification for the product type and amount to be procured under the plan.

(3) The duration of the plan.

(4) The duration, timing, and range of quantities of each product to be procured.

(5) A competitive procurement process under which the electrical corporation may request bids for procurement-related services, including the format and criteria of that procurement process.

(6) An incentive mechanism, if any incentive mechanism is proposed, including the type of transactions to be covered by that mechanism, their respective procurement benchmarks, and other parameters needed to determine the sharing of risks and benefits.

(7) The upfront standards and criteria by which the acceptability and eligibility for rate recovery of a proposed procurement transaction will be known by the electrical corporation ~~prior to~~before execution of the transaction. This shall include an expedited approval process for the commission's review of proposed contracts and subsequent approval or rejection ~~thereof~~of a contract. The electrical corporation shall propose alternative procurement choices in the event a contract is rejected.

(8) Procedures for updating the procurement plan.

(9) A showing that the procurement plan will achieve the following:

(A) The electrical corporation, in order to fulfill its unmet resource needs, shall procure resources from eligible renewable energy resources in an amount sufficient to meet its procurement requirements pursuant to the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3).

(B) The electrical corporation shall create or maintain a diversified procurement portfolio consisting of both short-term and long-term electricity and electricity-related and demand reduction products.

(C)

(i) The electrical corporation shall first meet its unmet resource needs through all available energy efficiency and demand reduction resources that are cost effective, reliable, and feasible.

(ii) In determining the availability of cost-effective, reliable, and feasible demand reduction resources, the commission shall consider the findings regarding technically and economically achievable demand reduction in the Demand Response Potential Study required pursuant to Commission Order D.14-12-024, to the extent those findings are not superseded by other demand reduction studies conducted by academic institutions or government agencies, and to the extent that any demand reduction is consistent with commission policy.

(D)

(i) The electrical corporation, in soliciting bids for new gas-fired generating units, shall actively seek bids for resources that are not gas-fired generating units located in communities that suffer from cumulative pollution burdens, including, but not limited to, high emission levels of toxic air contaminants, criteria air pollutants, and greenhouse gases.

(ii) In considering bids for, or negotiating contracts for, new gas-fired generating units, the electrical corporation shall provide greater preference to resources that are not gas-fired generating units located in communities that suffer from cumulative pollution burdens, including, but not limited to, high emission levels of toxic air contaminants, criteria air pollutants, and greenhouse gases.

(iii) This subparagraph does not apply to contracts signed by an electrical corporation and approved by the commission ~~prior to~~before January 1, 2017.

(10) The electrical corporation's risk management policy, strategy, and practices, including specific measures of price stability.

(11) A plan to achieve appropriate increases in diversity of ownership and diversity of fuel supply of nonutility electrical generation.

(12) A mechanism for recovery of reasonable administrative costs related to procurement in the generation component of rates.

(c) The commission shall review and accept, modify, or reject each electrical corporation's procurement plan and any amendments or updates to the plan. The commission shall ensure that the plan contains the elements required by this section, including the elements described in subparagraphs (C) and (D) of paragraph (9) of subdivision (b). The commission's review shall consider each electrical corporation's individual procurement situation, and shall give strong consideration to that situation in determining which one or more of the features set forth in this subdivision shall apply to that electrical corporation. A procurement plan approved by the commission shall contain one or more of the following features, provided that the commission may not approve a feature or mechanism for an electrical corporation if it finds that the feature or mechanism would impair the restoration of an electrical corporation's creditworthiness or would lead to a deterioration of an electrical corporation's creditworthiness:

(1) A competitive procurement process under which the electrical corporation may request bids for procurement-related services. The commission shall specify the format of that procurement process, as well as criteria to ensure that the auction process is open and adequately subscribed. Any purchases made in compliance with the commission-authorized process shall be recovered in the generation component of rates.

(2) An incentive mechanism that establishes a procurement benchmark or benchmarks and authorizes the electrical corporation to procure from the market, subject to comparing the electrical corporation's performance to the commission-authorized benchmark or benchmarks. The incentive mechanism shall be clear, achievable, and contain quantifiable objectives and standards. The incentive mechanism shall contain balanced risk and reward incentives that limit the risk and reward of an electrical corporation.

(3) Upfront achievable standards and criteria by which the acceptability and eligibility for rate recovery of a proposed procurement transaction will be known by the electrical corporation ~~prior to~~before the execution of the bilateral contract for the transaction. The commission shall provide for expedited review and either approve or reject the individual contracts submitted by the electrical corporation to ensure compliance with its procurement plan. To the extent the commission rejects a proposed contract pursuant to this criteria, the commission shall designate alternative procurement choices obtained in the procurement plan that will be recoverable for ratemaking purposes.

(d) A procurement plan approved by the commission shall accomplish each of the following objectives:

(1) Enable the electrical corporation to fulfill its obligation to serve its customers at just and reasonable rates.

(2) Eliminate the need for after-the-fact reasonableness reviews of an electrical corporation's actions in compliance with an approved procurement plan, including resulting electricity procurement contracts, practices, and related expenses. However, the commission may establish a regulatory process to verify and ensure that each contract was administered in accordance with the terms of the contract, and contract disputes that may arise are reasonably resolved.

(3) Ensure timely recovery of prospective procurement costs incurred pursuant to an approved procurement plan. The commission shall establish rates based on forecasts of procurement costs adopted by the commission, actual procurement costs incurred, or a combination thereof, as determined by the commission. The commission shall establish power procurement balancing accounts to track the differences between recorded revenues and costs incurred pursuant to an approved procurement plan. The commission shall review the power procurement balancing accounts, not less than semiannually, and shall adjust rates or order refunds, as necessary, to promptly amortize a balancing account, according to a schedule determined by the commission. Until January 1, 2006, the commission shall ensure that any overcollection or undercollection in the power procurement balancing account does not exceed 5 percent of the electrical corporation's actual recorded generation revenues for the prior calendar year excluding revenues collected for the Department of Water Resources. The commission shall determine the schedule for amortizing the overcollection or undercollection in the balancing account to ensure that the 5-percent threshold is not exceeded. After January 1, 2006, this adjustment shall occur when deemed appropriate by the commission consistent with the objectives of this section.

(4) Moderate the price risk associated with serving its retail customers, including the price risk embedded in its long-term supply contracts, by authorizing an electrical corporation to enter into financial and other electricity-related product contracts.

(5) Provide for just and reasonable rates, with an appropriate balancing of price stability and price level in the electrical corporation's procurement plan.

(e) The commission shall provide for the periodic review and prospective modification of an electrical corporation's procurement plan.

(f) The commission may engage an independent consultant or advisory service to evaluate risk management and strategy. The reasonable ~~costs~~cost of any consultant or advisory service is a reimbursable expense and eligible for funding pursuant to Section 631.

(g) The commission shall adopt appropriate procedures to ensure the confidentiality of any market sensitive information submitted in an electrical corporation's proposed procurement plan or resulting from or related to its approved procurement plan, including, but not limited to, proposed or executed power purchase agreements, data request responses, or consultant reports, or any combination of these, provided that the Public Advocate's Office of the Public Utilities Commission and other consumer groups that are nonmarket participants shall be provided access to this information under confidentiality procedures authorized by the commission.

(h) ~~Nothing in this section alters, modifies, or amends~~This section does not alter, modify, or amend the commission's oversight of affiliate transactions under its rules and decisions or the commission's existing authority to investigate and penalize an electrical corporation's alleged fraudulent activities, or to disallow costs incurred as a result of gross incompetence, fraud, abuse, or similar grounds. ~~Nothing in this section expands, modifies, or limits~~This section does not expand, modify, or limit the Energy Commission's existing authority and responsibilities as set forth in Sections 25216, 25216.5, and 25323 of the Public Resources Code.

(i) An electrical corporation that serves less than 500,000 electric retail customers within the state may file with the commission a request for exemption from this section, which the commission shall grant upon a showing of good cause.

(j)

(1) ~~Prior to~~Before its approval pursuant to Section 851 of any divestiture of generation assets owned by an electrical corporation on or after ~~the date of enactment of the act adding this section~~September 24, 2002, the commission shall determine the impact of the proposed divestiture on the electrical corporation's procurement rates and shall approve a divestiture only to the extent it finds, taking into account the effect of the divestiture on procurement rates, that the divestiture is in the public interest and will result in net ratepayer benefits.

(2) Any electrical corporation's procurement necessitated as a result of the divestiture of generation assets on or after ~~the effective date of the act adding this subdivision~~September 24, 2002, shall be subject to the mechanisms and procedures set forth in this section only if its actual cost is less than the recent historical cost of the divested generation assets.

(3) Notwithstanding paragraph (2), the commission may deem proposed procurement eligible to use the procedures in this section upon its approval of asset divestiture pursuant to Section 851.

(k) The commission shall direct electrical corporations to include in their proposed procurement plans the integration costs described and determined pursuant to clause (v) of subparagraph (A) of paragraph (5) of subdivision (a) of Section 399.13.

(l) ~~Prior to~~Before approving an electrical corporation's contract for any new gas-fired generating unit, the commission shall require the electrical corporation to demonstrate compliance with its approved procurement plan.

SEC. 251. Section *714* of the Public Utilities Code is amended to read:

714.

(a) The commission, no later than July 1, 2017, shall open a proceeding to determine the feasibility of minimizing or eliminating use of the Aliso Canyon natural gas storage facility located in the County of Los Angeles while still maintaining energy and ~~electric~~electrical reliability for the region. This determination shall be consistent with the Clean Energy and Pollution Reduction Act of 2015 (Chapter 547 of the Statutes of 2015) and Executive Order B-30-2015. The commission shall consult with the Energy Commission, the Independent System Operator, the local publicly owned electric utilities that rely on natural gas for electricity generation, the Geologic Energy Management Division in the Department of Conservation, affected balancing authorities, and other relevant government entities, in making its determination.

(b) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

SEC. 252. Section *783* of the Public Utilities Code is amended to read:

783.

(a) The commission shall continue to enforce the rules governing the extension of service by gas and electrical corporations to new residential, commercial, agricultural, and industrial customers in effect on January 1, 1982, except that the commission shall amend the existing rules to permit applicants for service to install extensions in accordance with subdivision (f). Except for periodic review provisions of existing rules, and amendments to permit installations by an applicant's contractor, the commission shall not investigate amending these rules or issue any orders or decisions that amend these rules, unless the investigation or proceeding for the issuance of the order or decision is conducted pursuant to subdivision (b).

(b) Whenever the commission institutes an investigation into the terms and conditions for the extension of services provided by gas and electrical corporations to new or existing customers, or considers

issuing an order or decision amending those terms or conditions, the commission shall make written findings on all of the following issues:

(1) The economic effect of the line and service extension terms and conditions upon agriculture, residential housing, mobilehome parks, rural customers, urban customers, employment, and commercial and industrial building and development.

(2) The effect of requiring new or existing customers applying for an extension to an electrical or gas corporation to provide transmission or distribution facilities for other customers who will apply to receive line and service extensions in the future.

(3) The effect of requiring a new or existing customer applying for an extension to an electrical or gas corporation to be responsible for the distribution of, reinforcements of, relocations of, or additions to that gas or electrical corporation.

(4) The economic effect of the terms and conditions upon projects, including redevelopment projects, funded or sponsored by cities, counties, or districts.

(5) The effect of the line and service extension regulations, and any modifications to them, on existing ratepayers.

(6) The effect of the line and service extension regulations, and any modifications to them, on the consumption and conservation of energy.

(7) The extent to which there is cost-justification for a special line and service extension allowance for agriculture.

(c) The commission shall request the assistance of appropriate state agencies and departments in conducting any investigation or proceeding pursuant to subdivision (b), including, but not limited to, the Transportation Agency, the Department of Food and Agriculture, the Department of Consumer Affairs, the Bureau of Real Estate, and the Department of Housing and Community Development.

(d) Any new order or decision issued pursuant to an investigation or proceeding conducted pursuant to subdivision (b) shall become effective on July 1 of the year that follows the year when the new order or decision is adopted by the commission, so as to ensure that the public has at least six months to consider the new order or decision.

(e) The commission shall conduct any investigation or proceeding pursuant to subdivision (b) within the commission's existing budget, and any state agency or department that is requested by the commission to provide assistance pursuant to subdivision (c) shall also provide the assistance within the agency's or department's existing budget.

(f) An electrical or gas corporation shall permit a new or existing customer who applies for an extension of service from that corporation to install a gas or electric extension in accordance with the regulations of the commission and applicable specifications of that electrical or gas corporation consistent with subdivision (g).

(g)

(1) Only those construction and design specifications, standards, terms, and conditions that are applicable to a new ~~extension of service~~extension-of-service project by an electrical or gas corporation on the date the application is approved for the extension of service apply to the new project for the 18 months following the approval date of the application.

(2) Notwithstanding paragraph (1), an electrical or gas corporation may adopt modifications to construction and design specifications, standards, terms, and conditions applicable to a new extension-of-service project in accordance with any of the following:

(A) An order or decision of the commission or any other state or federal agency with jurisdiction.

(B) A work order issued by the electrical or gas corporation to implement construction or design changes necessitated by a customer-driven scope of work modification.

(C) A material-related design change identified by the electrical or gas corporation to remedy a construction material defect that could pose a risk to public safety.

(h) For purposes of this section, the following definitions apply:

(1) "The date the application is approved" means the earlier of either the effective date of the contract for the extension of gas or electric service or the date when the utility first invoices the customer for the extension of gas or electric service.

(2) "Customer-driven scope of work modification" means those modifications required to accommodate the construction and design needs of a new extension-of-service project for a specific customer.

(3) "Invoice" means when an electrical or gas corporation presents an offer to the customer for the extension of gas or electric service in response to an application for an extension of service submitted pursuant to subdivision (f).

SEC. 253. Section *854* of the Public Utilities Code is amended to read:

854.

(a) ~~No~~A person or corporation, whether or not organized under the laws of this state, shall not directly or indirectly merge, acquire, or control, including pursuant to a change in control as described in subparagraphs (D) ~~to (E), inclusive,~~or (E) of paragraph (1) of subdivision (b) of Section 854.2, ~~either directly or indirectly,~~ any public utility organized and doing business in this state without first securing authorization to do so from the commission. The commission may establish, by order or rule, the definitions of what ~~constitute~~constitutes a merger, acquisition, or control ~~activities which are~~activity that is subject to this section. Any merger, acquisition, or control without that prior authorization ~~shall be void and of no effect. No~~is void. A public utility organized and doing business under the laws of this state, and ~~no~~a subsidiary or affiliate of, or corporation holding a controlling interest in, a public utility, shall not aid or abet any violation of this section.

(b) Before authorizing the merger, acquisition, or control of any electrical, gas, or telephone corporation organized and doing business in this state, ~~where any of the utilities that are parties~~if any utility that is a party to the proposed transaction has gross annual California revenues exceeding five hundred million dollars ($500,000,000), the commission shall find that the proposal does all of the following:

(1) Provide short-term and long-term economic benefits to ratepayers.

(2) Equitably allocate, where the commission has ratemaking authority, the total short-term and long-term forecasted economic benefits, as determined by the commission, of the proposed merger, acquisition, or control, between shareholders and ratepayers. Ratepayers shall receive not less than 50 percent of those benefits.

(3) Not adversely affect competition. In making this finding, the commission shall request an advisory opinion from the Attorney General regarding whether competition will be adversely affected and what mitigation measures could be adopted to avoid this result.

(4) For an electric or gas utility, ensure the utility will have an adequate workforce to maintain the safe and reliable operation of the utility assets.

(c) Before authorizing the merger, acquisition, or control of any electrical, gas, or telephone corporation organized and doing business in this state, ~~where any of the entities that are parties~~if any entity that is a party to the proposed transaction has gross annual California revenues exceeding five hundred million dollars ($500,000,000), the commission shall consider each of the criteria listed in

paragraphs (1) to(8), inclusive, and find, on balance, that the merger, acquisition, or control proposal is in the public interest.

(1) Maintain or improve the financial condition of the resulting public utility doing business in the state.

(2) Maintain or improve the quality of service to public utility ratepayers in the state.

(3) Maintain or improve the quality of management of the resulting public utility doing business in the state.

(4) Be fair and reasonable to affected public utility employees, including both union and nonunion employees.

(5) Be fair and reasonable to the majority of all affected public utility shareholders.

(6) Be beneficial on an overall basis to state and local economies, and to the communities in the area served by the resulting public utility.

(7) Preserve the jurisdiction of the commission and the capacity of the commission to effectively regulate and audit public utility operations in the state.

(8) Provide mitigation measures to prevent significant adverse consequences that may result.

(d)

(1) Before authorizing the merger, acquisition, or change in control of any electrical or gas corporation organized and doing business in this state, ~~where any of the entities that are parties~~if any entity that is a party to the proposed transaction has gross annual California revenues exceeding four hundred million dollars ($400,000,000), the commission shall consider the elements in subparagraphs (A) to (G), inclusive, and find, on balance, that the proposal is in the public interest.

(A) A safety management system.

(B) A comprehensive safety plan that includes a systemwide strategic approach for the safety of both employees and the public.

(C) Plans to maintain or improve the records of the electrical corporation's electric plant or gas corporation's gas plant, including necessary audits to update incorrect or incomplete records of the electrical or gas corporation. For purposes of this paragraph, "records" shall include, but not be limited to, locations, depth, age, maintenance and testing history, maps, surveys, patrols, and violation history of the electrical corporation's electric plant or gas corporation's gas plant.

(D) Metrics to measure safety that are complete and drive appropriate behavior.

(E) An appropriate evaluation of safety expertise in the list of qualifications used in selecting corporate leadership.

(F) Active audits for safety controls.

(G) A nonpunitive system for reporting potential safety incidents to the commission to facilitate the identification of accident precursors by persons familiar with the operations of the electrical or gas corporation, including, but not limited to, employees and contractors of the electrical or gas corporation, and the collection, analysis, and dissemination of unbiased safety information. An employee of, or the employee of a contractor performing work for, the electrical or gas corporation shall not be subject to demotion, discharge, or any other form of retaliation or discrimination for participating in the potential safety incident reporting system established pursuant to this subdivision.

(2) The commission may delay the implementation of this subdivision until July 1, 2021, or until the commission adopts rules implementing the requirements of this subdivision, whichever is earlier.

(e) When reviewing a merger, acquisition, or control proposal, the commission shall consider reasonable options to the proposal recommended by other parties, including no new merger, acquisition, or control, to determine whether comparable short-term and long-term economic savings can be achieved through other means while avoiding the possible adverse consequences of the proposal.

(f) The person or corporation seeking acquisition or control of a public utility organized and doing business in this state shall have, before the commission, the burden of proving by a preponderance of the evidence that the requirements of subdivisions (b), (c), and(d) are met.

(g) In determining whether an acquiring utility has gross annual revenues exceeding the amount specified in subdivisions (b) and (c), the revenues of that utility's affiliates shall not be considered unless the affiliate was ~~utilized for the purpose of effecting~~used to effect the merger, acquisition, or control.

(h) Paragraphs (1) and (2) of subdivision (b) ~~shall~~do not apply to the formation of a holding company.

(i) For purposes of paragraphs (1) and (2) of subdivision (b), the Legislature does not intend to include acquisitions or changes in control that are mandated by either the commission or the Legislature as a result of, or in response to any electric industry restructuring. However, the value of an acquisition or change in control may be used by the commission in determining the costs or benefits attributable to any electric industry restructuring and for allocating those costs or benefits for collection in rates.

SEC. 254. Section *2892.1* of the Public Utilities Code is amended to read:

2892.1.

(a) For purposes of this section, "telecommunications service" means voice communication provided by a telephone corporation as defined in Section 234, voice communication provided by a provider of satellite telephone services, voice communication provided by a provider of mobile telephony service, as defined in Section ~~2890.2~~224.4, and voice communication provided by a commercially available facilities-based provider of voice communication services utilizing Voice over Internet Protocol or any successor protocol.

(b) The commission, in consultation with the Office of Emergency Services, shall open an investigative or other appropriate proceeding to identify the need for telecommunications service systems not on the customer's premises to have backup electricity to enable telecommunications networks to function and to enable the customer to contact a public safety answering point operator during an electrical outage, to determine performance criteria for backup systems, and to determine whether the best practices recommended by the Network Reliability and Interoperability Council in December 2005, for backup systems have been implemented by telecommunications service providers operating in California. If the commission determines it is in the public interest, the commission shall, consistent with subdivisions (c) and (d), develop and implement performance reliability standards.

(c) The commission, in developing any standards pursuant to the proceeding required by subdivision (b), shall consider current best practices and technical feasibility for establishing battery backup requirements.

(d) The commission shall not implement standards pursuant to the proceeding required by subdivision (b) unless it determines that the benefits of the standards exceed the costs.

(e) The commission shall determine the feasibility of the use of zero greenhouse gas emission fuel cell systems to replace diesel backup power systems.

SEC. 255. Section *2898* of the Public Utilities Code is amended to read:

2898.

(a) Notwithstanding any other provision of this part, upon receiving a request pursuant to subdivision (b), the mobile internet service provider shall not impair or degrade the lawful internet traffic of ~~the~~a first response agency's identified account until the earlier of either the time when the account is no longer being used by the agency in response to the emergency or the end of the emergency, subject to reasonable network management.

(b)

(1) A first response agency may submit a request to a mobile internet service provider to not impair or degrade the lawful internet traffic of an account used by the agency in response to an emergency. As part of the request, the first response agency shall identify the account number and lines for the mobile internet service provider.

(2) A first response agency that submits a request pursuant to paragraph (1) shall notify the mobile internet service provider upon the account no longer being used by the agency in response to the emergency.

(c) For purposes of this section, the following definitions apply:

(1) "Emergency" means the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state, or the territorial limits of a county, city and county, or city, caused by a fire, flood, storm, riot, cyberterrorism, sudden and severe energy shortage, Governor's warning of an earthquake or volcanic prediction, earthquake, or other similar condition.

(2) "First response agencies" has the same meaning as defined in Section 8592.1 of the Government Code, and shall include fire districts.

(3) "Mobile internet service provider" has the same meaning as defined in Section 3100 of the Civil Code.

(4) "Reasonable network management" has the same meaning as defined in Section 3100 of the Civil Code.

SEC. 256. Section *8386* of the Public Utilities Code is amended to read:

8386.

(a) Each electrical corporation shall construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment.

(b) Each electrical corporation shall annually prepare and submit a wildfire mitigation plan to the Wildfire Safety Division for review and approval. In calendar year 2020, and thereafter, the plan shall cover at least a three-year period. The division shall establish a schedule for the submission of subsequent comprehensive wildfire mitigation plans, which may allow for the staggering of compliance periods for each electrical corporation. In its discretion, the division may allow the annual submissions to be updates to the last approved comprehensive wildfire mitigation plan; provided, that each electrical corporation shall submit a comprehensive wildfire mitigation plan at least once every three years.

(c) The wildfire mitigation plan shall include all of the following:

(1) An accounting of the responsibilities of persons responsible for executing the plan.

(2) The objectives of the plan.

(3) A description of the preventive strategies and programs to be adopted by the electrical corporation to minimize the risk of its electrical lines and equipment causing catastrophic wildfires, including consideration of dynamic climate change risks.

(4) A description of the metrics the electrical corporation plans to use to evaluate the plan's performance and the assumptions that underlie the use of those metrics.

(5) A discussion of how the application of previously identified metrics to previous plan performances has informed the plan.

(6) Protocols for disabling reclosers and deenergizing portions of the electrical distribution system that consider the associated impacts on public safety. As part of these protocols, each electrical corporation shall include protocols related to mitigating the public safety impacts of disabling reclosers and deenergizing portions of the electrical distribution system that consider the impacts on all of the following:

(A) Critical first responders.

(B) Health and communication infrastructure.

(C) Customers who receive medical baseline allowances pursuant to subdivision (c) of Section 739. The electrical corporation may deploy backup electrical resources or provide financial assistance for backup electrical resources to a customer receiving a medical baseline allowance for a customer who meets all of the following requirements:

(i) The customer relies on life-support equipment that operates on electricity to sustain life.

(ii) The customer demonstrates financial need, including through enrollment in the California Alternate Rates for Energy program created pursuant to Section 739.1.

(iii) The customer is not eligible for backup electrical resources provided through medical services, medical insurance, or community resources.

(D) Subparagraph (C) shall not be construed as preventing an electrical corporation from deploying backup electrical resources or providing financial assistance for backup electrical resources under any other authority.

(7) Appropriate and feasible procedures for notifying a customer who may be impacted by the deenergizing of electrical lines, including procedures for those customers receiving medical baseline ~~allowance~~allowances as described in paragraph (6). The procedures shall direct notification to all public safety offices, critical first responders, health care facilities, and operators of telecommunications infrastructure with premises within the footprint of potential deenergization for a given event.

(8) Plans for vegetation management.

(9) Plans for inspections of the electrical corporation's electrical infrastructure.

(10) Protocols for the deenergization of the electrical corporation's transmission infrastructure, for instances when the deenergization may impact customers who, or entities that, are dependent upon the infrastructure.

(11) A list that identifies, describes, and prioritizes all wildfire risks, and drivers for those risks, throughout the electrical corporation's service territory, including all relevant wildfire risk and risk mitigation information that is part of the commission's Safety Model Assessment Proceeding (A.15-05-002, et al.) and the Risk Assessment Mitigation Phase filings. The list shall include, but not be limited to, both of the following:

(A) Risks and risk drivers associated with design, construction, operations, and maintenance of the electrical corporation's equipment and facilities.

(B) Particular risks and risk drivers associated with topographic and climatological risk factors throughout the different parts of the electrical corporation's service territory.

(12) A description of how the plan accounts for the wildfire risk identified in the electrical corporation's Risk Assessment Mitigation Phase filing.

(13) A description of the actions the electrical corporation will take to ensure its system will achieve the highest level of safety, reliability, and resiliency, and to ensure that its system is prepared for a

major event, including hardening and modernizing its infrastructure with improved engineering, system design, standards, equipment, and facilities, such as undergrounding, ~~insulation~~insulating of distribution wires, and ~~pole replacement~~replacing poles.

(14) A description of where and how the electrical corporation considered undergrounding electrical distribution lines within those areas of its service territory identified to have the highest wildfire risk in a commission fire threat map.

(15) A showing that the electrical corporation has an adequately sized and trained workforce to promptly restore service after a major event, taking into account employees of other utilities pursuant to mutual aid agreements and employees of entities that have entered into contracts with the electrical corporation.

(16) Identification of any geographic area in the electrical corporation's service territory that is a higher wildfire threat than is currently identified in a commission fire threat map, and where the commission should consider expanding the high fire threat district based on new information or changes in the environment.

(17) A methodology for identifying and presenting enterprisewide safety risk and wildfire-related risk that is consistent with the methodology used by other electrical corporations unless the commission determines otherwise.

(18) A description of how the plan is consistent with the electrical corporation's disaster and emergency preparedness plan prepared pursuant to Section 768.6, including both of the following:

(A) Plans to prepare for, and to restore service after, a wildfire, including workforce mobilization and prepositioning equipment and employees.

(B) Plans for community outreach and public awareness before, during, and after a wildfire, including language notification in English, Spanish, and the top three primary languages used in the state other than English or Spanish, as determined by the commission based on the United States Census data.

(19) A statement of how the electrical corporation will restore service after a wildfire.

(20) Protocols for compliance with requirements adopted by the commission regarding activities to support customers during and after a wildfire, outage reporting, support for low-income customers, billing adjustments, deposit waivers, extended payment plans, suspension of disconnection and nonpayment fees, repair processing and timing, access to electrical corporation representatives, and emergency communications.

(21) A description of the processes and procedures the electrical corporation will use to do all of the following:

(A) Monitor and audit the implementation of the plan.

(B) Identify any deficiencies in the plan or the plan's implementation and correct those deficiencies.

(C) Monitor and audit the effectiveness of electrical line and equipment inspections, including inspections performed by contractors, carried out under the plan and other applicable statutes and commission rules.

(22) Any other information that the Wildfire Safety Division may require.

(d) The Wildfire Safety Division shall post all wildfire mitigation plans and annual updates on the commission's internet website for no less than two months before the division's decision regarding approval of the plan. The division shall accept comments on each plan from the public, other local and state agencies, and interested parties, and verify that the plan complies with all applicable rules, regulations, and standards, as appropriate.

SEC. 257. Section *8386.3* of the Public Utilities Code is amended to read:

8386.3.

(a) The Wildfire Safety Division shall approve or deny each wildfire mitigation plan and update submitted by an electrical corporation within three months of its submission, unless the division makes a written determination, ~~including~~which shall include reasons supporting the determination, that the three-month deadline cannot be met. Each electrical corporation's approved plan shall remain in effect until the division approves the electrical corporation's subsequent plan. The division shall consult with the Department of Forestry and Fire Protection on the review of each wildfire mitigation plan and update. In rendering its decision, the division shall consider comments submitted pursuant to subdivision (d) of Section 8386. Before approval, the division may require modifications of the plan. After approval by the division, the commission shall ratify the action of the division.

(b) The Wildfire Safety Division's approval of a plan ~~does not establish~~is not a defense to any enforcement action for a violation of a commission decision, order, or rule.

(c) Following approval of a wildfire mitigation plan, the Wildfire Safety Division shall oversee compliance with the plan consistent with all of the following:

(1) Three months after the end of an electrical corporation's initial compliance period, as established by the Wildfire Safety Division pursuant to subdivision (b) of Section 8386, and annually thereafter, each electrical corporation shall file with the division a report addressing its compliance with the plan during the prior calendar year.

(2)

(A) Before March 1, 2021, and before each March 1 thereafter, the Wildfire Safety Division, in consultation with the Department of Forestry and Fire Protection, shall make available a list of qualified independent evaluators with experience in assessing the safe operation of electrical infrastructure.

(B)

(i) Each electrical corporation shall engage an independent evaluator listed pursuant to subparagraph (A) to review and assess the electrical corporation's compliance with its plan. The engaged independent evaluator shall consult with, and operate under the direction of, the Wildfire Safety Division of the commission. The independent evaluator shall issue a report on July 1 of each year in which a report required by paragraph (1) is filed. As a part of the independent evaluator's report, the independent evaluator shall determine whether the electrical corporation failed to fund any activities included in its plan.

(ii) The Wildfire Safety Division shall consider the independent evaluator's findings, but the independent evaluator's findings are not binding on the division, except as otherwise specified.

(iii) The independent evaluator's findings shall be used by the Wildfire Safety Division to carry out its obligations under Article 1 (commencing with Section 451) of Chapter 3 of Part 1 of Division 1.

(iv) The independent evaluator's findings ~~shall~~do not apply to events that occurred before the initial plan is approved for the electrical corporation.

(3) The commission shall authorize the electrical corporation to recover in rates the costs of the independent evaluator.

(4) The Wildfire Safety Division shall complete its compliance review within 18 months after the submission of the electrical corporation's compliance report.

(5)

(A) An electrical corporation shall notify the Wildfire Safety Division, within one month after it completes a substantial portion of the vegetation management requirements in its wildfire mitigation plan, of the completion. Upon receiving the notice from the electrical corporation, the division shall, consistent with its authority pursuant to paragraph (1) of subdivision (a) of Section 326, promptly audit the work performed by, or on behalf of, the electrical corporation. The audit shall specify any failure of the electrical corporation to fully comply with the vegetation management requirements in the wildfire mitigation plan. The division shall provide the audit to the electrical corporation. The electrical corporation shall have a reasonable time, as determined by the division, to correct and eliminate any deficiency specified in the audit.

(B) The Wildfire Safety Division may engage its own independent evaluator, who shall be a certified arborist and shall have any other qualifications determined appropriate by the division, to conduct the audit specified in subparagraph (A). The independent evaluator shall consult with, and operate under the direction of, the division.

(C) Within one year of the expiration of the time period for an electrical corporation to correct and eliminate any deficiency identified in the audit, the independent evaluator shall issue a report to the electrical corporation, the Wildfire Safety Division, and the Safety and Enforcement Division of the commission specifically describing any failure of the electrical corporation to substantially comply with the substantial portion of the vegetation management requirements in the electrical corporation's wildfire mitigation plan. The report shall be made publicly available. The ~~division~~Wildfire Safety Division shall include the report in its compliance review prepared pursuant to paragraph (4).

(6) Each electrical corporation shall reimburse the Wildfire Safety Division for its costs to implement this section with respect to that electrical corporation.

(d) An electrical corporation shall not divert revenues authorized to implement the plan to any activities or investments outside of the plan. An electrical corporation shall notify the commission by advice letter of the date when it projects that it will have spent, or incurred obligations to spend, its entire annual revenue requirement for vegetation management in its wildfire mitigation plan not less than 30 days before that date.

(e) The commission shall not allow a large electrical corporation to include in its equity rate base its share, as determined pursuant to the Wildfire Fund allocation metric specified in Section 3280, of the first five billion dollars ($5,000,000,000) expended in aggregate by large electrical corporations on fire risk mitigation capital expenditures included in the electrical corporations' approved wildfire mitigation plans. An electrical corporation's share of the fire risk mitigation capital expenditures and the debt financing costs of these fire risk mitigation capital expenditures may be financed through a financing order pursuant to Section 850.1 subject to the requirements of that financing order.

(f) This section does not impose any liability on the Wildfire Safety Division regarding the performance of its duties.

SEC. 258. Section *105020* of the Public Utilities Code is amended to read:

105020.

The government of the district shall be vested in a board of directors, which shall consist of 12 members, appointed as follows:

(a) Two members of the Sonoma County Board of Supervisors, each of whom shall also serve on the Board of Directors of the Sonoma County Transportation Authority, appointed by the Sonoma County Board of Supervisors.

(b) Two members of the Marin County Board of Supervisors, appointed by the Marin County Board of Supervisors.

(c) Three members, each of whom shall be a mayor or council member of a city or town within the County of Sonoma, appointed by the ~~Sonoma County Mayors and Council Members Association~~Mayors' and Councilmembers' Association of Sonoma County or its successor, ~~provided~~if the following conditions are met:

(1) At least two members are also city representatives for the Sonoma County Transportation Authority.

(2) All of the members are from cities on the rail line in Sonoma County.

(3) No city has more than one member.

(d) The member of the City Council of the City of Novato who also serves on the Marin County Congestion Management Agency, appointed by the Marin County Congestion Management Agency or its successor.

(e) The member of the City Council of the City of San Rafael who also serves on the Marin County Congestion Management Agency, appointed by the Marin County Congestion Management Agency or its successor.

(f) One member, who shall be a mayor or council member of a city or town within the County of Marin and a member of the Marin County Congestion Management Agency, appointed by the Marin County Council of Mayors and ~~Council Members~~Councilmembers or its successor.

(g) Two members of the Golden Gate Bridge, Highway and Transportation District, neither of whom shall be a member of the Marin or Sonoma County Boards of Supervisors, appointed by the Golden Gate Bridge, Highway and Transportation District or its successor.

SEC. 259. Section 214 of the Revenue and Taxation Code is amended to read:

214.

(a) Property used exclusively for religious, hospital, scientific, or charitable purposes owned and operated by community chests, funds, foundations, limited liability companies, or corporations organized and operated for religious, hospital, scientific, or charitable purposes is exempt from taxation, including ad valorem taxes to pay the interest and redemption charges on any indebtedness approved by the voters prior to July 1, 1978, or any bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition, if:

(1) The owner is not organized or operated for profit. However, in the case of hospitals, the organization shall not be deemed to be organized or operated for profit if, during the immediately preceding fiscal year, operating revenues, exclusive of gifts, endowments, and grants-in-aid, did not exceed operating expenses by an amount equivalent to 10 percent of those operating expenses. As used herein, operating expenses include depreciation based on cost of replacement and amortization of, and interest on, indebtedness.

(2) No part of the net earnings of the owner inures to the benefit of any private shareholder or individual.

(3) The property is used for the actual operation of the exempt activity, and does not exceed an amount of property reasonably necessary to the accomplishment of the exempt purpose.

(A) For the purposes of determining whether the property is used for the actual operation of the exempt activity, consideration shall not be given to use of the property for either or both of the following described activities if that use is occasional:

(i) The owner conducts fundraising activities on the property and the proceeds derived from those activities are not unrelated business taxable income, as defined in *Section 512*

of the Internal Revenue Code, of the owner and are used to further the exempt activity of the owner.

(ii) The owner permits any other organization that meets all of the requirements of this subdivision, other than ownership of the property, to conduct fundraising activities on the property and the proceeds derived from those activities are not unrelated business taxable income, as defined in *Section 512 of the Internal Revenue Code*, of the organization, are not subject to the tax on unrelated business taxable income that is imposed by *Section 511 of the Internal Revenue Code*, and are used to further the exempt activity of the organization.

(B) For purposes of subparagraph (A):

(i) "Occasional use" means use of the property on an irregular or intermittent basis by the qualifying owner or any other qualifying organization described in clause (ii) of subparagraph (A) that is incidental to the primary activities of the owner or the other organization.

(ii) "Fundraising activities" means both activities involving the direct solicitation of money or other property and the anticipated exchange of goods or services for money between the soliciting organization and the organization or person solicited.

(C) Subparagraph (A) shall have no application in determining whether paragraph (3) has been satisfied unless the owner of the property and any other organization using the property as provided in subparagraph (A) have filed with the assessor a valid organizational clearance certificate issued pursuant to Section 254.6.

(D) For the purposes of determining whether the property is used for the actual operation of the exempt activity, consideration shall not be given to the use of the property for meetings conducted by any other organization if the meetings are incidental to the other organization's primary activities, are not fundraising meetings or activities as defined in subparagraph (B), are held no more than once per week, and the other organization and its use of the property meet all other requirements of paragraphs (1) to (5), inclusive, of this subdivision. The owner or the other organization also shall file with the assessor a copy of a valid, unrevoked letter or ruling from the Internal Revenue Service or the Franchise Tax Board stating that the other organization, or the national organization of which it is a local chapter or affiliate, qualifies as an exempt organization under Section 501(c)(3) or 501(c)(4) of the Internal Revenue Code or Section 23701d, 23701f, or 23701w.

(E) ~~Nothing in~~ Subparagraph (A), (B), (C), or (D) shall not be construed to either enlarge or restrict the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section.

(4) The property is not used or operated by the owner or by any other person so as to benefit any officer, trustee, director, shareholder, member, employee, contributor, or bondholder of the owner or operator, or any other person, through the distribution of profits, payment of excessive charges or compensations, or the more advantageous pursuit of their business or profession.

(5) The property is not used by the owner or members thereof for fraternal or lodge purposes, or for social club purposes except where that use is clearly incidental to a primary religious, hospital, scientific, or charitable purpose.

(6) The property is irrevocably dedicated to religious, charitable, scientific, or hospital purposes and upon the liquidation, dissolution, or abandonment of the owner will not inure to the benefit of any private person except a fund, foundation, or corporation organized and operated for religious, hospital, scientific, or charitable purposes.

(7) The property, if used exclusively for scientific purposes, is used by a foundation or institution that, in addition to complying with the foregoing requirements for the exemption of charitable

organizations in general, has been chartered by the Congress of the United States (except that this requirement shall not apply when the scientific purposes are medical research), and whose objects are the encouragement or conduct of scientific investigation, research, and discovery for the benefit of the community at large.

The exemption provided for herein shall be known as the "welfare exemption." This exemption ~~shall be~~is in addition to any other exemption now provided by law, and the existence of the exemption provision in paragraph (2) of subdivision (a) of Section 202 ~~shall~~does not preclude the exemption under this section for museum or library property. Except as provided in subdivision (e), this section shall not be construed to enlarge the college exemption.

(b) Property used exclusively for school purposes of less than collegiate grade and owned and operated by religious, hospital, or charitable funds, foundations, limited liability companies, or corporations, which property and funds, foundations, limited liability companies, or corporations meet all of the requirements of subdivision (a), shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section.

(c) Property used exclusively for nursery school purposes and owned and operated by religious, hospital, or charitable funds, foundations, limited liability companies, or corporations, which property and funds, foundations, limited liability companies, or corporations meet all the requirements of subdivision (a), shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section.

(d) Property used exclusively for a noncommercial educational FM broadcast station or an educational television station, and owned and operated by religious, hospital, scientific, or charitable funds, foundations, limited liability companies, or corporations meeting all of the requirements of subdivision (a), shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section.

(e) Property used exclusively for religious, charitable, scientific, or hospital purposes and owned and operated by religious, hospital, scientific, or charitable funds, foundations, limited liability companies, or corporations or educational institutions of collegiate grade, as defined in Section 203, which property and funds, foundations, limited liability companies, corporations, or educational institutions meet all of the requirements of subdivision (a), shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section. As to educational institutions of collegiate grade, as defined in Section 203, the requirements of paragraph (6) of subdivision (a) shall be deemed to be met if both of the following are met:

(1) The property of the educational institution is irrevocably dedicated in its articles of incorporation to charitable and educational purposes, to religious and educational purposes, or to educational purposes.

(2) The articles of incorporation of the educational institution provide for distribution of its property upon its liquidation, dissolution, or abandonment to a fund, foundation, or corporation organized and operated for religious, hospital, scientific, charitable, or educational purposes meeting the requirements for exemption provided by Section 203 or this section.

(f) Property used exclusively for housing and related facilities for elderly or handicapped families and financed by, including, but not limited to, the federal government pursuant to Section 202 of *Public Law 86-372* (12 U.S.C. Sec. 1701q), as amended, Section 231 of *Public Law 73-479* (12 U.S.C. Sec. 1715v), Section 236 of *Public Law 90-448* (12 U.S.C. Sec. 1715z), or Section 811 of *Public Law 101-625* (42 U.S.C. Sec. 8013), and owned and operated by religious, hospital, scientific, or charitable funds, foundations, limited liability companies, or corporations meeting all of the requirements of this section shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section.

The amendment of this paragraph made by Chapter 1102 of the Statutes of 1984 does not constitute a change in, but is declaratory of, existing law. However, no refund of property taxes shall be required as

a result of this amendment for any fiscal year prior to the fiscal year in which the amendment takes effect.

Property used exclusively for housing and related facilities for elderly or handicapped families at which supplemental care or services designed to meet the special needs of elderly or handicapped residents are not provided, or that is not financed by the federal government pursuant to Section 202 of *Public Law 86-372* (12 U.S.C. Sec. 1701q), as amended, Section 231 of *Public Law 73-479* (12 U.S.C. Sec. 1715v), Section 236 of *Public Law 90-448* (12 U.S.C. Sec. 1715z), or Section 811 of *Public Law 101-625* (42 U.S.C. Sec. 8013), shall not be entitled to exemption pursuant to this subdivision unless the property is used for housing and related facilities for low- and moderate-income elderly or handicapped families. Property that would otherwise be exempt pursuant to this subdivision, except that it includes some housing and related facilities for other than low- or moderate-income elderly or handicapped families, shall be entitled to a partial exemption. The partial exemption shall be equal to that percentage of the value of the property that is equal to the percentage that the number of low- and moderate-income elderly and handicapped families represents of the total number of families occupying the property.

As used in this subdivision, “low and moderate income” has the same meaning as the term “persons and families of low or moderate income” as defined by Section 50093 of the Health and Safety Code.

(g)

(1) Property used exclusively for rental housing and related facilities and owned and operated by religious, hospital, scientific, or charitable funds, foundations, limited liability companies, or corporations, including limited partnerships in which the managing general partner is an eligible nonprofit corporation or eligible limited liability company, meeting all of the requirements of this section, or by veterans’ organizations, as described in Section 215.1, meeting all the requirements of paragraphs (1) to (7), inclusive, of subdivision (a), shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section and shall be entitled to a partial exemption equal to that percentage of the value of the property that is equal to the percentage that the number of units serving lower income households represents of the total number of residential units in any year in which any of the following criteria applies:

(A) The acquisition, rehabilitation, development, or operation of the property, or any combination of these factors, is financed with tax-exempt mortgage revenue bonds or general obligation bonds, or is financed by local, state, or federal loans or grants and the rents of the occupants who are lower income households do not exceed those prescribed by deed restrictions or regulatory agreements pursuant to the terms of the financing or financial assistance.

(B) The owner of the property is eligible for and receives low-income housing tax credits pursuant to *Section 42 of the Internal Revenue Code of 1986*, as added by *Public Law 99-514*.

(C) In the case of a claim, other than a claim with respect to property owned by a limited partnership in which the managing general partner is an eligible nonprofit corporation, that is filed for the 2000–01 fiscal year or any fiscal year thereafter, 90 percent or more of the occupants of the property are lower income households whose rent does not exceed the rent prescribed by Section 50053 of the Health and Safety Code. The total exemption amount allowed under this subdivision to a taxpayer, with respect to a single property or multiple properties for any fiscal year on the sole basis of the application of this subparagraph, may not exceed twenty million dollars ($20,000,000) in assessed value.

(D)

(i) The property was previously purchased and owned by the Department of Transportation pursuant to a consent decree requiring housing mitigation measures

relating to the construction of a freeway and is now solely owned by an organization that qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code.

(ii) This subparagraph ~~shall~~does not apply to property owned by a limited partnership in which the managing partner is an eligible nonprofit corporation.

(2) In order to be eligible for the exemption provided by this subdivision, the owner of the property shall do both of the following:

(A)

(i) For any claim filed for the 2000–01 fiscal year or any fiscal year thereafter, certify and ensure, subject to the limitation in clause (ii), that there is an enforceable and verifiable agreement with a public agency, a recorded deed restriction, or other legal document that restricts the project's usage and that provides that the units designated for use by lower income households are continuously available to or occupied by lower income households, subject to the exception in clause (iii), at rents that do not exceed those prescribed by Section 50053 of the Health and Safety Code, or, to the extent that the terms of federal, state, or local financing or financial assistance conflicts with Section 50053 of the Health and Safety Code, rents that do not exceed those prescribed by the terms of the financing or financial assistance.

(ii) In the case of a limited partnership in which the managing general partner is an eligible nonprofit corporation, the restriction and provision specified in clause (i) shall be contained in an enforceable and verifiable agreement with a public agency, or in a recorded deed restriction to which the limited partnership certifies.

(iii)

(I) In the case of an owner of property that is eligible for and receives a low-income housing tax credit pursuant to *Section 42 of the Internal Revenue Code*, relating to low-income housing credit, a unit shall continue to be treated as occupied by a lower income household if the occupants were lower income households on the lien date in the fiscal year in which their occupancy of the unit commenced and the unit continues to be rent restricted, notwithstanding an increase in the income of the occupants of the unit to 140 percent of area median income, adjusted for family size. However, the unit shall cease to be treated as a lower income unit if the income of the occupants of the unit increases above 140 percent of area median income, adjusted for family size.

(II) This clause shall only be operative from the 2018–19 fiscal year through the 2027–28 fiscal year.

(B) Certify that the funds that would have been necessary to pay property taxes are used to maintain the affordability of, or reduce rents otherwise necessary for, the units occupied by lower income households.

(3) As used in this subdivision:

(A) "Lower income households" has the same meaning as the term "lower income households" as defined by Section 50079.5 of the Health and Safety Code.

(B) "Related facilities" means any manager's units and any and all common area spaces that are included within the physical boundaries of the rental housing development, including, but not limited to, common area space, walkways, balconies, patios, clubhouse space, meeting rooms, laundry facilities, and parking areas, except any portions of the overall development that are nonexempt commercial space.

(C)

(i) "Units serving lower income households" shall mean units that are occupied by lower income households at an affordable rent, as defined in Section 50053 of the Health and

Safety Code or, to the extent that the terms of federal, state, or local financing or financial assistance conflicts with Section 50053 of the Health and Safety Code, rents that do not exceed those prescribed by the terms of the financing or financial assistance. Units reserved for lower income households at an affordable rent that are temporarily vacant due to tenant turnover or repairs shall be counted as occupied.

(ii)

(I) "Units serving lower income households" shall also mean units specified in clause (iii) of subparagraph (A) of paragraph (2).

(II) This clause shall only be operative from the 2018–19 fiscal year through the 2027–28 fiscal year.

(h) Property used exclusively for an emergency or temporary shelter and related facilities for homeless persons and families and owned and operated by religious, hospital, scientific, or charitable funds, foundations, limited liability companies, or corporations meeting all of the requirements of this section shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section. Property that otherwise would be exempt pursuant to this subdivision, except that it includes housing and related facilities for other than an emergency or temporary shelter, shall be entitled to a partial exemption.

As used in this subdivision, "emergency or temporary shelter" means a facility that would be eligible for funding pursuant to Chapter 11 (commencing with Section 50800) of Part 2 of Division 31 of the Health and Safety Code.

(i) Property used exclusively for housing and related facilities for employees of religious, charitable, scientific, or hospital organizations that meet all the requirements of subdivision (a) and owned and operated by funds, foundations, limited liability companies, or corporations that meet all the requirements of subdivision (a) shall be deemed to be within the exemption provided for in subdivision (b) of Section 4 and Section 5 of Article XIII of the California Constitution and this section to the extent the residential use of the property is institutionally necessary for the operation of the organization.

(j) For purposes of this section, charitable purposes include educational purposes. For purposes of this subdivision, "educational purposes" means those educational purposes and activities for the benefit of the community as a whole or an unascertainable and indefinite portion thereof, and do not include those educational purposes and activities that are primarily for the benefit of an organization's shareholders. Educational activities include the study of relevant information, the dissemination of that information to interested members of the general public, and the participation of interested members of the general public.

(k) In the case of property used exclusively for the exempt purposes specified in this section, owned and operated by limited liability companies that are organized and operated for those purposes, the State Board of Equalization shall adopt regulations to specify the ownership, organizational, and operational requirements for those companies to qualify for the exemption provided by this section.

(l) The amendments made by Chapter 354 of the Statutes of 2004 ~~shall~~ apply with respect to lien dates occurring on and after January 1, 2005.

(m) The amendments made by Chapter 836 of the Statutes of 2016 ~~shall~~ apply with respect to lien dates occurring on and after January 1, 2017.

(n) The amendments made by ~~the act adding this subdivision shall~~Chapter 694 of the Statutes of 2018 apply with respect to lien dates occurring on and after January 1, 2019.

(o) Notwithstanding Section 20 or any other law, the State Board of Equalization is responsible for administering the welfare exemption provided by this section, except where the law places responsibility for administering that exemption with the county assessor.

SEC. 260. Section 4675 of the Revenue and Taxation Code is amended to read:

4675.

(a) Any party of interest in the property may file with the county a claim for the excess proceeds, in proportion to that person's interest held with others of equal priority in the property at the time of sale, at any time prior to the expiration of one year following the recordation of the tax collector's deed to the purchaser. The claim shall be postmarked on or before the one-year expiration date to be considered timely.

(b) After the property has been sold, a party of interest in the property at the time of the sale may assign their right to claim the excess proceeds only by a dated, written instrument that explicitly states that the right to claim the excess proceeds is being assigned, and only after each party to the proposed assignment has disclosed to each other party to the proposed assignment all facts of which that party is aware relating to the value of the right that is being assigned. Any attempted assignment that does not comply with these requirements shall have no effect. This ~~paragraph shall apply~~subdivision applies only with respect to assignments on or after the effective date of this ~~paragraph~~subdivision.

(c) Any person or entity who in any way acts on behalf of, or in place of, any party of interest with respect to filing a claim for any excess proceeds shall submit proof with the claim that the amount and source of excess proceeds have been disclosed to the party of interest and that the party of interest has been advised of their right to file a claim for the excess proceeds on their own behalf directly with the county at no cost.

(d) The claims shall contain any information and proof deemed necessary by the board of supervisors to establish the claimant's rights to all or any portion of the excess proceeds.

(e)

(1) Except as provided in paragraph (2), no sooner than one year following the recordation of the tax collector's deed to the purchaser, and if the excess proceeds have been claimed by any party of interest as provided herein, the excess proceeds shall be distributed on order of the board of supervisors to the parties of interest who have claimed the excess proceeds in the order of priority set forth in subdivisions (a) and (b). For the purposes of this article, parties of interest and their order of priority are:

(A) First, lienholders of record prior to the recordation of the tax deed to the purchaser in the order of their priority.

(B) Second, any person with title of record to all or any portion of the property prior to the recordation of the tax deed to the purchaser.

(2)

(A) Notwithstanding paragraph (1), if the board of supervisors has been petitioned to rescind the tax sale pursuant to Section 3731, any excess proceeds shall not be distributed to the parties of interest as provided by paragraph (1) sooner than one year following the date the board of supervisors determines the tax sale should not be rescinded, and only if the person who petitioned the board of supervisors pursuant to Section 3731 has not commenced a proceeding in court pursuant to Section 3725.

(B) If a proceeding has been commenced in a court pursuant to Section 3725, any excess proceeds shall not be distributed to the parties of interest as provided by paragraph (1) until a final court order is issued.

(f) In the event that a person with title of record is deceased at the time of the distribution of the excess proceeds, the heirs may submit an affidavit pursuant to Chapter 3 (commencing with Section 13100) of Part 1 of Division 8 of the Probate Code, to support their claim for excess proceeds.

(g) Any action or proceeding to review the decision of the board of supervisors shall be commenced within 90 days after the date of that decision of the board of supervisors.

SEC. 261. The heading of Article 25 (commencing with Section 18910) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, as added by Section 1 of Chapter 441 of the Statutes of 2018, is amended and renumbered to read:

Article 26. Schools Not Prisons Voluntary Tax Contribution Fund

SEC. 262. Section 41137 of the Revenue and Taxation Code is amended to read:

41137.

The Office of Emergency Services shall pay, from funds appropriated from the State Emergency Telephone Number Account by the Legislature, as provided in Section 41138, bills submitted by service suppliers or communications equipment companies for the installation and ongoing costs of the following communication services provided to local agencies by service suppliers in connection with the "911" emergency telephone number system:

(a) A basic system, defined as 911 systems, including, but not limited to, Next Generation 911, and the subsequent technologies, and interfaces needed to deliver 911 voice and data information from the 911 caller to the emergency responder and the subsequent technologies, and interfaces needed to send information, including, but not limited to, alerts and warnings, to potential 911 callers.

(b) A basic system with telephone central office identification.

(c) A system employing automatic call routing.

(d) Approved incremental costs that have been concurred in by the Office of Emergency Services.

SEC. 263. Section *1095* of the Unemployment Insurance Code is amended to read:

1095.

The director shall permit the use of any information in the director's possession to the extent necessary for any of the following purposes, and may require reimbursement for all direct costs incurred in providing any and all information specified in this section, except information specified in subdivisions (a) to (e), inclusive:

(a) To enable the director or the director's representative to carry out their responsibilities under this code.

(b) To properly present a claim for benefits.

(c) To acquaint a worker or their authorized agent with the worker's existing or prospective right to benefits.

(d) To furnish an employer or their authorized agent with information to enable the employer to fully discharge their obligations or safeguard their rights under this division or Division 3 (commencing with Section 9000).

(e) To enable an employer to receive a reduction in contribution rate.

(f) To enable federal, state, or local governmental departments or agencies, subject to federal law, to verify or determine the eligibility or entitlement of an applicant for, or a recipient of, public social services provided pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of the federal Social Security Act (42 U.S.C. Sec. 601

et seq.), when the verification or determination is directly connected with, and limited to, the administration of public social services.

(g) To enable county administrators of general relief or assistance, or their representatives, to determine entitlement to locally provided general relief or assistance, when the determination is directly connected with, and limited to, the administration of general relief or assistance.

(h) To enable state or local governmental departments or agencies to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, relief provided under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code or to enable the collection of expenditures for medical assistance services pursuant to Part 5 (commencing with Section 17000) of Division 9 of the Welfare and Institutions Code.

(i) To provide any law enforcement agency with the name, address, telephone number, birth date, social security number, physical description, and names and addresses of present and past employers, of any victim, suspect, missing person, potential witness, or person for whom a felony arrest warrant has been issued, when a request for this information is made by any investigator or peace officer as defined by Sections 830.1 and 830.2 of the Penal Code, or by any federal law enforcement officer to whom the Attorney General has delegated authority to enforce federal search warrants, as defined under Sections 60.2 and 60.3 of Title 28 of the Code of Federal Regulations, as amended, and when the requesting officer has been designated by the head of the law enforcement agency and requests this information in the course of and as a part of an investigation into the commission of a crime when there is a reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the law enforcement agency that employs the person, for filing under the normal procedures of that agency.

(1) This subdivision shall not be construed to authorize the release to any law enforcement agency of a general list identifying individuals applying for or receiving benefits.

(2) The department shall maintain records pursuant to this subdivision only for periods required under regulations or statutes enacted for the administration of its programs.

(3) This subdivision shall not be construed as limiting the information provided to law enforcement agencies to that pertaining only to applicants for, or recipients of, benefits.

(4) The department shall notify all applicants for benefits that release of confidential information from their records will not be protected should there be a felony arrest warrant issued against the applicant or in the event of an investigation by a law enforcement agency into the commission of a felony.

(j) To provide public employee retirement systems in California with information relating to the earnings of any person who has applied for or is receiving a disability income, disability allowance, or disability retirement allowance, from a public employee retirement system. The earnings information shall be released only upon written request from the governing board specifying that the person has applied for or is receiving a disability allowance or disability retirement allowance from its retirement system. The request may be made by the chief executive officer of the system or by an employee of the system so authorized and identified by name and title by the chief executive officer in writing.

(k) To enable the Division of Labor Standards Enforcement in the Department of Industrial Relations to seek criminal, civil, or administrative remedies in connection with the failure to pay, or the unlawful payment of, wages pursuant to Chapter 1 (commencing with Section 200) of Part 1 of Division 2 of, and Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of, the Labor Code.

(l) To enable federal, state, or local governmental departments or agencies to administer child support enforcement programs under Part D of Title IV of the federal Social Security Act (42 U.S.C. Sec. 651 et seq.).

(m) To provide federal, state, or local governmental departments or agencies with wage and claim information in its possession that will assist those departments and agencies in the administration of the Victims of Crime Program or in the location of victims of crime who, by state mandate or court order, are entitled to restitution that has been or can be recovered.

(n) To provide federal, state, or local governmental departments or agencies with information concerning any individuals who are or have been:

(1) Directed by state mandate or court order to pay restitution, fines, penalties, assessments, or fees as a result of a violation of law.

(2) Delinquent or in default on guaranteed student loans or who owe repayment of funds received through other financial assistance programs administered by those agencies. The information released by the director for the purposes of this paragraph shall not include unemployment insurance benefit information.

(o) To provide an authorized governmental agency with any and all relevant information that relates to any specific workers' compensation insurance fraud investigation. The information shall be provided to the extent permitted by federal law and regulations. For purposes of this subdivision, "authorized governmental agency" means the district attorney of any county, the office of the Attorney General, the Contractors' State License Board, the Department of Industrial Relations, and the Department of Insurance. An authorized governmental agency may disclose this information to the State Bar of California, the Medical Board of California, or any other licensing board or department whose licensee is the subject of a workers' compensation insurance fraud investigation. This subdivision shall not prevent any authorized governmental agency from reporting to any board or department the suspected misconduct of any licensee of that body.

(p) To enable the Director of Consumer Affairs, or the director's representative, to access unemployment insurance quarterly wage data on a case-by-case basis to verify information on school administrators, school staff, and students provided by those schools who are being investigated for possible violations of Chapter 8 (commencing with Section 94800) of Part 59 of Division 10 of Title 3 of the Education Code.

(q) To provide employment tax information to the tax officials of Mexico, if a reciprocal agreement exists. For purposes of this subdivision, "reciprocal agreement" means a formal agreement to exchange information between national taxing officials of Mexico and taxing authorities of the State Board of Equalization, the Franchise Tax Board, and the Employment Development Department. Furthermore, the reciprocal agreement shall be limited to the exchange of information that is essential for tax administration purposes only. Taxing authorities of the State of California shall be granted tax information only on California residents. Taxing authorities of Mexico shall be granted tax information only on Mexican nationals.

(r) To enable city and county planning agencies to develop economic forecasts for planning purposes. The information shall be limited to businesses within the jurisdiction of the city or county whose planning agency is requesting the information, and shall not include information regarding individual employees.

(s) To provide the State Department of Developmental Services with wage and employer information that will assist in the collection of moneys owed by the recipient, parent, or any other legally liable individual for services and supports provided pursuant to Chapter 9 (commencing with Section 4775) of Division 4.5 of, and Chapter 2 (commencing with Section 7200) and Chapter 3 (commencing with Section 7500) of Division 7 of, the Welfare and Institutions Code.

(t) To provide the State Board of Equalization with employment tax information that will assist in the administration of tax programs. The information shall be limited to the exchange of employment tax information essential for tax administration purposes to the extent permitted by federal law and regulations.

(u) This section shall not be construed to authorize or permit the use of information obtained in the administration of this code by any private collection agency.

(v) The disclosure of the name and address of an individual or business entity that was issued an assessment that included penalties under Section 1128 or 1128.1 shall not be in violation of Section 1094 if the assessment is final. The disclosure may also include any of the following:

(1) The total amount of the assessment.

(2) The amount of the penalty imposed under Section 1128 or 1128.1 that is included in the assessment.

(3) The facts that resulted in the charging of the penalty under Section 1128 or 1128.1.

(w) To enable the Contractors' State License Board to verify the employment history of an individual applying for licensure pursuant to Section 7068 of the Business and Professions Code.

(x) To provide any peace officer with the Division of Investigation in the Department of Consumer Affairs information pursuant to subdivision (i) when the requesting peace officer has been designated by the chief of the Division of Investigation and requests this information in the course of and as part of an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(y) To enable the Labor Commissioner of the Division of Labor Standards Enforcement in the Department of Industrial Relations to identify, pursuant to Section 90.3 of the Labor Code, unlawfully uninsured employers. The information shall be provided to the extent permitted by federal law and regulations.

(z) To enable the Chancellor of the California Community Colleges, in accordance with the requirements of Section 84754.5 of the Education Code, to obtain quarterly wage data, commencing January 1, 1993, on students who have attended one or more community colleges, to assess the impact of education on the employment and earnings of students, to conduct the annual evaluation of district-level and individual college performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(aa) To enable the Public Employees' Retirement System to seek criminal, civil, or administrative remedies in connection with the unlawful application for, or receipt of, benefits provided under Part 3 (commencing with Section 20000) of Division 5 of Title 2 of the Government Code.

(ab) To enable the State Department of Education, the University of California, the California State University, and the Chancellor of the California Community Colleges, pursuant to the requirements prescribed by the federal American Recovery and Reinvestment Act of 2009 (*Public Law 111-5*), to obtain quarterly wage data, commencing July 1, 2010, on students who have attended their respective systems to assess the impact of education on the employment and earnings of those students, to conduct the annual analysis of district-level and individual district or postsecondary education system performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(ac) To provide the Agricultural Labor Relations Board with employee, wage, and employer information, for use in the investigation or enforcement of the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 (Part 3.5 (commencing with Section 1140) of Division 2 of

the Labor Code). The information shall be provided to the extent permitted by federal statutes and regulations.

(ad)

(1) To enable the State Department of Health Care Services, the California Health Benefit Exchange, the Managed Risk Medical Insurance Board, and county departments and agencies to obtain information regarding employee wages, California employer names and account numbers, employer reports of wages and number of employees, and disability insurance and unemployment insurance claim information, for the purpose of:

(A) Verifying or determining the eligibility of an applicant for, or a recipient of, state health subsidy programs, limited to the Medi-Cal program provided pursuant to Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, and the Medi-Cal Access Program provided pursuant to Chapter 2 (commencing with Section 15810) of Part 3.3 of Division 9 of the Welfare and Institutions Code, when the verification or determination is directly connected with, and limited to, the administration of the state health subsidy programs referenced in this subparagraph.

(B) Verifying or determining the eligibility of an applicant for, or a recipient of, federal subsidies offered through the California Health Benefit Exchange, provided pursuant to Title 22 (commencing with Section 100500) of the Government Code, including federal tax credits and cost-sharing assistance pursuant to the federal Patient Protection and Affordable Care Act (*Public Law 111-148*), as amended by the federal Health Care and Education Reconciliation Act of 2010 (*Public Law 111-152*), when the verification or determination is directly connected with, and limited to, the administration of the California Health Benefit Exchange.

(C) Verifying or determining the eligibility of employees and employers for health coverage through the Small Business Health Options Program, provided pursuant to Section 100502 of the Government Code, when the verification or determination is directly connected with, and limited to, the administration of the Small Business Health Options Program.

(2) The information provided under this subdivision shall be subject to the requirements of, and provided to the extent permitted by, federal law and regulations, including Part 603 of Title 20 of the Code of Federal Regulations.

(ae) To provide any peace officer with the Investigations Division of the Department of Motor Vehicles with information pursuant to subdivision (i), when the requesting peace officer has been designated by the Chief of the Investigations Division and requests this information in the course of, and as part of, an investigation into identity theft, counterfeiting, document fraud, or consumer fraud, and there is reasonable suspicion that the crime is a felony and that the information would lead to relevant evidence regarding the identity theft, counterfeiting, document fraud, or consumer fraud. The information provided pursuant to this subdivision shall be provided to the extent permitted by federal law and regulations, and to the extent the information is available and accessible within the constraints and configurations of existing department records. Any person who receives any information under this subdivision shall make a written report of the information to the Investigations Division of the Department of Motor Vehicles, for filing under the normal procedures of that division.

(af) Until January 1, 2020, to enable the Department of Finance to prepare and submit the report required by Section 13084 of the Government Code that identifies all employers in California that employ 100 or more employees who receive benefits from the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code). The information used for this purpose shall be limited to information obtained pursuant to Section 11026.5 of the Welfare and Institutions Code and from the administration of personal income tax wage withholding pursuant to Division 6 (commencing with Section 13000) and the disability

insurance program and may be disclosed to the Department of Finance only for the purpose of preparing and submitting the report and only to the extent not prohibited by federal law.

(ag) To provide, to the extent permitted by federal law and regulations, the Student Aid Commission with wage information in order to verify the employment status of an individual applying for a Cal Grant C award pursuant to subdivision (c) of Section 69439 of the Education Code.

(ah) To enable the Department of Corrections and Rehabilitation to obtain quarterly wage data of former inmates who have been incarcerated within the prison system in order to assess the impact of rehabilitation services or the lack of these services on the employment and earnings of these former inmates. Quarterly data for a former inmate's employment status and wage history shall be provided for a period of one year, three years, and five years following release. The data shall only be used for the purpose of tracking outcomes for former inmates in order to assess the effectiveness of rehabilitation strategies on the wages and employment histories of those formerly incarcerated. The information shall be provided to the department to the extent not prohibited by federal law.

(ai) To enable federal, state, or local government departments or agencies, or their contracted agencies, subject to federal law, including the confidentiality, disclosure, and other requirements set forth in Part 603 of Title 20 of the Code of Federal Regulations, to evaluate, research, or forecast the effectiveness of public social services programs administered pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, or Part A of Subchapter IV of Chapter 7 of the federal Social Security Act (42 U.S.C. Sec. 601 et seq.), when the evaluation, research, or forecast is directly connected with, and limited to, the administration of the public social services programs.

(aj)

(1) To enable the California Workforce Development Board, the Chancellor of the California Community Colleges, the Superintendent of Public Instruction, the Department of Rehabilitation, the State Department of Social Services, the Bureau for Private Postsecondary Education, the Department of Industrial Relations, the Division of Apprenticeship Standards, the Department of Corrections and Rehabilitation, the Prison Industry Authority, the Employment Training Panel, and a chief elected official, as that term is defined in Section 3102(9) of Title 29 of the United States Code, to access any relevant quarterly wage data necessary for the evaluation and reporting of their respective program performance outcomes as required and permitted by various local, state, and federal laws pertaining to performance measurement and program evaluation under the federal Workforce Innovation and Opportunity Act (*Public Law 113-128*); the workforce metrics dashboard pursuant to paragraph (1) of subdivision (i) of Section 14013; the Adult Education Block Grant Program consortia performance metrics pursuant to Section 84920 of the Education Code; the economic and workforce development program performance measures pursuant to Section 88650 of the Education Code; and the California Community Colleges Economic and Workforce Development Program performance measures established in Part 52.5 (commencing with Section 88600) of Division 7 of Title 3 of the Education Code. Disclosures under this subdivision shall comply with federal and state privacy laws that require the informed consent from program participants of city and county departments or agencies that administer public workforce development programs for the evaluation, research, or forecast of their programs regardless of local, state, or federal funding source.

(2) The department shall do all of the following:

(A) Consistent with this subdivision, develop the minimum requirements for granting a request for disclosure of information authorized by this subdivision regardless of local, state, or federal funding source.

(B) Develop a standard application for submitting a request for disclosure of information authorized by this subdivision.

(C) Approve or deny a request for disclosure of information authorized by this subdivision, or request additional information, within 20 business days of receiving the standard application. The entity submitting the application shall respond to any request by the department for additional information within 20 business days of receipt of the department's request. Within 30 calendar days of receiving any additional information, the department shall provide a final approval or denial of the request for disclosure of information authorized by this subdivision. Any approval, denial, or request for additional information shall be in writing. Denials shall identify the reason or category of reasons for the denial.

(D) Make publicly available on the department's internet website all of the following:

(i) The minimum requirements for granting a request for disclosure of information authorized by this subdivision, as developed pursuant to subparagraph (A).

(ii) The standard application developed pursuant to subparagraph (B).

(iii) The timeframe for information request determinations by the department, as specified in subparagraph (C).

(iv) Contact information for assistance with requests for disclosures of information authorized by this subdivision.

(v) Any denials for requests of disclosure of information authorized by this subdivision, including the reason or category of reasons for the denial.

(ak)

(1) To provide any peace officer with the Enforcement Branch of the Department of Insurance with both of the following:

(A) Information provided pursuant to subdivision (i) that relates to a specific insurance fraud investigation involving automobile insurance fraud, life insurance and annuity fraud, property and casualty insurance fraud, and organized automobile insurance fraud. That information shall be provided when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(B) Employee, wage, employer, and state disability insurance claim information that relates to a specific insurance fraud investigation involving health or disability insurance fraud when the requesting peace officer has been designated by the Chief of the Fraud Division of the Department of Insurance and requests the information in the course of, and as part of, an investigation into the commission of a crime or other unlawful act when there is reasonable suspicion to believe that the crime or act may be connected to the information requested and would lead to relevant information regarding the crime or unlawful act.

(2) To enable the State Department of Developmental Services to obtain quarterly wage data of consumers served by that department for the purposes of monitoring and evaluating employment outcomes to determine the effectiveness of the Employment First Policy, established pursuant to Section 4869 of the Welfare and Institutions Code.

(3) The information provided pursuant to this subdivision shall be provided to the extent permitted by federal statutes and regulations.

(al) To provide the California Secure Choice Retirement Savings Investment Board with employer tax information for use in the administration of, and to facilitate compliance with, the California Secure Choice Retirement Savings Trust Act (Title 21 of the Government Code). The information should be limited to the tax information the director deems appropriate, and shall be provided to the extent permitted by federal laws and regulations.

(am)

(1) To enable the Joint Enforcement Strike Force on the Underground Economy as established by Section 329, and the Labor Enforcement Task Force, as established pursuant to Assembly Bill 1464 of the 2011–12 Regular Session (Chapter 21 of the Statutes of 2012), to carry out their duties.

(2) To provide an agency listed in subdivision (a) of Section 329 intelligence, data, including confidential tax and fee information, documents, information, complaints, or lead referrals pursuant to Section 15925 of the Government Code.

(an) To enable the Bureau for Private Postsecondary Education to access and use any relevant quarterly wage data necessary to perform the labor market outcome reporting data match pursuant to Section 94892.6 of the Education Code. The information provided pursuant to this subdivision shall be provided to the extent permitted by state and federal laws and regulations.

SEC. 264. Section *2810.1* of the Vehicle Code is amended to read:

2810.1.

(a) Any traffic officer may stop any commercial vehicle, as defined in Section 260, that is a rental vehicle and inspect the bills of lading, shipping, delivery papers, or other evidence to determine whether the driver is transporting household goods in violation of the Household ~~Goods Carriers~~Movers Act (Chapter ~~7~~3.1 (commencing with Sec. ~~5101) of Division 2 of the Public Utilities Code)~~19225) of Division 8 of the Business and Professions Code. The officer may only stop and inspect where the officer has probable cause to believe that the vehicle is being operated in violation of that act.

(b) It is a public offense, for which an officer may issue a citation, for a driver to unlawfully transport household goods in violation of the Household Goods Carriers Act. That public offense is punishable as prescribed in Article 8 (commencing with Section 5311) of Chapter 7 of Division 2 of the Public Utilities Code. It is an infraction to refuse to submit to an inspection as authorized by subdivision (a).

(c) A copy of the citation for any offense described in subdivision (b) shall be sent by the ~~the~~ department that employs the traffic officer to the Director of the Consumer Services Division of the California Public Utilities Commission. A copy of a citation shall be removed from any record of the commission upon a showing that the person was not convicted of the offense or that bail was not forfeited for that offense. A person for whom a copy of a citation has been sent to the commission and is on file with the commission may request the commission for an administrative hearing on that matter.

SEC. 265. Section *3065.2* of the Vehicle Code is amended to read:

3065.2.

(a) A franchisee seeking to establish or modify its retail labor rate, retail parts rate, or both, to determine a reasonable warranty reimbursement schedule shall, no more frequently than once per calendar year, complete the following requirements:

(1) The franchisee shall submit in writing to the franchisor whichever of the following is fewer in number:

(A) Any 100 consecutive qualified repair orders completed, including any nonqualified repair orders completed in the same period.

(B) All repair orders completed in any 90-consecutive-day period.

(2) The franchisee shall calculate its retail labor rate by determining the total charges for labor from the qualified repair orders submitted and dividing that amount by the total number of hours that generated those charges.

(3) The franchisee shall calculate its retail parts rate by determining the total charges for parts from the qualified repair orders submitted, dividing that amount by the franchisee's total cost of the purchase of those parts, subtracting one, and multiplying by 100 to produce a percentage.

(4) The franchisee shall provide notice to the franchisor of its retail labor rate and retail parts rate calculated in accordance with this subdivision.

(b) For purposes of subdivision (a), qualified repair orders submitted under this subdivision shall be from a period occurring not more than 180 days before the submission. Repair orders submitted pursuant to this section may be transmitted electronically. A franchisee may submit either of the following:

(1) A single set of qualified repair orders for purposes of calculating both its retail labor rate and its retail parts rate.

(2) A set of qualified repair orders for purposes of calculating only its retail labor rate or only its retail parts rate.

(c) Charges included in a repair order arising from any of the following shall be omitted in calculating the retail labor rate and retail parts rate under this section:

(1) Manufacturer, manufacturer branch, distributor, or distributor branch special events, specials, or promotional discounts for retail customer repairs.

(2) Parts sold, or repairs performed, at wholesale.

(3) Routine maintenance, including, but not limited to, the replacement of bulbs, fluids, filters, batteries, and belts that are not provided in the course of, and related to, a repair.

(4) Items that do not have individual part numbers including, but not limited to, nuts, bolts, and fasteners.

(5) Vehicle reconditioning.

(6) Accessories.

(7) Repairs of conditions caused by a collision, a road hazard, the force of the elements, vandalism, theft, or owner, operational, or third-party negligence or deliberate act.

(8) Parts sold or repairs performed for insurance carriers.

(9) Vehicle emission inspections required by law.

(10) Manufacturer-approved goodwill or policy repairs or replacements.

(11) Repairs for government agencies or service contract providers.

(12) Repairs with aftermarket parts, when calculating the retail parts rate, but not the retail labor rate.

(13) Repairs on aftermarket parts.

(14) Replacement of or work on tires, including front-end alignments and wheel or tire rotations.

(15) Repairs of motor vehicles owned by the franchisee or an employee thereof at the time of the repair.

(d)

(1) A franchisor may contest to the franchisee the material accuracy of the retail labor rate or retail parts rate that was calculated by the franchisee under this section within 30 days after receiving notice from the franchisee or, if the franchisor requests supplemental repair orders pursuant to paragraph (4), within 30 days after receiving the supplemental repair orders. If the franchisor seeks to contest the retail labor rate, retail parts rate, or both, the franchisor shall submit no more than one notification to the franchisee. The notification shall be limited to an assertion that the rate is materially inaccurate or fraudulent, and shall provide a full explanation of any and all reasons for the allegation, evidence substantiating the franchisor's position, a copy of all calculations used by the franchisor in determining the franchisor's position, and a proposed adjusted retail labor rate or retail parts rate, as applicable, on the basis of the repair orders submitted by the franchisee or, if applicable, on the basis provided in paragraph (5). After submitting the notification, the franchisor shall not add to, expand, supplement, or otherwise modify any element of that notification, including, but not limited to, its grounds for contesting the retail labor rate, retail parts rate, or both, without justification. A franchisor shall not deny the franchisee's submission for the retail labor rate, retail parts rate, or both, under subdivision (a).

(2) If the franchisee agrees with the conclusions of the franchisor and any corresponding adjustment to the retail labor rate or retail parts rate, no further action shall be required. The new adjusted rate shall be deemed effective as of the 30th calendar day after the franchisor's receipt of the notice submitted pursuant to subdivision (a).

(3) In the event the franchisor provides all of the information required by paragraph (1) to the franchisee, and the franchisee does not agree with the adjusted rate proposed by the franchisor, the franchisor shall pay the franchisee at the franchisor's proposed adjusted retail labor rate or retail parts rate until a decision is rendered upon any board protest filed pursuant to Section 3065.4 or until any mutual resolution between the franchisor and the franchisee. The franchisor's proposed adjusted rate shall be deemed to be effective as of the 30th day after the franchisor's receipt of the notice submitted pursuant to subdivision (a).

(4) If the franchisor determines from the franchisee's set of repair orders submitted pursuant to subdivisions (a) and (b) that the franchisee's submission for a retail labor rate or retail parts rate is substantially higher than the franchisee's current warranty rate, the franchisor may request, in writing, within 30 days after the franchisor's receipt of the notice submitted pursuant to subdivision (a), all repair orders closed within the period of 30 days immediately preceding, or 30 days immediately following, the set of repair orders submitted by the franchisee. If the franchisee fails to provide the supplemental repair orders, all time ~~period~~periods under this section shall be suspended until the supplemental repair orders are provided.

(5) If the franchisor requests supplemental repair orders pursuant to paragraphs (1) and (4), the franchisor may calculate a proposed adjusted retail labor rate or retail parts rate, as applicable, based upon any set of the qualified repair orders submitted by the franchisee, if the franchisor complies with all of the following requirements:

(A) The franchisor uses the same requirements applicable to the franchisee's submission pursuant to paragraph (1) of subdivision (a).

(B) The franchisor uses the formula to calculate retail labor rate or retail parts as provided in subdivision (a).

(C) The franchisor omits all charges in the repair orders as provided in subdivision (c).

(e) If the franchisor does not contest the retail labor rate or retail parts rate that was calculated by the franchisee, or if the franchisor fails to contest the rate pursuant to subdivision (d), within 30 days after

receiving the notice submitted by the franchisee pursuant to subdivision (a), the uncontested retail labor rate or retail parts rate shall take effect on the 30th day after the franchisor's receipt of the notice and the franchisor shall use the new retail labor rate or retail parts rate, or both, if applicable, to determine compensation to fulfill warranty obligations to the franchisee pursuant to this section.

(f) When calculating the retail parts rate and retail labor rate, all of the following shall apply:

(1) Promotional reward program cash-equivalent pay methods shall not be considered discounts.

(2)

(A) The franchisor is prohibited from establishing or implementing a special part or component number for parts used in warranty work, if the result of the special part or component lowers compensation to the franchisee below that amount calculated pursuant to this section.

(B) This paragraph does not apply to parts or components that are subject to a recall and are issued a new special part or component number. This paragraph does not prohibit a franchisor from changing prices of parts in the ordinary course of business.

(g) When the franchisor is compensating the franchisee for the retail parts rate, all of the following shall apply:

(1) If the franchisor furnishes a part to a franchisee at no cost for use in performing warranty obligations, the franchisor shall compensate the franchisee the amount resulting from multiplying the wholesale value of the part by the franchisee's retail parts rate determined pursuant to this section.

(2) If the franchisor furnishes a part to a franchisee at a reduced cost for use in performing warranty obligations, the franchisor shall compensate the franchisee the amount resulting from multiplying the wholesale value of the part by the franchisee's retail parts rate determined pursuant to this section, plus the franchisee's cost of the part.

(3) The wholesale value of the part, for purposes of this subdivision, shall be the greater of:

(A) The amount the franchisee paid for the part or a substantially identical part if already owned by the franchisee.

(B) The cost of the part shown in a current franchisor's established price schedule.

(C) The cost of a substantially identical part shown in a current franchisor's established price schedule.

(h) When a franchisee submits for the establishment or modification of a retail labor rate, retail parts rate, or both, pursuant to this section, a franchisee's retail labor rate or retail parts rate shall be calculated only using the method prescribed in this section. When a franchisee submits for the establishment or modification of a retail labor rate, retail parts rate, or both, pursuant to this section, a franchisor shall not use, or require a franchisee to use, any other method, including, but not limited to, any of the following:

(1) Substituting any other purported repair sample for that submitted by a franchisee.

(2) Imposing any method related to the establishment of a retail labor rate or retail parts rate that is unreasonable or time consuming, or require the use of information that is unreasonable or time consuming to obtain, including part-by-part or transaction-by-transaction calculations or utilization of the franchisee's financial statement.

(3) Unilaterally calculating a retail labor rate or retail parts rate for a franchisee, except as provided in subdivision (d).

(4) Using a franchisee's sample, submitted for establishing or increasing its retail parts rate, to establish or reduce the franchisee's retail labor rate or using a franchisee's sample, submitted for

establishing or increasing its retail labor rate, to establish or reduce the franchisee's retail parts rate.

(i) A franchisor shall not do any of the following:

(1) Attempt to influence a franchisee to implement or change the prices for which the franchisee sells parts or labor in retail repairs because the franchisee is seeking compensation or exercising any right pursuant to this section.

(2) Directly or indirectly, take or threaten to take any adverse action against a franchisee for seeking compensation or exercising any right pursuant to this section, by any action including, but not limited to, the following:

(A) Assessing penalties, surcharges, or similar costs to a franchisee.

(B) Transferring or shifting any costs to a franchisee.

(C) Limiting allocation of vehicles or parts to a franchisee.

(D) Failing to act other than in good faith.

(E) Hindering, delaying, or rejecting the proper and timely payment of compensation due under this section to a franchisee.

(F) Establishing, implementing, enforcing, or applying any discriminatory policy, standard, rule, program, or incentive regarding compensation due under this section.

(G) Conducting or threatening to conduct nonroutine or nonrandom warranty, nonwarranty repair, or other service-related audits in response to a franchisee seeking compensation or exercising any right pursuant to this section.

(3) This subdivision does not prohibit a franchisor from increasing prices of vehicles or parts in the ordinary course of business.

(j) As used in this section, a "qualified repair order" is a repair order, closed at the time of submission, for work that was performed outside of the period of the manufacturer's warranty and paid for by the customer, but that would have been covered by a manufacturer's warranty if the work had been required and performed during the period of warranty.

SEC. 266. Section *11202* of the Vehicle Code, as added by Section 2 of Chapter 307 of the Statutes of 2019, is amended to read:

11202.

(a) A traffic violator school owner shall meet all of the following criteria before a license may be issued for the traffic violator school:

(1) Maintain an established place of business in this state that is open to the public. An office or place of business of a traffic violator school, including any traffic violator school branch or classroom location, shall not be situated within 500 feet of any court of law or within 50 feet of another licensed traffic violator school. The office or place of business shall be a separate and enclosed space consisting of a minimum of 100 square feet and shall have a lockable entry door.

(2) Be open to the public and maintain regular business hours Monday to Friday, inclusive, excluding state and federal holidays. The business hours shall be posted at the established place of business and on any internet website used or maintained by the traffic violator school.

(3) Have an operator or employee in each office or place of business during regular business hours.

(4) Have a name that does not include a cost, price, or amount of the traffic violator school course, unless that name accurately reflects the cost of the course.

(5) Conform to standards established by regulation of the department. In adopting the standards, the department shall consider those practices and instructional programs that may reasonably foster the knowledge, skills, and judgment necessary for compliance with traffic laws. The department shall establish standards for each instructional modality, which may include requirements specific to each modality. The standards may include, but are not limited to, classroom facilities, school personnel, equipment, curriculum, procedures for the testing and evaluation of students, recordkeeping, and business practices.

(6) Procure and file with the department a bond of fifteen thousand dollars ($15,000) executed by an admitted surety and conditioned upon the applicant not practicing fraud or making a fraudulent representation that will cause a monetary loss to a person taking instruction from the applicant or to the state or any local authority.

(7) Have the proper equipment necessary for giving instruction to traffic violators.

(8) Have a lesson plan approved by the department, and provide not less than the minimum instructional time specified in the approved plan. The approved plan shall include a postlesson knowledge test. The lesson plan for each instructional modality shall require separate approval by the department.

(9)

(A) Execute and file with the department an instrument designating the director as agent of the applicant for service of process, as provided in this paragraph, in any action commenced against the applicant arising out of a claim for damages suffered by a person due to the applicant's violation of a provision of this code committed in relation to the specifications of the applicant's traffic violator school or a condition of the bond required by paragraph (6).

(B) The applicant shall stipulate in the instrument that a process directed to the applicant, when personal service cannot be made in this state after due diligence, may be served instead upon the director or, in the director's absence from the department's principal offices, upon an employee in charge of the office of the director, and that this substituted service is of the same effect as personal service on the applicant. The instrument shall further stipulate that the agency created by the designation shall continue during the period covered by the license issued pursuant to this section and so long thereafter as the applicant may be made to answer in damages for a violation of this code for which the surety may be made liable or a condition of the bond.

(C) The instrument designating the director as agent for service of process shall be acknowledged by the applicant before a notary public.

(D) If the director or an employee of the department, in lieu of the director, is served with a summons and complaint on behalf of the licensee, one copy of the summons and complaint shall be left with the director or in the director's office in Sacramento or mailed to the office of the director in Sacramento. A fee of five dollars ($5) shall also be paid to the director or employee at the time of service of the copy of the summons and complaint, or shall be included with a summons and complaint served by mail.

(E) The service on the director or department employee pursuant to this paragraph is sufficient service on the licensee if a notice of the service and a copy of the summons and complaint are, on the same day as the service or mailing of the summons and complaint, sent by registered mail by the plaintiff or the plaintiff's attorney to the licensee. A copy of the summons and complaint shall also be mailed by the plaintiff or plaintiff's attorney to the surety on the licensee's bond at the address of the surety given in the bond, postpaid and registered with request for return receipt.

(F) The director shall keep a record of all processes served pursuant to this paragraph showing the day and hour of service, and shall retain the documents served in the department's files.

(G) If the licensee is served with process by service upon the director or a department employee in lieu of the director, the licensee has 30 days after that service within which to answer any complaint or other pleading filed in the cause. For purposes of venue, if the licensee is served with process by service upon the director or a department employee in lieu of the director, the service is considered to have been made upon the licensee in the county in which the licensee has or last had an established place of business.

(10)

(A) Meet the requirements of Section 11202.5, relating to traffic violator school operators, if the owner is also the operator of the traffic violator school. If the owner is not the operator of the traffic violator school, the owner shall designate an employee as operator who shall meet the requirements of Section 11202.5.

(B) A person may be an operator for more than one traffic violator school if (i) the schools have a common owner or owners and (ii) the schools share a single established business address.

(C) A traffic violator school with multiple branch locations may designate a separate licensed operator for each location, but shall designate one of the licensed operators as the primary contact for the department.

(11) Have an instructor who meets the requirements of Section 11206. An owner who is designated as the operator for the school is authorized to act as an instructor without meeting the requirements of Section 11206. The owner license may also include authorization to act as an instructor if the owner is not designated as the operator but meets the requirements of Section 11206. The owner license shall specify if the owner is authorized to offer instruction. If the owner is not approved to act as an instructor, the school must employ an instructor licensed pursuant to Section 11206.

(12) Provide the department with a written assurance that the school will comply with the applicable provisions of Subchapter II or III of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and any other federal and state laws prohibiting discrimination against individuals with disabilities. Compliance may include providing sign language interpreters or other accommodations for students with disabilities.

(b) The qualifying requirements specified in subdivision (a) shall be met within one year from the date of application for a license, or a new application and fee are required.

(c) Paragraphs (6) and (9) of subdivision (a) do not apply to public schools or other public agencies, which shall also not be required to post a cash deposit pursuant to Section 11203.

(d) Paragraphs (1), (2), (3), and (10) of subdivision (a) do not apply to public schools or other public educational institutions.

(e) A notice approved by the department shall be posted in every traffic violator school, branch, and classroom location, and prominently displayed on a home study or internet program, stating that any person involved in the offering of, or soliciting for, a completion certificate for attendance at a traffic violator school program in which the person does not attend or does not complete the minimum amount of instruction time may be guilty of violating Section 134 of the Penal Code.

(f) This section shall become operative on July 1, 2020.

SEC. 267. Section *34500* of the Vehicle Code is amended to read:

34500.

The department shall regulate the safe operation of the following vehicles:

(a) Motortrucks of three or more axles that are more than 10,000 pounds gross vehicle weight rating.

(b) Truck tractors.

(c) Buses, schoolbuses, school pupil activity buses, youth buses, farm labor vehicles, modified limousines, and general public paratransit vehicles.

(d) Trailers and semitrailers designed or used for the transportation of more than 10 persons, and the towing motor vehicle.

(e) Trailers and semitrailers, pole or pipe dollies, auxiliary dollies, and logging dollies used in combination with vehicles listed in subdivision (a), (b), (c), (d), or (j). This subdivision does not include camp trailers, trailer coaches, and utility trailers.

(f) A combination of a motortruck and a vehicle or vehicles set forth in subdivision (e) that exceeds 40 feet in length when coupled together.

(g) A vehicle, or a combination of vehicles, transporting hazardous materials.

(h) Manufactured homes that, when moved upon the highway, are required to be moved pursuant to a permit, as specified in Section 35780 or 35790.

(i) A park trailer, as described in Section 18009.3 of the Health and Safety Code, that, when moved upon a highway, is required to be moved pursuant to a permit pursuant to Section 35780.

(j) Any other motortruck not specified in subdivisions (a) to (h), inclusive, or subdivision (k), that is regulated by the Department of Motor Vehicles, the Department of Consumer Affairs, or the United States Secretary of Transportation.

(k) A commercial motor vehicle with a gross vehicle weight rating of 26,001 or more pounds or a commercial motor vehicle of any gross vehicle weight rating towing a vehicle described in subdivision (e) with a gross vehicle weight rating of more than 10,000 pounds, except combinations including camp trailers, trailer coaches, or utility trailers. For purposes of this subdivision, the term “commercial motor vehicle” has the same meaning as defined in subdivision (b) of Section 15210.

SEC. 268. Section *13177.5* of the Water Code is amended to read:

13177.5.

(a) The state board, in consultation with the Office of Environmental Health Hazard Assessment, shall develop a comprehensive coastal monitoring and assessment program for sport fish and shellfish, to be known as the Coastal Fish Contamination Program. The program shall identify and monitor chemical contamination in coastal fish and shellfish and assess the health risks of consumption of sport fish and shellfish caught by consumers.

(b) The state board shall consult with the Department of Fish and Wildlife, the Office of Environmental Health Hazard Assessment, and regional water quality control boards with jurisdiction over territory along the coast, to determine chemicals, sampling locations, and the species to be collected under the program. The program developed by the state board shall include all of the following:

(1) Screening studies to identify coastal fishing areas where fish species have the potential for accumulating chemicals that pose significant health risks to human consumers of sport fish and shellfish.

(2) The assessment of at least 60 screening study monitoring sites and 120 samples in the first five years of the program and an assessment of additional screening study sites as time and resources permit.

(3) Comprehensive monitoring and assessment of fishing areas determined through screening studies to have a potential for significant human health risk and a reassessment of these areas every five years.

(c) Based on existing fish contamination data, the state board shall designate a minimum of 40 sites as fixed sampling locations for the ongoing monitoring effort.

(d) The state board shall contract with the Office of Environmental Health Hazard Assessment to prepare comprehensive health risk assessments for sport fish and shellfish monitored in the program. The assessments shall be based on the data collected by the program and information on fish consumption and food preparation. The Office of Environmental Health Hazard Assessment, within 18 months of the completion of a comprehensive study for each area by the state board, shall submit to the board a draft health risk assessment report for that area. Those health risk assessments shall be updated following the reassessment of areas by the board.

(e) The Office of Environmental Health Hazard Assessment shall issue health advisories when the office determines that consuming certain fish or shellfish presents a significant health risk. The advisories shall contain information for the public, and particularly the population at risk, concerning health risks from the consumption of the fish or shellfish. The ~~office~~Office of Environmental Health Hazard Assessment shall notify the appropriate local health officers, as defined for the purposes of Article 7 (commencing with Section 116090.6) of Chapter 5 of Part 10 of Division 104 of the Health and Safety Code, the State Department of Public Health, the state board, the appropriate regional board, and the Department of Fish and Wildlife before the issuance of a health advisory. The notification shall provide sufficient information for the purpose of posting signage. The Department of Fish and Wildlife shall publish the ~~office's~~Office of Environmental Health Hazard Assessment's health warnings in its Sport Fishing Regulations Booklet.

SEC. 269. Section 148.2 of the Welfare and Institutions Code is amended to read:

148.2.

Any organization qualified under Section 148.3 to solicit donations of salvageable personal property, or to sell salvageable personal property obtained by soliciting, shall: (a) maintain separate bank accounts and separate books and records for such solicitations or sales, and shall not commingle any proceeds of such solicitations or sales with any other assets; and (b) fully comply with the provisions of the ~~Uniform~~ Supervision of Trustees and Fundraisers for Charitable Purposes Act (Article 7 of Chapter 6 (commencing with Section 12580) of the Government Code).

SEC. 270. Section 5555 of the Welfare and Institutions Code is amended to read:

5555.

(a) The County of Los Angeles, the County of San Diego, and the City and County of San Francisco, subject to Section 5450, shall establish a working group to conduct an evaluation of the effectiveness of the implementation of Chapter 5 (commencing with Section 5450) in addressing the needs of persons with serious mental illness and substance use disorders in the county or the city and county. The evaluation shall include all of the following:

(1) An assessment of the number and status of persons who have been conserved under Chapter 5 (commencing with Section 5450), the effectiveness of these conservatorships in addressing the short- and long-term needs of those persons, and the impact of conservatorships established pursuant to that chapter on existing conservatorships established pursuant to Division 4 (commencing with Section 1400) of the Probate Code or Chapter 3 (commencing with Section 5350) and on mental health programs provided by the county or the city and county.

(2) The service planning and delivery process for persons conserved pursuant to Chapter 5 (commencing with Section 5450).

(3) The number of persons conserved pursuant to Chapter 5 (commencing with Section 5450) who are placed in locked, acute psychiatric, hospital, rehabilitation, transitional, board and care, or any other facilities or housing types, and the duration of the confinement or placement in each of the facilities or housing types, including descriptions and analyses of the various types of confinement or placements and the types of onsite wraparound services or other services, such as physical and behavioral health services.

(4) The number of persons conserved pursuant to Chapter 5 (commencing with Section 5450) placed in another county and the types of facilities and the duration of the placements, including the types of onsite wraparound services or other services, such as physical and behavioral health services.

(5) The number of persons conserved pursuant to Chapter 5 (commencing with Section 5450) by the conserving county who receive permanent supportive housing in any county during their conservatorship, whether permanent supportive housing was provided during the conservatorship, and the wraparound services or other services, such as physical and behavioral health services, provided.

(6) The number of persons conserved pursuant to Chapter 5 (commencing with Section 5450) who are able to maintain housing and the number who maintain contact with the treatment system after the termination of the conservatorship, including the type and level of support they were receiving at the time they were conserved pursuant to Chapter 5 (commencing with Section 5450).

(7) The number of persons conserved pursuant to Chapter 5 (commencing with Section 5450) who successfully complete substance use disorder treatment programs.

(8) The incidence and rate of persons conserved pursuant to Chapter 5 (commencing with Section 5450) who have been detained pursuant to Section 5150 subsequent to termination of the conservatorship at 6, 12, and 24 months following conservatorship.

(9) An analysis of demographic data of persons conserved pursuant to Chapter 5 (commencing with Section 5450), including gender, race, color, religion, ancestry, national origin, ethnic group identification, age, mental disability, physical disability, medical condition, marital status, and sexual orientation.

(10) A survey of the individuals conserved pursuant to Chapter 5 (commencing with Section 5450) and an analysis of the effectiveness of the placements and services they were provided while conserved.

(11) The substance use relapse rate of persons conserved pursuant to Chapter 5 (commencing with Section 5450) at 6, 12, and 24 months following conservatorship, to the extent this information can be obtained.

(12) The number of deaths of persons conserved pursuant to Chapter 5 (commencing with Section 5450) within 6, 12, and 24 months following conservatorship, and the causes of death, to the extent this information can be obtained.

(13) A detailed explanation for the absence of any information required in paragraph (11) or ~~paragraph~~ (12) that was omitted from the evaluation.

(b) The working group shall be comprised of representatives of disability rights advocacy groups, the county mental health department, the county health department, the county social services department, law enforcement, labor unions, staff from hospitals located in the county or the city and county, and, if one exists, the county department of housing and homeless services.

(c) Each working group shall prepare and submit a preliminary report and a final report to the Legislature on its findings and recommendations regarding the implementation of Chapter 5 (commencing with Section 5450). The preliminary report shall be submitted to the Legislature no later

than January 1, 2021, and the final report shall be submitted to the Legislature no later than January 1, 2023, in compliance with Section 9795 of the Government Code.

SEC. 271. Section 5886 of the Welfare and Institutions Code is amended to read:

5886.

(a) The Mental Health Student Services Act is hereby established as a mental health partnership competitive grant program for the purpose of establishing mental health partnerships between a county's mental health or behavioral health departments and school districts, charter schools, and the county office of education within the county.

(b) The Mental Health Services Oversight and Accountability Commission shall award grants to county mental health or behavioral health departments to fund partnerships between educational and county mental health entities.

(1) County, city, or multicounty mental health or behavioral health departments, or a consortium of those entities, including multicounty partnerships, may, in partnership with one or more school districts and at least one of the following educational entities located within the county, apply for a grant to fund activities of the partnership:

(A) The county office of education.

(B) A charter school.

(2) An educational entity may be designated as the lead agency at the request of the county, city, or multicounty department, or consortium, and authorized to submit the application. The county, city, or multicounty department, or consortium, shall be the grantee and receive any grant funds awarded pursuant to this section even if an educational entity is designated as the lead agency and submits the application pursuant to this paragraph.

(c) The commission shall establish criteria for the grant program, including the allocation of grant funds pursuant to this section, and shall require that applicants comply with, at a minimum, all of the following requirements:

(1) That all school districts, charter schools, and the county office of education have been invited to participate in the partnership, to the extent possible.

(2) That applicants include with their application a plan developed and approved in collaboration with participating educational entity partners and that include a letter of intent, a memorandum of understanding, or other evidence of support or approval by the governing boards of all partners.

(3) That plans address all of the following goals:

(A) Preventing mental illnesses from becoming severe and disabling.

(B) Improving timely access to services for underserved populations.

(C) Providing outreach to families, employers, primary care health care providers, and others to recognize the early signs of potentially severe and disabling mental illnesses.

(D) Reducing the stigma associated with the diagnosis of a mental illness or seeking mental health services.

(E) Reducing discrimination against people with mental illness.

(F) Preventing negative outcomes in the targeted population, including, but not limited to:

(i) Suicide and attempted suicide.

(ii) Incarceration.

(iii) School failure or dropout.

(iv) Unemployment.

(v) Prolonged suffering.

(vi) Homelessness.

(vii) Removal of children from their homes.

(viii) Involuntary mental health detentions.

(4) That the plan includes a description of the following:

(A) The need for mental health services for children and youth, including campus-based mental health services, as well as potential gaps in local service connections.

(B) The proposed use of funds, which shall include, at a minimum, that funds will be used to provide personnel or peer support.

(C) How the funds will be used to facilitate linkage and access to ongoing and sustained services, including, but not limited to, objectives and anticipated outcomes.

(D) The partnership's ability to do all of the following:

(i) Obtain federal Medicaid or other reimbursement, including Early and Periodic Screening, Diagnostic, and Treatment funds, when applicable, or to leverage other funds, when feasible.

(ii) Collect information on the health insurance carrier for each child or youth, with the permission of the child or youth's parent, to allow the partnership to seek reimbursement for mental health services provided to children and youth, where applicable.

(iii) Engage a health care service plan or a health insurer in the mental health partnership, when applicable, and to the extent mutually agreed to by the partnership and the plan or insurer.

(iv) Administer an effective service program and the degree to which mental health providers and educational entities will support and collaborate to accomplish the goals of the effort.

(v) Connect children and youth to a source of ongoing mental health services, including, but not limited to, through Medi-Cal, specialty mental health plans, county mental health programs, or private health coverage.

(vi) Continue to provide services and activities under this program after grant funding has been expended.

(d) Grants awarded pursuant to this section shall be used to provide support services that include, at a minimum, all of the following:

(1) Services provided on school campuses, to the extent practicable.

(2) Suicide prevention services.

(3) Drop-out prevention services.

(4) Outreach to high-risk youth and young adults, including, but not limited to, foster youth, youth who identify as lesbian, gay, bisexual, transgender, or queer, and youth who have been expelled or suspended from school.

(5) Placement assistance and development of a service plan that can be sustained over time for students in need of ongoing services.

(e) Funding may also be used to provide other prevention, early intervention, and direct services, including, but not limited to, hiring qualified mental health personnel, professional development for

school staff on trauma-informed and evidence-based mental health practices, and other strategies that respond to the mental health needs of children and youth, as determined by the commission.

(f) The commission shall determine the amount of grants and shall take into consideration the level of need and the number of schoolage youth in participating educational entities when determining grant amounts.

(g) The commission may establish incentives to provide matching funds by awarding additional grant funds to partnerships that do so.

(h) Partnerships currently receiving grants from the Investment in Mental Health Wellness Act of 2013 (Part 3.8 (commencing with Section 5848.5)) are eligible to receive a grant under this section for the expansion of services funded by that grant or for the inclusion of additional educational entity partners within the mental health partnership.

(i) Grants awarded pursuant to this section may be used to supplement, but not supplant, existing financial and resource commitments of the county, city, or multi-county mental health or behavioral health departments, or a consortium of those entities, or educational entities that receive a grant.

(j)

(1) The commission shall develop metrics and a system to measure and publicly report on the performance outcomes of services provided using the grants.

(2)

(A) The commission shall provide a status report to the fiscal and policy committees of the Legislature on the progress of implementation of this section no later than March 1, 2022. The report shall address, at a minimum, all of the following:

(i) Successful strategies.

(ii) Identified needs for additional services.

(iii) Lessons learned.

(iv) Numbers of, and demographic information for, the schoolage children and youth served.

(v) Available data on outcomes, including, but not limited to, linkages to ongoing services and success in meeting the goals identified in paragraph (3) of subdivision (c).

(B) A report to be submitted pursuant to this paragraph shall be submitted in compliance with Section 9795 of the Government Code.

(k) This section does not require the use of funds ~~included in~~allocated for the purpose of satisfying the minimum funding obligation under Section 8 of Article XVI of the California Constitution for the partnerships established by this section.

(l) The commission may enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis in order to implement this section. Contracts entered into or amended pursuant to this subdivision are exempt from Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3 of Title 2 of the Government Code, Section 19130 of the Government Code, and Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of any division of the Department of General Services.

(m) This section shall be implemented only to the extent moneys are appropriated in the annual Budget Act or another statute for purposes of this section.

SEC. 272. Section 11004 of the Welfare and Institutions Code is amended to read:

11004.

The provisions of this code relative to public social services for which state grants-in-aid are made to the counties shall be administered fairly to the end that all persons who are eligible and apply for those public social services shall receive the assistance to which they are entitled promptly, with due consideration for the needs of applicants and the safeguarding of public funds.

(a) Any applicant for, or recipient or payee of, those public social services shall be informed as to the provisions of eligibility and the responsibility to report facts material to a correct determination of eligibility and grant.

(b) Any applicant for, or recipient or payee of, those public social services shall be responsible for reporting accurately and completely within the applicant's, ~~or~~ recipient's, or payee's~~,~~ competence those facts required pursuant to subdivision (a) and to promptly report any changes in those facts.

(c) Current and future grants payable to an assistance unit may be reduced because of prior overpayments. In cases in which the overpayment was caused by agency error, grant payments shall be reduced by 5 percent of the maximum aid payment of the assistance unit. Grant payments to be adjusted because of prior overpayments because of any other reason shall be reduced by 10 percent of the maximum aid payments for the assistance unit. A recipient may have an overpayment adjustment in excess of the amounts allowable under this section if the recipient requests it.

(d) A determination of ineligibility shall not be made retrospectively so as to result in an assessment of an overpayment when there is a failure on the part of an applicant or recipient to perform an act constituting a condition of eligibility, if the failure is caused by an error made by a state agency or a county welfare department, and if the amount of the grant received by the applicant or recipient would not have been different had the act been performed.

(e) Prior to effectuating any reduction of current grants to recover past overpayments, the recipient shall be advised of the proposed reduction and of the recipient's entitlement to a hearing on the propriety of the reduction.

(f) If the department determines after a hearing that an overpayment has occurred, the county providing the public social services shall seek to recover the overpayment in accordance with subdivision (c), including any amount paid while the hearing process was pending. That adjustment shall be permitted concurrently with any suit for restitution, and recovery of overpayment by adjustment shall reduce by the amount of such recovery the extent of liability for restitution.

(g)

(1) If the individual responsible for an overpayment is no longer receiving aid under Chapter 2 (commencing with Section 11200), recovery of overpayments received under that chapter shall not be attempted when the outstanding overpayments are less than two hundred fifty dollars ($250). When an overpayment collection is attempted, reasonable cost-effective efforts at collection shall be implemented. Reasonable efforts shall include notification of the amount of the overpayment and that repayment is required. The department shall define reasonable cost-effective collection methods. In cases involving fraud, every effort shall be made to collect the overpayments regardless of the amount.

(2) The department may establish a threshold higher than two hundred fifty dollars ($250) if it determines that a higher threshold is more cost effective, but the department shall not set a lower threshold than that amount.

(3) Notwithstanding subdivision (c), a county shall discharge an overpayment if the county determines that the overpayment has been caused by a major systemic error or negligence, as those terms are defined by the department.

(h) If the individual responsible for the overpayment to the assistance unit becomes a member of another assistance unit, recovery of overpayments shall be made against the individual or the individual's present assistance unit, or both.

(i)

(1) If an overpayment has been made to an assistance unit that is no longer receiving public social services, recovery shall be made by appropriate action under state law.

(2) This paragraph shall be operative when the Statewide Automated Welfare System (SAWS) can automate its provisions. Except in cases involving overpayments due to fraud or an investigation into suspected fraud, if the individual responsible for the overpayment has not received aid under Chapter 2 (commencing with Section 11200) for 36 consecutive months or longer, the county shall deem an overpayment uncollectible and discharge, in accordance with existing discharge procedures, an overpayment received under that chapter.

(j) A civil or criminal action shall not be commenced against any person based on alleged unlawful application for or receipt of public social services if the case record, or any consumer credit report used in the civil or criminal case of that person for the purpose of determining that the overpayment, has not been made available to that person or has been destroyed after the expiration of the three-year retention period pursuant to Section 10851.

(k)

(1) When an underpayment or denial of public social services occurs and, as a result, the applicant or recipient does not receive the amount to which the applicant or recipient is entitled, the county shall provide public social services equal to the full amount of the underpayment unless prohibited by federal law. In cases that have both an underpayment and an overpayment, the underpayment shall be offset against the overpayment prior to correcting any remaining underpayment.

(2) Any corrective payments made pursuant to this subdivision shall be disregarded in determining the income of the family and shall be disregarded in determining the resources of the family in the month the corrective payment is made and in the following month.

(l) This subdivision is applicable only to applicants, recipients, and payees under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9. Any suits to recover overpayments described in subdivision (f) shall be brought on behalf of the county by the county counsel unless the board of supervisors delegates that duty to the district attorney by ordinance or resolution.

(m) This section shall become operative on July 1, 2019, except as otherwise specified in paragraph (2) of subdivision (i).

SEC. 273. Section 11374 of the Welfare and Institutions Code is amended to read:

11374.

(a) Each county that formally had court ordered jurisdiction under Section 300, 601, or 602 over a child receiving benefits under the state-funded Kin-GAP ~~program~~Program shall be responsible for paying the child's aid regardless of where the child actually resides.

(b) Notwithstanding any other law, when a child receiving benefits under the Approved Relative Caregiver Funding Program (ARC) pursuant to Section 11461.3 becomes eligible for benefits under the state-funded Kin-GAP ~~program~~Program during any month, the child shall continue to receive benefits under the ARC program, as appropriate, through the day that the juvenile court dismisses the dependency or terminates the wardship, and Kin-GAP payments shall begin the day following the day that the juvenile court dismisses the dependency or terminates the wardship.

SEC. 274. Section 11450 of the Welfare and Institutions Code, as amended by Section 1 of Chapter 444 of the Statutes of 2019, is amended to read:

11450.

(a)

(1)

(A) Aid shall be paid for each needy family, which shall include all eligible brothers and sisters of each eligible applicant or recipient child and the parents of the children, but shall not include unborn children, or recipients of aid under Chapter 3 (commencing with Section 12000), qualified for aid under this chapter. In determining the amount of aid paid, and notwithstanding the minimum basic standards of adequate care specified in Section 11452, the family's income, exclusive of any amounts considered exempt as income or paid pursuant to subdivision (e) or Section 11453.1, determined for the prospective semiannual period pursuant to Sections 11265.1, 11265.2, and 11265.3, and then calculated pursuant to Section 11451.5, shall be deducted from the sum specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2). In no case shall the amount of aid paid for each month exceed the sum specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2), plus any special needs, as specified in subdivisions (c), (e), and (f):

Number of eligible needy persons in the same home	Maximum aid
1	$ 326
2	535
3	663
4	788
5	899
6	1,010
7	1,109
8	1,209
9	1,306
10 or more	1,403

(B) If, when, and during those times that the United States government increases or decreases its contributions in assistance of needy children in this state above or below the amount paid on July 1, 1972, the amounts specified in the above table shall be increased or decreased by an amount equal to that increase or decrease by the United States government, provided that no increase or decrease shall be subject to subsequent adjustment pursuant to Section 11453.

(2) The sums specified in paragraph (1) shall not be adjusted for cost of living for the 1990–91, 1991–92, 1992–93, 1993–94, 1994–95, 1995–96, 1996–97, and 1997–98 fiscal years, and through October 31, 1998, nor shall that amount be included in the base for calculating any cost-of-living increases for any fiscal year thereafter. Elimination of the cost-of-living adjustment pursuant to this paragraph shall satisfy the requirements of former Section 11453.05, and no further reduction shall be made pursuant to that section.

(b)

(1) If the family does not include a needy child qualified for aid under this chapter, aid shall be paid to a pregnant child who is 18 years of age or younger at any time after verification of pregnancy, in the amount that would otherwise be paid to one person, as specified in subdivision (a), if the pregnant child and the child, if born, would have qualified for aid under this chapter. Verification of pregnancy shall be required as a condition of eligibility for aid under this subdivision.

(2) Notwithstanding paragraph (1), if the family does not include a needy child qualified for aid under this chapter, aid shall be paid to a pregnant person for the month in which the birth is anticipated and for the six-month period immediately prior to the month in which the birth is anticipated, in the amount that would otherwise be paid to one person, as specified in subdivision (a), if the pregnant person and child, if born, would have qualified for aid under this chapter. Verification of pregnancy is required as a condition of eligibility for aid under this subdivision.

(3) Paragraph (1) ~~shall apply~~applies only when the Cal-Learn Program is operative.

(c) The amount of forty-seven dollars ($47) per month shall be paid to a pregnant person qualified for aid under subdivision (a) or (b) to meet special needs resulting from pregnancy if the pregnant person and child, if born, would have qualified for aid under this chapter. County welfare departments shall refer all recipients of aid under this subdivision to a local provider of the California Special Supplemental Nutrition Program for Women, Infants, and Children. If that payment to a pregnant person qualified for aid under subdivision (a) is considered income under federal law in the first five months of pregnancy, payments under this subdivision do not apply to a person eligible under subdivision (a), except for the month in which birth is anticipated and for the three-month period immediately prior to the month in which delivery is anticipated, if the pregnant person and child, if born, would have qualified for aid under this chapter.

(d) For children receiving AFDC-FC under this chapter, there shall be paid, exclusive of any amount considered exempt as income, an amount of aid each month that, if added to the child's income, is equal to the rate specified in Section 11460, 11461, 11462, ~~11462.1,~~ or 11463, or former Section 11462.1. In addition, the child is eligible for special needs, as specified in departmental regulations.

(e) In addition to the amounts payable under subdivision (a) and ~~former~~ Section 11453.1, a family is entitled to receive an allowance for recurring special needs not common to a majority of recipients. These recurring special needs include, but are not limited to, special diets upon the recommendation of a physician for circumstances other than pregnancy, and unusual costs of transportation, laundry, housekeeping services, telephone, and utilities. The recurring special needs allowance for each family per month shall not exceed that amount resulting from multiplying the sum of ten dollars ($10) by the number of recipients in the family who are eligible for assistance.

(f) After a family has used all available liquid resources, both exempt and nonexempt, in excess of one hundred dollars ($100), with the exception of funds deposited in a restricted account described in subdivision (a) of Section 11155.2, the family is also entitled to receive an allowance for nonrecurring special needs.

(1) An allowance for nonrecurring special needs shall be granted for replacement of clothing and household equipment and for emergency housing needs other than those needs addressed by paragraph (2). These needs shall be caused by sudden and unusual circumstances beyond the control of the needy family. The department shall establish the allowance for each of the nonrecurring special needs items. The sum of all nonrecurring special needs provided by this subdivision shall not exceed six hundred dollars ($600) per event.

(2)

(A)

(i) Homeless assistance is available to a homeless family seeking shelter when the family is eligible for aid under this chapter.

(ii) Homeless assistance for temporary shelter is also available to homeless families that are apparently eligible for aid under this chapter. Apparent eligibility exists when evidence presented by the applicant, or that is otherwise available to the county welfare department, and the information provided on the application documents indicate that there would be eligibility for aid under this chapter if the evidence and information were verified. However, an alien applicant who does not provide verification of their eligible alien status, or a person with no eligible children who does not provide medical verification of their pregnancy, is not apparently eligible for purposes of this section.

(iii) Homeless assistance for temporary shelter is also available to homeless families that would be eligible for aid under this chapter but for the fact that the only child or children in the family are in out-of-home placement pursuant to an order of the dependency court, if the family is receiving reunification services and the county determines that homeless assistance is necessary for reunification to occur.

(B) A family is considered homeless, for the purpose of this section, when the family lacks a fixed and regular nighttime residence, the family has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations, or the family is residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A family is also considered homeless for the purpose of this section if the family has received a notice to pay rent or quit. The family shall demonstrate that the eviction is the result of a verified financial hardship as a result of extraordinary circumstances beyond their control, and not other lease or rental violations, and that the family is experiencing a financial crisis that may result in homelessness if preventive assistance is not provided.

(3)

(A)

(i) A nonrecurring special needs benefit of eighty-five dollars ($85) a day shall be available to families of up to four members for the costs of temporary shelter, subject to the requirements of this paragraph. The fifth and additional members of the family shall each receive fifteen dollars ($15) per day, up to a daily maximum of one hundred forty-five dollars ($145). County welfare departments may increase the daily amount available for temporary shelter as necessary to secure the additional bedspace needed by the family.

(ii) This special needs benefit shall be granted or denied immediately upon the family's application for homeless assistance, and benefits shall be available for up to three working days. The county welfare department shall verify the family's homelessness within the first three working days. If the family meets the criteria of questionable homelessness established by the department, the county welfare department shall refer the family to its early fraud prevention and detection unit, if the county has such a unit, for assistance in the verification of homelessness within this period.

(iii) After homelessness has been verified, the three-day limit shall be extended for a period of time that, when added to the initial benefits provided, does not exceed a total of 16 calendar days. This extension of benefits shall be done in increments of one week, and shall be based upon searching for permanent housing, which shall be documented on a housing search form, good cause, or other circumstances defined by the department. Documentation of a housing search is required for the initial extension of benefits beyond the three-day limit and on a weekly basis thereafter if the family is receiving temporary shelter benefits. Good cause shall include, but is not limited to, situations in which the county welfare department has determined that the family, to the extent it is capable, has made a good faith but unsuccessful effort to secure permanent housing while receiving temporary shelter benefits or that the family is homeless as a direct and primary result of a state or federally declared natural disaster.

(iv) Notwithstanding clauses (ii) and (iii), the county may waive the three-day limit and may provide benefits in increments of more than one week for a family that becomes homeless as a direct and primary result of a state or federally declared natural disaster.

(B)

(i) A nonrecurring special needs benefit for permanent housing assistance is available to pay for last month's rent and security deposits if these payments are reasonable conditions of securing a residence, or to pay for up to two months of rent arrearages, if these payments are a reasonable condition of preventing eviction.

(ii) The last month's rent or monthly arrearage portion of the payment shall meet both of the following requirements:

(I) It shall not exceed 80 percent of the family's total monthly household income without the value of CalFresh benefits or special needs benefit for a family of that size.

(II) It shall only be made to families that have found permanent housing costing no more than 80 percent of the family's total monthly household income without the value of CalFresh benefits or special needs benefit for a family of that size.

(iii) However, if the county welfare department determines that a family intends to reside with individuals who will be sharing housing costs, the county welfare department shall, in appropriate circumstances, set aside the condition specified in subclause (II) of clause (ii).

(C) The nonrecurring special needs benefit for permanent housing assistance is also available to cover the standard costs of deposits for utilities that are necessary for the health and safety of the family.

(D) A payment for, or denial of, permanent housing assistance shall be issued no later than one working day from the time that a family presents evidence of the availability of permanent housing. If an applicant family provides evidence of the availability of permanent housing before the county welfare department has established eligibility for aid under this chapter, the county welfare department shall complete the eligibility determination so that the payment for, or denial of, permanent housing assistance is issued within one working day from the submission of evidence of the availability of permanent housing, unless the family has failed to provide all of the verification necessary to establish eligibility for aid under this chapter.

(E)

(i) Except as provided in clauses (ii) and (iii), eligibility for the temporary shelter assistance and the permanent housing assistance pursuant to this paragraph is limited to 16 cumulative calendar days of temporary assistance and one payment of permanent assistance every 12 months. A person who applies for homeless assistance benefits shall be informed that, with certain exceptions, the temporary shelter benefit is limited to a maximum of 16 calendar days for that 12-month period.

(ii)

(I) A family that becomes homeless as a direct and primary result of a state or federally declared natural disaster is eligible for temporary and permanent homeless assistance.

(II) If there is a state or federally declared disaster in a county, the county human services agency shall coordinate with public and private disaster response organizations and agencies to identify and inform recipients of their eligibility for temporary and permanent homeless housing assistance available pursuant to subclause (I).

(iii) A family is eligible for temporary and permanent homeless assistance if homelessness is a direct result of domestic violence by a spouse, partner, or roommate; physical or mental illness that is medically verified that shall not include a diagnosis of alcoholism, drug addiction, or psychological stress; or the uninhabitability of the former residence caused by sudden and unusual circumstances beyond the control of the family, including natural catastrophe, fire, or condemnation. These circumstances shall be verified by a third-party governmental or private health and human services agency, except that domestic violence may also be verified by a sworn statement by the victim, as provided under Section 11495.25. Homeless assistance payments based on these specific circumstances may not be received more often than once in any 12-month period. In addition, if the domestic violence is verified by a sworn statement by the victim, the homeless assistance payments shall be limited to two periods of not more than 16 cumulative calendar days of temporary assistance and two payments of permanent assistance. A county may require that a recipient of homeless assistance benefits who qualifies under this paragraph for a second time in a 24-month period participate in a homelessness avoidance case plan as a condition of eligibility for homeless assistance benefits. The county welfare department

shall immediately inform recipients who verify domestic violence by a sworn statement of the availability of domestic violence counseling and services, and refer those recipients to services upon request.

(iv) If a county requires a recipient who verifies domestic violence by a sworn statement to participate in a homelessness avoidance case plan pursuant to clause (iii), the plan shall include the provision of domestic violence services, if appropriate.

(v) If a recipient seeking homeless assistance based on domestic violence pursuant to clause (iii) has previously received homeless avoidance services based on domestic violence, the county shall review whether services were offered to the recipient and consider what additional services would assist the recipient in leaving the domestic violence situation.

(vi) The county welfare department shall report necessary data to the department through a statewide homeless assistance payment indicator system, as requested by the department, regarding all recipients of aid under this paragraph.

(F) The county welfare departments, and all other entities participating in the costs of the CalWORKs program, have the right in their share to any refunds resulting from payment of the permanent housing. However, if an emergency requires the family to move within the 12-month period specified in subparagraph (E), the family shall be allowed to use any refunds received from its deposits to meet the costs of moving to another residence.

(G) Payments to providers for temporary shelter and permanent housing and utilities shall be made on behalf of families requesting these payments.

(H) The daily amount for the temporary shelter special needs benefit for homeless assistance may be increased if authorized by the current year's Budget Act by specifying a different daily allowance and appropriating the funds therefor.

(I) A payment shall not be made pursuant to this paragraph unless the provider of housing is any of the following:

(i) A commercial establishment.

(ii) A shelter.

(iii) A person with whom, or an establishment with which, the family requesting assistance has executed a valid lease, sublease, or shared housing agreement.

(J)

(i) Commencing July 1, 2018, a CalWORKs applicant who provides a sworn statement of past or present domestic abuse and who is fleeing their abuser is deemed to be homeless and is eligible for temporary homeless assistance under clause (i) of subparagraph (A) and under subparagraph (E), notwithstanding any income and assets attributable to the alleged abuser.

(ii) The homeless assistance payments issued under this subparagraph shall be granted immediately after the family's application, and benefits shall be available in increments of 16 days of temporary shelter assistance pursuant to clause (i) of subparagraph (A). The homeless assistance payments shall be limited to two periods of not more than 16 cumulative calendar days each of temporary assistance within a lifetime. The homeless assistance payments issued under this subparagraph shall be in addition to other payments for which the CalWORKs applicant, if the applicant becomes a CalWORKs recipient, may later qualify under this subdivision.

(iii) For purposes of this subparagraph, the housing search documentation described in clause (iii) of subparagraph (A) shall be required only upon issuance of an immediate need payment pursuant to Section 11266 or the issuance of benefits for the month of application.

(g) The department shall establish rules and regulations ensuring the uniform statewide application of this section.

(h) The department shall notify all applicants and recipients of aid through the standardized application form that these benefits are available and shall provide an opportunity for recipients to apply for the funds quickly and efficiently.

(i) The department shall work with county human services agencies, the County Welfare Directors Association of California, and advocates of CalWORKs recipients to gather information regarding the actual costs of a nightly shelter and best practices for transitioning families from a temporary shelter to a permanent shelter, and to provide that information to the Legislature, to be submitted annually in accordance with Section 9795 of the Government Code.

(j)

(1) Except for the purposes of Section 15200, the amounts payable to recipients pursuant to Section 11453.1 shall not constitute part of the payment schedule set forth in subdivision (a).

(2) The amounts payable to recipients pursuant to Section 11453.1 shall not constitute income to recipients of aid under this section.

(k) For children receiving Kin-GAP pursuant to Article 4.5 (commencing with Section 11360) or Article 4.7 (commencing with Section 11385), there shall be paid, exclusive of any amount considered exempt as income, an amount of aid each month, which, when added to the child's income, is equal to the rate specified in Sections 11364 and 11387.

(l)

(1) A county shall implement the semiannual reporting requirements in accordance with Chapter 501 of the Statutes of 2011 no later than October 1, 2013.

(2) Upon completion of the implementation described in paragraph (1), each county shall provide a certificate to the director certifying that semiannual reporting has been implemented in the county.

(3) Upon filing the certificate described in paragraph (2), a county shall comply with the semiannual reporting provisions of this section.

(m) This section shall become operative on January 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever date is later.

SEC. 275. Section 11462.015 of the Welfare and Institutions Code is amended to read:

11462.015.

(a) A group home program shall be classified at RCL 13 or RCL 14 if the program meets all of the following requirements:

(1) The group home program is providing, or has proposed to provide, the level of care and services necessary to generate sufficient points in the ratesetting process to be classified at RCL 13 if the rate application is for RCL 13 or to be classified at RCL 14 if the rate application is for RCL 14.

(2)

(A)

(i) The group home provider shall agree not to accept for placement into a group home program AFDC-FC funded children, including voluntary placements and children who have been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, placed out-of-home pursuant to an individualized education program developed under Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of

Division 4 of Title 2 of the Education Code, who have not been approved for placement by an interagency placement committee, as described by Section 4096.1. The approval shall be in writing and shall indicate that the interagency placement committee has determined that the child is seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, and that the child needs the level of care provided by the group home.

(ii) For purposes of clause (i), group home providers who accept children who have been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, who are assessed and placed out-of-home pursuant to an individualized education program developed under Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code shall be deemed to have met the interagency placement committee approval for placement requirements of clause (i) if the individualized education program assessment indicates that the child has been determined to be seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, and needs the level of care described in clause (i).

(B)

(i) This subdivision shall not prevent the emergency placement of a child into a group home program prior to the determination by the interagency placement committee pursuant to clause (i) of subparagraph (A) if a licensed mental health professional, as defined in the department's AFDC-FC ratesetting regulations, has evaluated, in writing, the child within 72 hours of placement, and has determined the child to be seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and in need of the care and services provided by the group home program.

(ii) The interagency placement committee shall, within 30 days of placement pursuant to clause (i), make the determination required by clause (i) of subparagraph (A).

(iii) If, pursuant to clause (ii), the placement is determined to be appropriate, the committee shall transmit the approval, in writing, to the county placing agency and the group home provider.

(iv) If, pursuant to clause (ii) the placement is determined not to be appropriate, the child shall be removed from the group home and referred to a more appropriate placement, as specified in subdivision (f).

(C) With respect to AFDC-FC funded children, only those children who are approved for placement by an interagency placement committee may be accepted by a group home under this subdivision.

(3) The group home program is certified by the State Department of Health Care Services pursuant to Section 4096.5.

(b) The department shall not establish a rate for a group home requesting a program change to RCL 13 or RCL 14 unless the group home provider submits a recommendation from the host county or the primary placing county that the program is needed and that the provider is willing and capable of operating the program at the level sought. For purposes of this subdivision, "host county," "primary placing county," and "program change" mean the same as defined in the department's AFDC-FC ratesetting regulations.

(c) The effective date of rates set at RCL 13 or RCL 14 shall be the date that all the requirements are met, but not prior to July 1 of that fiscal year. ~~Nothing in~~ This section ~~shall~~does not affect RCL 13 or RCL 14 ratesetting determinations in prior years.

(d) Any group home program that has been classified at RCL 13 or RCL 14 pursuant to the requirements of subdivision (a) shall be reclassified at the appropriate lower RCL with a commensurate reduction in rate if either of the following occurs:

(1) The group home program fails to maintain the level of care and services necessary to generate the necessary number of points for RCL 13 or RCL 14, as required by paragraph (1) of subdivision (a). The determination of points shall be made consistent with the department's AFDC-FC ratesetting regulations for other rate classification levels.

(2) The group home program fails to maintain a certified mental health treatment program as required by paragraph (3) of subdivision (a).

(3) In the event of a determination under paragraph (1), the group home may appeal the finding or submit a corrective action plan. The appeal process specified in Section 11466.6 shall be available to RCL 13 and RCL 14 group home providers. During any appeal, the group home shall maintain the appropriate level of care.

(e) The interagency placement committee shall periodically review, but no less often than that required by current law, the placement of the child. If the committee determines that the child no longer needs, or is not benefiting from, placement in ~~a~~an RCL 13 or RCL 14 group home, the committee shall require the removal of the child and a new disposition.

(f)

(1)

(A) If, at any time subsequent to placement in an RCL 13 or RCL 14 group home program, the interagency placement committee determines either that the child is not seriously emotionally disturbed or is not in need of the care and services provided by the group home program, it shall notify, in writing, both the county placing agency and the group home provider within 10 days of the determination.

(B) The county placing agency shall notify the group home provider, in writing, within five days from the date of the notice from the committee, of the county's plan for removal of the child.

(C) The county placing agency shall remove the child from the group home program within 30 days from the date of the notice from the interagency placement committee.

(2)

(A) If a county placing agency does not remove a child within 30 days from the date of the notice from the interagency placement committee, the group home provider shall notify the interagency placement committee and the department, in writing, of the county's failure to remove the child from the group home program.

(B) The group home provider shall make the notification required by subparagraph (A) within five days of the expiration of the 30-day removal period. If notification is made, a group home provider shall not be subject to an overpayment determination due to failure of the county placing agency to remove the child.

(3) Any county placing agency that fails to remove a child from a group home program under this paragraph within 30 days from the date of the notice from the interagency placement committee shall be assessed a penalty in the amount of the state and federal financial participation in the AFDC-FC rate paid on behalf of the child commencing on the 31st day and continuing until the child is removed.

(g)

(1) If any RCL 13 or RCL 14 group home provider discovers that it does not have written approval for placement of any AFDC-FC funded child from the interagency placement committee, it shall notify the county placing agency, in writing, and shall request the county to obtain approval from the

interagency placement committee or remove the child from the group home program. A group home provider shall have 30 days from the child's first day of placement to discover the placement error and to notify the county placing agency.

(2) Any county placing agency that receives notification pursuant to paragraph (2) of subdivision (f) shall obtain approval for placement from the interagency placement committee or remove the child from the group home program within 30 days from the date of the notice from the group home provider. The program shall not be reclassified to a lower RCL for a violation of the provisions referred to in this paragraph.

(3)

(A) If a county placing agency does not have the placement of a child approved by the interagency placement committee or removed from the group home within 30 days from the date of the notice from the group home provider, the group home provider shall notify the county placing agency and the department, in writing, of the county's failure to have the placement of the child approved or remove the child from the group home program.

(B) The group home provider shall make the notification required by subparagraph (A) within five days after the expiration of the 30-day approval or removal period. If notification is made, a group home provider shall not be subject to an overpayment determination due to failure of the county placing agency to remove the child.

(C) Any group home provider that fails to notify the county placing agency pursuant to subparagraph (A) shall be assessed a penalty in the amount of the AFDC-FC rate paid to the group home provider on behalf of the child commencing on the 31st day of placement and continuing until the county placing agency is notified.

(4) Any county placing agency that fails to have the placement of a child approved or to have the child removed from the group home program within 30 days shall be assessed a penalty in the amount of the state and federal financial participation in the AFDC-FC rate paid on behalf of the child commencing on the 31st day of placement and continuing until the child is removed.

(h) The department shall develop regulations to obtain payment of assessed penalties as provided in this section. For audit purposes and the application of penalties for RCL 13 and RCL 14 programs, the department shall apply statutory provisions that were in effect during the period for which the audit was conducted.

(i)

(1) This subdivision does not prohibit a group home classified at RCL 13 or RCL 14 for purposes of the AFDC-FC program, from accepting private placements of children.

(2) When a referral is not from a public agency and no public funding is involved, there shall be no requirement for public agency review or determination of need.

(3) Children subject to paragraphs (1) and (2) shall have been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, by a licensed mental health professional, as defined in subdivision (g) of Section 4096.

(j) A child shall not be placed in a group home program classified at an RCL 13 or RCL 14 if the placement is paid for with county-only funds unless the child is assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, by a licensed mental health professional, as defined in subdivision (g) of Section 4096.

(k) This section ~~shall only apply~~only applies to a group home that has been granted an extension pursuant to the exception process described in subdivision (d) or (e) of Section 11462.04.

(l) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

SEC. 276. Section 11462.04 of the Welfare and Institutions Code is amended to read:

11462.04.

(a) Notwithstanding any other law, commencing January 1, 2017, no new group home rate or change to an existing rate shall be established pursuant to the Rate Classification Level (RCL) system.

(b) Notwithstanding subdivision (a), the department may grant an exception as appropriate, on a case-by-case basis, when a written request and supporting documentation are provided by a county placing agency, including a county welfare or probation director, that absent the granting of that exception, there is a material risk to the welfare of children due to an inadequate supply of appropriate alternative placement options to meet the needs of children.

(c) For group homes being paid under the RCL system, and those granted an exception pursuant to paragraph (b), group home rates shall terminate on December 31, 2016, unless granted an extension under the exception process in subdivision (d) or (e).

(d) A group home may request an exception to extend its rate as follows:

(1) The department may grant an extension for up to two years, through December 31, 2018, except as provided in paragraph (2), on a case-by-case basis, when a written request and supporting documentation are provided by a county placing agency, including a county welfare or probation director, that absent the granting of that exception, there is a material risk to the welfare of children due to an inadequate supply of appropriate alternative placement options to meet the needs of children. The exception may include time to meet the program accreditation requirement or the mental health certification requirement.

(A) The department may grant an additional extension to a group home beyond December 31, 2018, upon a county child welfare agency submitting a written request on behalf of a provider and providing documentation in a format to be determined by the department pursuant to subparagraph (B). If granted, the extension requests shall be provided in increments up to six months and may be renewed by the department if the documentation is provided. Extensions granted pursuant to this subparagraph shall not exceed a total of 12 months.

(B) In order to be eligible to maintain placement of placed foster youth in a group home receiving an extension pursuant to subparagraph (A), the county child welfare agency, in partnership with the county mental health plan, shall submit a plan to the department by August 15, 2018. This plan shall do all of the following:

(i) Describe the agency's plan to transition all foster youth under the jurisdiction of the county residing in group homes into a home-based placement, or, if determined by the interagency placement committee, to a licensed short-term residential therapeutic program (STRTP) within the extension period.

(ii) Address the need, availability, and capacity of STRTPs and other therapeutic placement options for the youth under the jurisdiction of the county and document prior and ongoing efforts taken to solicit or develop needed STRTP capacity.

(iii) Develop and document child specific transition plans that include a description of all of the following:

(I) Intensive family finding and engagement for every child lacking an identified home-based caregiver, including those youth identified for STRTP transition.

(II) Child and family team-driven case plans that identify and respond to barriers to home-based placement.

(III) Documentation of the trauma-informed and permanency-competent specialty mental health services to be provided, including wraparound, collateral, intensive care coordination and intensive home-based services, and therapeutic behavioral services.

(iv) Document efforts to expand or establish intensive services foster care, therapeutic foster care programs, and other home-based services that provide timely access to trauma-informed care, in conjunction with the county behavioral health department.

(v) Detail any barriers to achieving the goals in clauses (i) to (iv), inclusive, that have led the county to support the extension.

(vi) Identify any additional solutions to the barriers that are not addressed in the efforts identified in clauses (i) to (iv), inclusive, which may include needed action from partner agencies such as county boards of supervisors, county behavioral health directors, the department, the State Department of Health Care Services, STRTPs, foster family agencies, or other local agencies, including, but not limited to, regional centers and special education agencies, that would aid the county child welfare agency in delivering appropriate services to foster youth.

(C) The department shall require a provider on whose behalf an extension is being sought pursuant to subparagraph (A) to document the provider's efforts to convert to ~~a~~an STRTP, foster family agency, or other service provider.

(2) Pursuant to Section 11462.041, after the expiration of the extension afforded in paragraph (1), the department may grant an additional extension to a group home beyond December 31, 2018, upon a provider submitting a written request and the county probation department providing documentation stating that absent the granting of that extension, there is a significant risk to the safety of the youth or the public, due to an inadequate supply of short-term residential therapeutic programs or resource families necessary to meet the needs of probation youth. The extension granted to any provider through this section may be reviewed annually by the department if concerns arise regarding that provider's facility. Pursuant to subdivision (e) of Section 11462.041, the final report submitted to the Legislature shall address whether or not the extensions are still necessary.

(3) The exception shall allow the provider to continue to receive the rate under the prior ratesetting system.

(4) A provider granted an extension pursuant to this section shall continue to operate and be governed by the applicable laws and regulations that were operative on December 31, 2016.

(5) If the exception request granted pursuant to this subdivision is not made by the host county, the placing county shall notify and provide a copy to the host county.

(e)

(1) It is the intent of the Legislature to ensure that foster youth with more intensive needs receive timely access to services and supports that will reduce the use of, and the length of stay in, congregate care settings, while acknowledging that the ultimate goal for these youth is placement in a home-based setting that will lead to permanency. It is also the intent of the Legislature to acknowledge that continued development of home-based intensive services capacity is necessary to reduce the use of congregate care, and that state and county agencies and foster care providers must work together during the extension period described in this section to address the barriers to building the needed capacity to serve foster youth in a variety of high-quality settings.

(2) The department may grant an extension to a group home beyond December 31, 2019, and until December 31, 2020, upon a county child welfare agency submitting a written request on behalf of a provider that includes an update to any previously submitted documentation described in subdivision (d). In order to be eligible to maintain placement of placed foster youth in a group home receiving an extension pursuant to this subdivision, the county child welfare agency and the county

mental health plan shall submit a collaborative plan to the department and the State Department of Health Care Services by December 15, 2019. The plan shall do all of the following:

(A) Update the child-specific transition plans previously submitted pursuant to clause (iii) of subparagraph (B) of paragraph (1) of subdivision (d), or provide new child-specific transition plans, if not previously submitted, for any foster youth who remains in a group home that is currently transitioning to STRTP licensure and for any foster child who remains in a group home that is not transitioning to STRTP licensure, as evidenced by the department not having received ~~a~~an STRTP program statement or having been denied licensure as an STRTP. The updated or new child-specific transition plans shall include the following:

(i) Verification that family finding activities were previously attempted on behalf of the child and a description of family finding activities currently underway, or other activities to connect the child to caring adults outside of the congregate care setting who can provide emotional support to the child.

(ii) A summary of child and family team meetings and case plan efforts to address the child's strengths and needs, as informed by the Child and Adolescent Needs and Strengths (CANS) assessment, and any planned activities to support the child's transition to another appropriate placement.

(iii) A summary of the specialty mental health services planned or provided to the child to support the case plan goals, as informed by the CANS assessment and the child and family team.

(B) Based on an analysis by the department, in consultation with the county child welfare agencies and behavioral health agencies, update and validate the needed congregate care capacity and capacity of intensive, home-based services as an alternative to congregate care and existing or planned contracts with congregate care or family-based providers.

(C) Identify any existing or planned contracts or efforts to directly provide or contract for intensive family finding and child-specific recruitment for children in congregate care or other family-based settings.

(D) Identify any existing or planned specialty mental health services targeted to address the mental health service needs of a foster child transitioning from congregate care to permanency or other family-based care setting and any gaps that remain. For children residing in group homes who require the level of care provided by an STRTP, as determined by an interagency placement committee, or who are placed into an STRTP without a mental health contract, provide a description of the specialty mental health services arranged for by the county mental health plan to address the mental health service needs of children placed into the facilities.

(3) A county that did not submit a request and plan for extension pursuant to subparagraph (B) of paragraph (1) of subdivision (d), may submit a request for an extension pursuant to this subdivision, but the county shall also submit the information required pursuant to paragraph (2) of subdivision (d).

(4) The department, the State Department of Health Care Services, the County Welfare Directors Association of California, the County Behavioral Health Directors Association of California, the Chief Probation Officers of California, the California Alliance of Child and Family Services, and other stakeholders, shall meet to develop a collaborative plan to address barriers to building high-quality services in residential treatment programs and in family-based settings, including, but not limited to, all of the following:

(A) Developing technical assistance to support youth who have more intensive service needs to prevent placement disruptions and out-of-state placements and support transitions to relative-based care or other family-based care.

(B) Identifying ways to increase intensive family-based home capacity to support foster youth transitioning from congregate care and to prevent congregate care placement.

(C) Identifying systemic improvements and technical assistance options to assist providers in navigating processes, such as STRTP licensure, mental health plan approval, Medi-Cal billing, Medi-Cal certification, implementing trauma-informed programming and services, and transitioning to other facility types and services.

(D) Evaluating the timing of STRTP licensure, accreditation, mental health plan approval, and Medi-Cal certification processes to facilitate the conversion of quality group homes into licensed STRTPs and make recommendations regarding adjustments to those timelines.

(f)

(1) The extended rate granted pursuant to either paragraph (1) or (2) of subdivision (d) or subdivision (e) shall be provisional and subject to terms and conditions set by the department during the provisional period.

(2) Consistent with Section 11466.01, for provisional rates, the following shall be established:

(A) Terms and conditions, including the duration of the provisional rate.

(B) An administrative review process for provisional rate determinations, including denials, reductions, and terminations.

(C) An administrative review process that includes a departmental review, corrective action, and a protest with the department. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), this process shall be disseminated by written directive pending the promulgation of regulations.

(g) Upon termination of an existing group home rate under the RCL system, a new rate shall not be paid until an application is approved and a rate is granted by the department pursuant to Section 11462 as a short-term residential therapeutic program or, effective January 1, 2017, the rate set pursuant to Section 11463 as a foster family agency.

(h) The department shall, in the development of the new rate structures, consider and provide for placement of all children who are displaced as a result of reclassification of treatment facilities.

(i) Notwithstanding the provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement this section through all-county letters.

SEC. 277. Section 11463 of the Welfare and Institutions Code is amended to read:

11463.

(a) The department shall commence development of a new payment structure for the Title IV-E funded foster family agency placement option that maximizes federal funding, in consultation with county placing agencies.

(b) The department shall develop a payment system for foster family agencies that provide treatment, intensive treatment, and therapeutic foster care programs, and shall consider all of the following factors:

(1) Administrative activities that are eligible for federal financial participation provided, at the request of the county, for and to county-licensed or approved family homes and resource families, intensive case management and supervision, and services to achieve legal permanency or successful transition to adulthood.

(2) Social work activities that are eligible for federal financial participation under Title IV-E (42 U.S.C. Sec. 670 et seq.) of the federal Social Security Act.

(3) Social work and mental health services eligible for federal financial participation under Title XIX (42 U.S.C. Sec. 1396 et seq.) of the federal Social Security Act.

(4) Intensive treatment or therapeutic services in the foster family agency.

(5) Core services that are made available to children and nonminor dependents either directly or secured through agreements with other agencies, and which are trauma informed, culturally relevant, and include any of the following:

(A) Specialty mental health services for children who meet medical necessity criteria for specialty mental health services, as provided for in Section 1830.205 or 1830.210 of Title 9 of the California Code of Regulations.

(B) Transition support services for children, youth, and families upon initial entry and placement changes and for families who assume permanency through reunification, adoption, or guardianship.

(C) Educational, physical, behavioral, and mental health supports, including extracurricular activities and social supports.

(D) Activities designed to support transition-age youth and nonminor dependents in achieving a successful adulthood.

(E) Services to achieve permanency, including supporting efforts to reunify or achieve adoption or guardianship and efforts to maintain or establish relationships with parents, siblings, extended family members, tribes, or others important to the child or youth, as appropriate.

(F) When serving Indian children, as defined in subdivisions (a) and (b) of Section 224.1, the core services specified in subparagraphs (A) to (E), inclusive, shall be provided to eligible Indian children consistent with active efforts pursuant to Section 361.7.

(G) The core services specified in subparagraphs (A) to (F), inclusive, are not intended to duplicate services already available to foster children in the community, but to support access to those services and supports to the extent already available. Those services and supports may include, but are not limited to, foster youth services available through county offices of education, Indian Health Services, and school-based extracurricular activities.

(6) Staff training.

(7) Health and Safety Code requirements.

(8) A process for accreditation that includes all of the following:

(A) Provision for all licensed foster family agencies to maintain in good standing accreditation from a nationally recognized accreditation agency with expertise in programs for youth group care facilities, as determined by the department.

(B) Promulgation by the department of information identifying the agency or agencies from which accreditation shall be required.

(C) Provision for timely reporting to the department of any change in accreditation status.

(9) Mental health certification, including a requirement to timely report to the department any change in mental health certificate status.

(10) Populations served, including, but not limited to, any of the following:

(A)

(i) Children and youth assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, including those children and youth placed out-of-home pursuant to an individualized education program developed under Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code.

(ii) Children assessed as meeting the medical necessity criteria for specialty mental health services, as provided for in Section 1830.205 or 1830.210 of Title 9 of the California Code of Regulations.

(B) AFDC-FC children and youth receiving intensive and therapeutic treatment services in a foster family agency.

(C) AFDC-FC children and youth receiving mental health treatment services from a foster family agency.

(11) Maximization of federal financial participation for Title IV-E (42 U.S.C. Sec. 670 et seq.) and Title XIX (42 U.S.C. Sec. 1396 ~~et.~~et seq.) of the federal Social Security Act.

(c) Commencing January 1, 2017, the department shall establish rates pursuant to subdivisions (a) and (b). The rate structure shall include an interim rate, a provisional rate for new foster family agency programs, and a probationary rate. The department may issue a one-time reimbursement for accreditation fees incurred after August 1, 2016, in an amount and manner determined by the department in written directives.

(1)

(A) Initial interim rates developed pursuant to this section shall be effective January 1, 2017, through December 31, 2020.

(B) The initial interim rates developed pursuant to this paragraph shall not be lower than the rates proposed as part of the Governor's 2016 May Revision.

(C) The initial interim rates set forth in written directives or regulations pursuant to paragraph (4) shall become inoperative on January 1, 2021, unless a later enacted statute, that becomes operative on or before January 1, 2021, deletes or extends the dates on which they become inoperative.

(D) It is the intent of the Legislature to establish an ongoing payment structure no later than January 1, 2021.

(2) Consistent with Section 11466.01, for provisional and probationary rates, all of the following shall be established:

(A) Terms and conditions, including the duration of the rate.

(B) An administrative review process for the rate determinations, including denials, reductions, and terminations.

(C) An administrative review process that includes a departmental review, corrective action, and an appeal with the department. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), this process shall be disseminated by written directive pending the promulgation of regulations.

(3)

(A)

(i) The foster family agency rate shall include a basic rate pursuant to paragraph (4) of subdivision (g) of Section 11461. A child or youth placed in a certified family home or with a resource family of a foster family agency is eligible for the basic rate, which shall be passed

on to the certified parent or resource family along with annual increases in accordance with paragraph (2) of subdivision (g) of Section 11461.

(ii) A certified family home of a foster family agency shall be paid the basic rate as set forth in this paragraph only through December 31, 2020.

(B) The basic rate paid to either a certified family home or a resource family of a foster family agency shall be paid by the agency to the home from the rate that is paid to the agency pursuant to this section.

(C) In addition to the basic rate described in this paragraph, the department shall develop foster family agency rates that consider specialized programs to serve children with specific needs, including, but not limited to, all of the following:

(i) Intensive treatment and behavioral needs, including those currently being served under intensive treatment foster care.

(ii) Specialized health care needs.

(4) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the foster family agency rates, and the manner in which they are determined, shall be set forth in written directives until regulations are adopted.

(d) The department shall develop a system of governmental monitoring and oversight that shall be carried out in coordination with the State Department of Health Care Services. Oversight responsibilities shall include, but not be limited to, ensuring conformity with federal and state law, including program, fiscal, and health and safety reviews. The state agencies shall attempt to minimize duplicative audits and reviews to reduce the administrative burden on providers.

(e) The department shall consider the impact on children and youth being transitioned to alternate programs as a result of the new ratesetting system.

(f)

(1) Commencing July 1, 2019, the rates paid to foster family agencies shall, except for the rate paid to a certified family home or resource family agency pursuant to clause (i) of subparagraph (A) of paragraph (3) of subdivision (c), be 4.15 percent higher than the rates paid to foster family agencies in the 2018–19 fiscal year.

(2)

(A) The rate increase described in paragraph (1) shall be suspended on December 31, 2021, unless subparagraph (B) applies.

(B) If, in the determination of the Department of Finance, the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code, contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 and 2022–23 fiscal years by the sum total of General Fund moneys appropriated for all programs subject to suspension on December 31, 2021, pursuant to the Budget Act of 2019 and the bills providing for appropriations related to the Budget Act of 2019 within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, then the implementation of the rate increase described in this subdivision shall not be suspended pursuant to subparagraph (A).

(C) If subparagraph (A) applies, it is the intent of the Legislature to consider alternative solutions to facilitate the continued implementation of the rate increase described in paragraph (1).

SEC. 278. Section 12304.4 of the Welfare and Institutions Code is amended to read:

12304.4.

(a) The department shall establish a program of direct deposit by electronic transfer for payments to in-home supportive services providers. A provider may choose to receive payments via direct deposit at the provider's option. The department, the Controller, and the California Health and Human Services Agency shall make all necessary automation changes to allow for payment by direct deposit.

(b) On or before March 31, 2008, the department shall complete those items pertaining to the implementation of direct deposit over which they have independent control, or those items that do not depend on ongoing coordination with the office of the Controller in order to be completed. Examples of these items include, but are not limited to, rulemaking Case Management Information and Payroll Systems (CMIPS) modifications, provider notifications, and all-county letters. The department and the office of the Controller shall cooperate fully on coordination, implementation, and testing, on a timeframe that shall not delay implementation of the project. Notwithstanding any other law, direct deposit for in-home supportive services providers shall be implemented on or before June 30, 2008.

(c) Notwithstanding any other law, a person entitled to the receipt of direct payment as an individual provider pursuant to Section 12302.2 for providing in-home supportive services may authorize payment to be directly deposited by electronic fund transfer into the person's account at the financial institution of the person's choice under a program for direct deposit by electronic transfer established by the department.

(d)

(1)

(A) Notwithstanding Sections 212 and 213 of the Labor Code, providers entitled to the receipt of direct wage payment as an individual provider pursuant to Section 12302.2 for providing in-home supportive services, or providers who provide waiver personal care services pursuant to Section 14132.97, shall receive payment of wages only by direct deposit or provider card, with ~~the~~ either method chosen at the preference of each provider.

(B) Subparagraph (A) ~~shall be~~becomes effective by the later of the following dates:

(i) July 1, 2021.

(ii) An alternative date identified by the department, with notification provided to the Legislature, relative to the completion of statewide implementation of the federal electronic visit verification requirement.

(2)

(A) The department shall encourage providers to enroll in either direct deposit or a provider card in preparation for, and in advance of, the effective date of the requirement in subparagraph (A) of paragraph (1).

(B) Each provider shall identify a bank account into which wages can be direct deposited, select a prepaid account available in the private market that complies with applicable federal and state laws through which the provider can receive wages, or a provider card made available through the process described in subdivision (e) through which the ~~provide~~provider can receive wages.

(e)

(1) The State Department of Social Services shall issue a request for proposal for one or more provider card issuers to offer to providers so the provider may enroll in a provider card service in order to access the provider's wages.

(2) A provider card issuer selected by the department pursuant to this subdivision shall comply with all of the following:

(A) Comply with all of the requirements, and provide a provider with all of the consumer protections, that apply to a provider card under the rules implementing the federal Electronic Fund Transfer Act (EFTA) (*15 U.S.C. Sec. 1693* ~~et.~~et seq.), or other rules subsequently adopted under the EFTA that apply to payroll cards, except that the disclosures required under federal law to provide notice of the ban on compulsory use under Section 1693k(2) of Title 15 of the United States Code may be modified, as appropriate, to reflect the relationship of the provider to the department.

(B) Satisfy the requirements for ~~pass through~~passthrough deposit or share insurance so that the funds available on the provider card are eligible for insurance for the benefit of the provider provided by the Federal Deposit Insurance Corporation in accordance with Part 330 (commencing with Section 330.1) of Title 12 of the Code of Federal Regulations or by the National Credit Union Share Insurance Fund in accordance with Part 745 (commencing with Section 745.0) of Title 12 of the Code of Federal Regulations.

(C) Minimize charges and fees for providers using the card and not impose any of the following fees, or any other fee that may be specified by the department in the request for proposals:

(i) An application, initiation, loading, participation, or other fee to receive wages or to obtain the provider card.

(ii) A fee for a point-of-sale transaction, unless the fee is charged by a person that accepts credit or debit cards for the transaction and the provider initiated the transaction.

(iii) A fee to withdraw funds from a teller or an automated teller machine at any financial institution that is in the provider card issuer's network.

(iv) An overdraft, shortage, or low-balance fee or charge, or any fee or finance charge for any form of credit or overdraft that is automatically repaid from the provider card after delivery of the payment, including, but not limited to, a loan against future payments or a cash advance on future payments.

(v) A fee for a declined transaction.

(vi) A fee for inactivity.

(vii) A fee for the first three telephone calls to a live customer service representative per pay period.

(viii) A fee to the access balance or other provider card information online, by an interactive voice response system, or by any other automated system offered in conjunction with the provider card, or at an automated teller machine at any financial ~~institutions~~institution that is in the provider card issuer's network.

(ix) A fee to close the provider card or disburse the remaining provider card balance.

(x) A fee to provide one replacement card each year.

(3) The provider card issuer selected by the department pursuant to this subdivision shall, at no cost to the provider, do all the following:

(A) Disclose in writing, or electronically via email, to each provider choosing to use one, the entire terms and conditions of the provider card. The provider shall select the method of disclosure at the time the provider enrolls for payment of wages by provider card.

(B) Provide the ability to withdraw the entire amount of wages for each pay period at an automated teller machine at any financial institution or at any financial institution that is in the provider card issuer's network. This does not preclude additional methods by which a provider can access wages deposited on the provider card.

(C) An annual notice, sent either by mail or electronically, at the choice of the provider, informing the provider of the right to request periodic statements, 12-month transaction histories, and the balance of available funds.

(f) This section does not inhibit the ability of a recognized labor organization representing providers from offering a particular provider card to the providers represented by that organization.

(g) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services and the State Department of Health Care Services may implement, interpret, or make specific this section by means of all-county letters or similar instructions, without taking any regulatory action.

(h) For the purposes of this section, the following terms have the following meanings:

(1) "Issuer" means a provider card issuer, and includes a person acting as an agent of an issuer, directly or indirectly.

(2) "Provider card" means an access mechanism, including a prepaid account or prepaid card, as those terms are defined under the EFTA or other rules subsequently adopted under the EFTA, a code, or another device, through which the provider can access the provider's wages.

SEC. 279. Section 12306.1 of the Welfare and Institutions Code is amended to read:

12306.1.

(a) When any increase in provider wages or benefits is locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or any increase in provider wages or benefits is adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code, then the county shall use county-only funds to fund both the county share and the state share, including employment taxes, of any increase in the cost of the program, unless otherwise provided for in the annual Budget Act or appropriated by statute. No increase in wages or benefits locally negotiated, mediated, imposed, or adopted by ordinance pursuant to this section, and no increase in the public authority administrative rate, shall take effect unless and until, prior to its implementation, the increase is reviewed and determined to be in compliance with state law and the department has obtained the approval of the State Department of Health Care Services for the increase pursuant to a determination that it is consistent with federal law and to ensure federal financial participation for the services under Title XIX of the federal Social Security Act, and unless and until all of the following conditions have been met:

(1) Each county has provided the department with documentation of the approval of the county board of supervisors of the proposed public authority or nonprofit consortium rate, including wages and related expenditures. The documentation shall be received by the department before the department and the State Department of Health Care Services may approve the rate increase.

(2) Each county has met department guidelines and regulatory requirements as a condition of receiving state participation in the rate.

(b) Any rate approved pursuant to subdivision (a) shall take effect commencing on the first day of the month subsequent to the month in which final approval is received from the department. The department may grant approval on a conditional basis, subject to the availability of funding.

(c) The state shall pay 65 percent, and each county shall pay 35 percent, of the nonfederal share of wage and benefit increases pursuant to subdivision (a) and associated employment taxes, only in accordance with subdivision (d).

(d)

(1) The state shall participate in a total of wages and individual health benefits up to twelve dollars and ten cents ($12.10) per hour until the amount specified in paragraph (1) of subdivision (b) of

Section 1182.12 of the Labor Code reaches twelve dollars ~~($12.00)~~($12) per hour at which point the state shall participate as provided in paragraph (2).

(2) For any increase in wages or individual health benefits locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, and the rate increase is approved by the department, or any increase in provider wages or benefits adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code, the state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to one dollar and ten cents ($1.10) per hour above the amount per hour specified for the corresponding year in paragraph (1) of subdivision (b) of, subdivision (c) of, and subdivision (d) of, Section 1182.12 of the Labor Code.

(3)

(A) For a county that is at or above twelve dollars and ten cents ($12.10) per hour in combined wages and individual health benefits, the state shall participate as provided in subdivision (c) in a cumulative total of up to 10 percent within a three-year period in the sum of the combined total of changes in wages or individual health benefits, or both.

(B) The state shall participate as provided in subparagraph (A) for no more than two three-year periods, after which point the county shall pay the entire nonfederal share of any future increases in wages and individual health benefits that exceed the amount specified in paragraphs (1) and (2).

(C) A three-year period is defined as three consecutive years. A new three-year period can only begin after the last year of the previous three-year period.

(D) To be eligible for state participation, a 10-percent increase described in this paragraph is required to be commenced prior to the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code.

(4) Paragraphs (2) and (3) do not apply to contracts executed, or to increases in wages or individual health benefits, locally negotiated, mediated, imposed, or adopted by ordinance, prior to July 1, 2017.

SEC. 280. Section 12306.16 of the Welfare and Institutions Code, as added by Section 79 of Chapter 27 of the Statutes of 2019, is amended to read:

12306.16.

(a) Commencing July 1, 2019, all counties shall have a rebased County IHSS Maintenance of Effort (MOE).

(b)

(1) The statewide total rebased County IHSS MOE base for the 2019–20 fiscal year shall be established at one billion five hundred sixty-three million two hundred eighty-two thousand dollars ($1,563,282,000).

(2) The Department of Finance shall consult with the department and the California State Association of Counties to determine each county's share of the statewide total rebased County IHSS MOE base amount. The rebased County IHSS MOE base shall be unique to each individual county.

(3)

(A) The amount of General Fund moneys available for county administration and public authority administration is limited to the amount of General Fund moneys appropriated for

those specific purposes in the annual Budget Act, and increases to this amount do not impact the rebased County IHSS MOE.

(B) The state shall pay 100 percent of the allowable nonfederal share of county administration and public authority administration costs for each county. Once the county's share of the appropriated General Fund moneys is exhausted, the county shall pay 100 percent of the remaining nonfederal share of county administration and public authority administration costs. Each county shall pay 100 percent of any costs for public authority administration that are in excess of the county's approved rate approved pursuant to subdivision (a) of Section 12306.1. At the end of the fiscal year, any remaining unspent General Fund moneys allocated for IHSS county administration or public authority administration shall be redistributed through a methodology determined in conjunction with the County Welfare Directors Association of California or the California Association of Public Authorities.

(C) Amounts expended by a county or public authority on administration in excess of the amount described in subparagraphs (A) and (B) shall not be attributed towards the county meeting its rebased County IHSS MOE requirement.

(D) The department shall consult with the California State Association of Counties, the County Welfare Directors Association of California, and the California Association of Public Authorities to determine the county-by-county distribution of the amount of General Fund moneys appropriated in the annual Budget Act for county administration and public authority administration.

(c) Beginning on July 1, 2020, and annually thereafter, the rebased County IHSS MOE from the previous year shall be adjusted by an inflation factor of 4 percent.

(d) In addition to the adjustment in subdivision (c), the rebased County IHSS MOE shall be adjusted for the annualized cost of increases in provider wages, health benefits, or other benefits that are locally negotiated, mediated, or imposed, on or after July 1, 2019, including any increases in provider wages, health benefits, or other benefits adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code or any future increases resulting from the same, including increases to health benefit premiums. For health benefit premium increases only, for any memorandum of understanding or collective bargaining agreement between the recognized employee organization and the county, public authority, or nonprofit consortium, executed or extended and submitted to the department for approval prior to July 1, 2019, through the end date, as specified in the memorandum of understanding or collective bargaining agreement described in this subdivision, the state shall cover 100 percent of the nonfederal share of health benefit premium increases, and there shall not be an adjustment to the rebased County IHSS MOE.

(1)

(A) If the department approves the rate for an increase in provider wages or health benefits that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the cost increase, in accordance with subparagraph (B).

(B) With respect to any increase in provider wages or health benefits approved on or after July 1, 2019, pursuant to subparagraph (A), the state shall participate in that increase as provided in subparagraph (A) up to the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1. The county shall pay the entire nonfederal share of any cost increase exceeding the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1.

(C) With respect to an increase in benefits, other than individual health benefits, locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or adopted by ordinance, the county's County IHSS MOE shall include a one-time adjustment equal to 35 percent of the nonfederal share of the increased benefit costs. If the department, in

consultation with the California State Association of Counties, determines that the increase is one in which the state does not participate, the county's County IHSS MOE shall include a one-time adjustment for the entire nonfederal share.

(2)

(A) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, if the department approves an increase in provider wages or health benefits that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, or future cost increases resulting from the same including increases to health benefit premiums, the state shall pay 35 percent, and the affected county shall pay 65 percent, of the nonfederal share of the cost increase in accordance with subparagraph (B). For health benefit premium increases only, for any memorandum of understanding or collective bargaining agreement between the recognized employee organization and the county, public authority, or nonprofit consortium, executed or extended and submitted to the department for approval prior to July 1, 2019, through the end date, as specified in the memorandum of understanding or collective bargaining agreement described in this subparagraph, the state shall cover 100 percent of the nonfederal share of health benefit premium increases, and there shall not be an adjustment to the rebased County IHSS MOE.

(B) With respect to any increase in provider wages or health benefits approved on or after the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, pursuant to subparagraph (A), paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1 shall not apply.

(C) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, with respect to an increase in benefits, other than individual health benefits, locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or adopted by ordinance, in which the state participates, the county's rebased County IHSS MOE shall include a one-time adjustment equal to 65 percent of the nonfederal share of the increased benefit costs. If the department, in consultation with the California State Association of Counties, determines that the increase is one in which the state does not participate, the county's rebased County IHSS MOE shall include a one-time adjustment for the entire nonfederal share.

(3) If the department does not approve the rate for an increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C) of paragraph (1) or subparagraph (C) of paragraph (2), that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, or increase to the public authority administrative rate, the county shall pay the entire cost of the increase.

(4) The county share of increased expenditures pursuant to subparagraphs (A) through (C) of paragraph (1) and subparagraphs (A) through (C) of paragraph (2), shall be included in the rebased County IHSS MOE, in addition to the amount established under subdivision (c). For any increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C) of paragraph (1) or subparagraph (C) of paragraph (2), that becomes effective on a date other than July 1, the department shall adjust the county's rebased County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the wage or health benefit increase. This adjustment shall be calculated based on the county's 2019–20 paid IHSS hours and the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(5)

(A) With respect to any rate increases to existing contracts that a county has already entered into pursuant to Section 12302, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the amount of the rate increase up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the rate increase exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's 2019–20 paid IHSS contract hours, or the paid contract hours in the fiscal year in which the contract becomes effective if the contract becomes effective on or after July 1, 2019, using the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(B) With respect to rates for new contracts entered into by a county pursuant to Section 12302 on or after July 1, 2019, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance~~,~~ provider wage and the contract rate for all of the hours of service to IHSS recipients to be provided under the contract up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the contract rate exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's paid contract hours in the fiscal year in which the contract becomes effective using the appropriate cost-sharing ratio.

(6)

(A) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, with respect to any rate increases to existing contracts that a county has already entered into pursuant to Section 12302, the state shall pay 35 percent, and the affected county shall pay 65 percent, of the nonfederal share of the amount of the rate increase up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the rate increase exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's 2019–20 paid IHSS contract hours, or the paid contract hours in the fiscal year in which the contract becomes effective if the contract becomes effective on or after July 1, 2019, using the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(B) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, with respect to rates for new contracts entered into by a county pursuant to Section 12302 on or after July 1, 2019, the state shall pay 35 percent, and the affected county shall pay 65 percent, of the nonfederal share of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance~~,~~ provider wage and the contract rate for all of the hours of service to IHSS recipients to be provided under the contract up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the contract rate exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's paid contract hours in the fiscal year in which the contract becomes effective using the appropriate cost-sharing ratio.

(7) The county share of the expenditures described in paragraphs (5) and (6) shall be included in the rebased County IHSS MOE, in addition to the amounts established under subdivision (c). For any rate increases for existing contracts or rates for new contracts, entered into by a county pursuant to Section 12302 on or after July 1, 2019, that become effective on a date other than July

1, the department shall adjust the county's rebased County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the increase or rate for new contracts. This adjustment shall be calculated as follows:

(A) For a contract described in subparagraph (A) of either paragraph (5) or (6), the first-year cost of the amount of the rate increase calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the increase became effective.

(B) For a contract described in subparagraph (B) of either paragraph (5) or (6), the first-year cost of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance~~,~~ provider wage and the contract rate for all of the hours of service to IHSS recipients calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the contract became effective.

(8) If the state ceases to receive enhanced federal financial participation for the provision of services pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)), the rebased County IHSS MOE shall be adjusted one time to reflect a 35-percent share of the enhanced federal financial participation that would have been received pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)) for the fiscal year in which the state ceases to receive the enhanced federal financial participation.

(9) The rebased County IHSS MOE shall not be adjusted for increases in individual provider wages that are locally negotiated pursuant to subdivision (a) of, and paragraphs (1) and (2) of subdivision (d) of, Section 12306.1 when the increase has been specifically negotiated to take effect at the same time as, and to be the same amount as, state minimum wage increases.

(10)

(A) A county may negotiate a wage supplement.

(i) The wage supplement shall be in addition to the highest wage rate paid in the county since June 30, 2017.

(ii) The first time the wage supplement is applied, the county's rebased County IHSS MOE shall include a one-time adjustment by the amount of the increased cost resulting from the supplement, as specified in paragraphs (1) and (2).

(B) A wage supplement negotiated pursuant to subparagraph (A) shall subsequently be applied to the minimum wage when the minimum wage increase is equal to or exceeds the county wage paid without inclusion of the wage supplement and the increase to the county wage paid takes effect at the same time as the minimum wage increase.

(C) For any changes to provider wages or health benefits locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, for which a rate change request was submitted to the department prior to January 1, 2018, for review, clause (i) of subparagraph (A) and subparagraph (B) ~~shall~~do not apply. A wage supplement subject to this subparagraph shall subsequently be applied to the minimum wage when the minimum wage is equal to or exceeds the county individual provider wage including the wage supplement.

(11) The Department of Finance shall consult with the California State Association of Counties to develop the computations for the annualized amounts pursuant to this subdivision.

(e) The rebased County IHSS MOE shall only be adjusted pursuant to subdivisions (c) and (d).

(f) This section shall become operative on July 1, 2019.

SEC. 281. Section 12309.1 of the Welfare and Institutions Code is amended to read:

12309.1.

(a) As a condition of receiving services under this article, or Section 14132.95 or 14132.952, an applicant for or recipient of services shall obtain a certification from a licensed health care professional, including, but not limited to, a physician, physician assistant, regional center clinician or clinician supervisor, occupational therapist, physical therapist, psychiatrist, psychologist, optometrist, ophthalmologist, or public health nurse, declaring that the applicant or recipient is unable to perform some activities of daily living independently, and that without services to assist the applicant or recipient with activities of daily living, the applicant or recipient is at risk of placement in out-of-home care.

(1) For purposes of this section, a licensed health care professional means an individual licensed in California by the appropriate California regulatory agency, acting within the scope of their license or certificate as defined in the Business and Professions Code.

(2) Except as provided in subparagraph (A) or (B), or subdivision (c), the certification shall be received prior to service authorization, and services shall not be authorized in the absence of the certification.

(A) Services may be authorized prior to receipt of the certification when the services have been requested on behalf of an individual being discharged from a hospital or nursing home and services are needed to enable the individual to return safely to their home or into the community.

(B) Services may be authorized temporarily pending receipt of the certification when the county determines that there is a risk of out-of-home placement.

(3) The county shall consider the certification as one indicator of the need for in-home supportive services, but the certification shall not be the sole determining factor.

(4) The health care professional's certification shall include, at a minimum, both of the following:

(A) A statement by the professional, as defined in subdivision (a), that the individual is unable to independently perform one or more activities of daily living, and that one or more of the services available under the IHSS program is recommended for the applicant or recipient, in order to prevent the need for out-of-home care.

(B) A description of any condition or functional limitation that has resulted in, or contributed to, the applicant's or recipient's need for assistance.

(b) The department, in consultation with the State Department of Health Care Services and with stakeholders, including, but not limited to, representatives of program recipients, providers, and counties, shall develop a standard certification form for use in all counties that includes, but is not limited to, all of the conditions in paragraph (4) of subdivision (a). The form shall include a description of the In-Home Supportive Services program and the services the program can provide when authorized after a social worker's assessment of eligibility. The form shall not, however, require health care professionals to certify the applicant's or recipient's need for each individual service.

(c) The department, in consultation with the State Department of Health Care Services and stakeholders, as defined in subdivision (b), shall identify alternative documentation that shall be accepted by counties to meet the requirements of this section, including, but not limited to, hospital or nursing facility discharge plans, minimum data set forms, individual program plans, or other documentation that contains the necessary information, consistent with the requirements specified in subdivision (a).

(d) The department shall develop a letter for use by counties to inform recipients of the requirements of subdivision (a). The letter shall be understandable to the recipient, and shall be translated into all languages spoken by a substantial number of the public served by the In-Home Supportive Services program, in accordance with Section 7295.2 of the Government Code.

(e) This section ~~shall~~does not apply to a recipient who is receiving services in accordance with this article or Section 14132.95 or 14132.952 on the operative date of this section until the date of the

recipient's first reassessment following the operative date of this section, as provided in subdivision ~~(f)~~(g).

(1) The recipient shall be notified of the certification requirement before or at the time of the reassessment, and shall submit the certification within 45 days following the reassessment in order to continue to be authorized for receipt of services.

(2) A county may extend the 45-day period for a recipient to submit the medical certification on a case-by-case basis, if the county determines that good cause for the delay exists.

(f) A licensed health care professional shall not charge a fee for the completion of the certification form.

(g) This section shall become operative on the first day of the first month following 90 days after the effective date of Chapter 8 of the Statutes of 2011, or July 1, 2011, whichever is later.

(h) The State Department of Health Care Services shall provide notice to all Medi-Cal managed care plans, directing the plans to assess all Medi-Cal recipients applying for or receiving in-home supportive services, in order to make the certifications required by this section.

(i) If the Director of Health Care Services determines that a Medicaid State Plan amendment is necessary to implement subdivision (b) of Section 14132.95, this section shall not be implemented until federal approval is received.

SEC. 282. Section 13279 of the Welfare and Institutions Code is amended to read:

13279.

Refugee social services programs shall be available to recipients of ~~Refugee Cash Assistance~~refugee cash assistance and refugees receiving county general assistance in eligible counties. If the county does not provide these services under the program authorized under Article 3.2 (commencing with Section 11320) of Chapter 2, a portion of the funds allocated to the county in accordance with Section 13276 may be used to provide services to recipients of refugee cash assistance and refugee recipients of general assistance based on federal requirements and service needs, as outlined in the county plan developed pursuant to subdivision (b) of Section 13277.

SEC. 283. Section 13280 of the Welfare and Institutions Code is amended to read:

13280.

(a)

(1) In counties receiving federal refugee social services funding, the county welfare department shall include in its CalWORKs plan a section that specifically addresses the provision of services for refugee applicants for, and recipients of, aid pursuant to Chapter 2 (commencing with Section 11200) and the orderly transition of those applicants and recipients into the CalWORKs program.

(2) County staff responsible for the administration of CalWORKs shall work in conjunction with county staff responsible for the administration of refugee programs, as well as with representatives of local mutual assistance associations, voluntary agencies, and other organizations involved in refugee resettlement, to ensure that the section of the CalWORKs plan specified in paragraph (1) reflects the needs of the refugee applicants for, and recipients of, aid under the Temporary Assistance for Needy Families (TANF) program, the services are delivered in accordance with the section of the county's CalWORKs plan specified in paragraph (1), and that this transition occurs as quickly as possible within resources available to the CalWORKs program.

(b) The department shall annually reevaluate that section of the county's CalWORKs plan which is developed pursuant to paragraph (1) of subdivision (a). This reevaluation shall be made in conjunction

with the county's development of its annual overall CalWORKs plan update and will be subject to approval of the department.

(c)

(1) A county may maintain within the CalWORKs program a supplemental services component for refugees who would otherwise be temporarily excepted from the full range of CalWORKs services. These services shall complement regular services provided through Article 3.2 (commencing with Section 11320) of Chapter 2, to prepare the refugee for self-sufficiency or eventual transition into the CalWORKs program and shall be funded through federal refugee social services funds. County boards of supervisors may determine how the services are administered, subject to federal funding requirements.

(2) Any county that elects to implement the supplemental services component authorized by this subdivision shall fully describe the component in the section of its CalWORKs plan required by paragraph (1) of subdivision (a). The description shall specify the types of services planned to meet the special needs of refugees. Those services shall be in accordance with the department's guidelines.

(3) The CalWORKs refugee supplemental services authorized by this subdivision for refugee TANF applicants and recipients, to the extent permitted by federal law, shall meet the requirements of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (~~P.L.~~Public Law 104-193) and shall be subject to the approval of the department.

(4) Refugee TANF applicants and recipients who are referred for participation in the supplemental services component authorized by this subdivision shall participate in the component services as a condition of eligibility under Chapter 2 (commencing with Section 11200) and shall be subject to the sanctions specified by Section 11327.5 if the services meet the requirements of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (~~P.L.~~Public Law 104-193), and are determined by the county to prepare a refugee for self-sufficiency.

(5) Refugee TANF recipients already participating in a CalWORKs component provided through Article 3.2 (commencing with Section 11320) of Chapter 2 shall not be removed from that component for the purpose of participating in the supplemental services component authorized by paragraph (1).

(d) Any county that elects to implement the supplemental services component authorized by paragraph (1) of subdivision (c) shall provide the supportive services described in subdivision (e) of Section 11323.2. These supportive services shall be funded with refugee social services funds. CalWORKs supportive services funds shall not be used to fund those supportive services.

(e) This section shall be implemented only in counties where federal refugee social services funds are available to the county.

SEC. 284. Section 14005.18 of the Welfare and Institutions Code is amended to read:

14005.18.

(a)

(1) An individual is eligible, to the extent required by federal law, as though the individual was pregnant, for all pregnancy-related and postpartum services for a 60-day period beginning on the last day of pregnancy.

(2) For purposes of paragraph (1), "postpartum services" means those services provided after childbirth, child delivery, or miscarriage.

(b)

(1) Notwithstanding subdivision (a), Section 15840, the income eligibility requirements specified in Section 15832, and the annual redetermination requirements described in Section 14005.37, a pregnant individual who is receiving health care coverage under a program identified in subdivision (d) and who is diagnosed with a maternal mental health condition shall remain eligible for the Medi-Cal program under their current eligibility category for a period of one year following the last day of the individual's pregnancy if the individual complies with the requirements specified in subdivision (c) and is otherwise eligible for the Medi-Cal program.

(2) For purposes of this section, "maternal mental health condition" means a mental health condition that occurs during pregnancy or during the postpartum period and, includes, but is not limited to, postpartum depression.

(c)

(1) An individual, or a designee of the individual, who seeks to extend Medi-Cal program coverage pursuant to this section shall submit to a county eligibility worker a note from that individual's treating health care provider stating that the health care provider has diagnosed the individual with a maternal mental health condition within 60 days following the last day of the individual's pregnancy.

(2) Notwithstanding paragraph (1), an individual who has had Medi-Cal coverage discontinued within the 60-day period beginning on the last day of pregnancy, but who is diagnosed with a maternal mental health condition more than 60 days following the last day of pregnancy and within the time ~~limited~~limit described in subdivision (i) of Section 14005.37, may be reinstated to their previous Medi-Cal eligibility pursuant to subdivision (i) of Section 14005.37 by submitting a note, as described in paragraph (1), from the individual's treating health care provider within the timeframe described in that subdivision.

(d) For purposes of this section, "Medi-Cal program" refers to any of the following programs:

(1) The Medi-Cal Access Program, as described in Chapter 2 (commencing with Section 15810) of Part 3.3.

(2) The Medi-Cal program, as described in this article.

(3) The Perinatal Services Program, as described in Article 4.7 (commencing with Section 14148).

(e) This section does not limit the ability of a qualified individual to apply for and purchase a qualified health plan in Covered California pursuant to Title 22 (commencing with Section 100500) of the Government Code if the qualified individual is otherwise eligible for coverage pursuant to that title.

(f) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section by means of all-county letters, provider bulletins, or similar instructions, without taking regulatory action.

(g) Implementation of this section is subject to an appropriation in the annual Budget Act for these purposes.

(h) Implementation of this section is suspended on December 31, 2021, except that if the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code, contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 fiscal year and the 2022–23 fiscal year by the sum total of General Fund money appropriated for all programs suspended pursuant to the Budget Act of 2019 and all related trailer bill legislation implementing the provisions of the Budget Act of 2019, then the suspension shall not take effect. It is the intent of the Legislature to consider alternative solutions to restore this program, should the suspension take effect.

SEC. 285. Section 14182.17 of the Welfare and Institutions Code is amended to read:

14182.17.

(a) For the purposes of this section, the definitions in subdivision (b) of Section 14182.16 ~~shall~~ apply.

(b) The department shall ensure and improve the care coordination and integration of health care services for Medi-Cal beneficiaries residing in Coordinated Care Initiative counties who are either of the following:

(1) Dual eligible beneficiaries, as defined in subdivision (b) of Section 14182.16, who receive Medi-Cal benefits and services through the demonstration project established pursuant to Section 14132.275 or through mandatory enrollment in managed care health plans pursuant to Section 14182.16.

(2) Medi-Cal beneficiaries who receive long-term services and supports pursuant to Article 5.7 (commencing with Section 14186).

(c) The department shall develop an enrollment process to be used in Coordinated Care Initiative counties to do the following:

(1) Except in a county that provides Medi-Cal services under a county organized health system pursuant to Article 2.8 (commencing with Section 14087.5), provide a choice of Medi-Cal managed care plans to a dual eligible beneficiary who has opted for Medicare fee-for-service, and establish an algorithm to assign beneficiaries who do not make a choice.

(2) Ensure that only beneficiaries required to make a choice or affirmatively opt out are sent enrollment materials.

(3) Establish enrollment timelines, developed in consultation with health plans and stakeholders, and approved by CMS, for each demonstration site. The timeline may provide for combining or phasing in enrollment for Medicare and Medi-Cal benefits.

(d) Before the department contracts with managed care health plans or Medi-Cal providers to furnish Medi-Cal benefits and services pursuant to subdivision (b), the department shall do all of the following:

(1) Ensure timely and appropriate communications with beneficiaries as follows:

(A) At least 90 days prior to enrollment, inform dual eligible beneficiaries through a notice written at not more than a ~~sixth-grade~~sixth grade reading level that includes, at a minimum, how the Medi-Cal system of care will change, when the changes will occur, and who they can contact for assistance with choosing a managed care health plan or with problems they encounter.

(B) Develop and implement an outreach and education program for beneficiaries to inform them of their enrollment options and rights, including specific steps to work with consumer and beneficiary community groups.

(C) Develop, in consultation with consumers, beneficiaries, and other stakeholders, an overall communications plan that includes all aspects of developing beneficiary notices.

(D) Ensure that managed care health plans and their provider networks are able to provide communication and services to dual eligible beneficiaries in alternative formats that are culturally, linguistically, and physically appropriate through means, including, but not limited to, assistive listening systems, sign language interpreters, captioning, written communication, plain language, and written translations.

(E) Ensure that managed care health plans have prepared materials to inform beneficiaries of procedures for obtaining Medi-Cal benefits, including grievance and appeals procedures, that are offered by the plan or are available through the Medi-Cal program.

(F) Ensure that managed care health plans have policies and procedures in effect to address the effective transition of beneficiaries from Medicare Part D plans not participating in the demonstration project. These policies shall include, but not be limited to, the transition of care

requirements for Medicare Part D benefits as described in Chapters 6 and 14 of the Medicare Managed Care Manual, published by CMS, including a determination of which beneficiaries require information about their transition supply, and, within the first 90 days of coverage under a new plan, provide for a temporary fill when the beneficiary requests a refill of a nonformulary drug.

(G) Contingent upon available private or public funds other than moneys from the General Fund, contract with community-based, nonprofit consumer, or health insurance assistance organizations with expertise and experience in assisting dual eligible beneficiaries in understanding their health care coverage options.

(H) Develop, with stakeholder input, informing and enrollment materials and an enrollment process in the demonstration site counties. The department shall ensure all of the following prior to implementing enrollment:

(i) Enrollment materials shall be made public at least 60 days prior to the first mailing of notices to dual eligible beneficiaries, and the department shall work with stakeholders to incorporate public comment into the materials.

(ii) The materials shall be in a not more than sixth grade reading level and shall be available in all the Medi-Cal threshold languages, as well as in alternative formats that are culturally, linguistically, and physically appropriate. For in-person enrollment assistance, disability accommodation shall be provided, when appropriate, through means including, but not limited to, assistive listening systems, sign language interpreters, captioning, and written communication.

(iii) The materials shall plainly state that the beneficiary may choose fee-for-service Medicare or Medicare Advantage, but must return the form to indicate this choice, and that if the beneficiary does not return the form, the state shall assign the beneficiary to a plan and all Medicare and Medi-Cal benefits shall only be available through that plan.

(iv) The materials shall plainly state that the beneficiary shall be enrolled in a Medi-Cal managed care health plan even if the beneficiary chooses to stay in fee-for-service Medicare.

(v) The materials shall plainly explain all of the following:

(I) The plan choices.

(II) Continuity of care provisions.

(III) How to determine which providers are enrolled in each plan.

(IV) How to obtain assistance with the choice forms.

(vi) The enrollment contractor recognizes, in compliance with existing statutes and regulations, authorized representatives, including, but not limited to, a caregiver, family member, conservator, or a legal services advocate, who is recognized by any of the services or programs that the person is already receiving or participating in.

(I) Make available to the public and to all Medi-Cal providers copies of all beneficiary notices in advance of the date the notices are sent to beneficiaries. These copies shall be available on the department's internet website.

(2) Require that managed care health plans perform an assessment process that, at a minimum, does all of the following:

(A) Assesses each new enrollee's risk level and needs by performing a risk assessment process using means, including telephonic, web-based, or in-person communication, or review of utilization and claims processing data, or by other means as determined by the department, with a particular focus on identifying those enrollees who may need long-term services and

supports. The risk assessment process shall be performed in accordance with all applicable federal and state laws.

(B) Assesses the care needs of dual eligible beneficiaries and coordinates their Medi-Cal benefits across all settings, including coordination of necessary services within, and, when necessary, outside of the managed care health plan's provider network.

(C) Uses a mechanism or algorithm developed by the managed care health plan pursuant to paragraph (7) of subdivision (b) of Section 14182 for risk stratification of members.

(D) At the time of enrollment, applies the risk stratification mechanism or algorithm approved by the department to determine the health risk level of members.

(E) Reviews historical Medi-Cal fee-for-service utilization data and Medicare data, to the extent either is accessible to and provided by the department, for dual eligible beneficiaries upon enrollment in a managed care health plan so that the managed care health plans are better able to assist dual eligible beneficiaries and prioritize assessment and care planning.

(F) Analyzes Medicare claims data for dual eligible beneficiaries upon enrollment in a demonstration site pursuant to Section 14132.275 to provide an appropriate transition process for newly enrolled beneficiaries who are prescribed Medicare Part D drugs that are not on the demonstration site's formulary, as required under the transition of care requirements for Medicare Part D benefits as described in Chapters 6 and 14 of the Medicare Managed Care Manual, published by CMS.

(G) Assesses each new enrollee's behavioral health needs and historical utilization, including mental health and substance use disorder treatment services.

(H) Follows timeframes for reassessment and, if necessary, circumstances or conditions that require redetermination of risk level, which shall be set by the department.

(3) Ensure that the managed care health plans arrange for primary care by doing all of the following:

(A) Except for beneficiaries enrolled in the demonstration project pursuant to Section 14132.275, forgo interference with a beneficiary's choice of primary care physician under Medicare, and not assign a full-benefit dual eligible beneficiary to a primary care physician unless it is determined through the risk stratification and assessment process that assignment is necessary, in order to properly coordinate the care of the beneficiary or upon the beneficiary's request.

(B) Assign a primary care physician to a partial-benefit dual eligible beneficiary receiving primary or specialty care through the Medi-Cal managed care plan.

(C) Provide a mechanism for partial-benefit dual eligible enrollees to request a specialist or clinic as a primary care provider if these services are being provided through the Medi-Cal managed care health plan. A specialist or clinic may serve as a primary care provider if the specialist or clinic agrees to serve in a primary care provider role and is qualified to treat the required range of conditions of the enrollees.

(4) Ensure that the managed care health plans perform, at a minimum, and in addition to, other statutory and contractual requirements, care coordination, and care management activities as follows:

(A) Reflect a member-centered, outcome-based approach to care planning, consistent with the CMS model of care approach and with federal Medicare requirements and guidance

(B) Adhere to a beneficiary's determination about the appropriate involvement of the beneficiary's medical providers and caregivers, according to the federal Health Insurance Portability and Accountability Act of 1996 (*Public Law 104-191*).

(C) Develop care management and care coordination for the beneficiary across the medical and long-term services and supports care system, including transitions among levels of care and between service locations.

(D) Develop individual care plans for higher risk beneficiaries based on the results of the risk assessment process with a particular focus on long-term services and supports.

(E) Use nurses, social workers, the beneficiary's primary care physician, if appropriate, and other medical professionals to provide care management and enhanced care management, as applicable, particularly for beneficiaries in need of or receiving long-term services and supports.

(F) Consider behavioral health needs of beneficiaries and coordinate those services with the county mental health department as part of the beneficiary's care management plan when appropriate.

(G) Facilitate a beneficiary's ability to access appropriate community resources and other agencies, including referrals as necessary and appropriate for behavioral services, such as mental health and substance use disorders treatment services.

(H) Monitor skilled nursing facility utilization and develop care transition plans and programs that move beneficiaries back into the community to the extent possible. Plans shall monitor and support beneficiaries in the community to avoid further institutionalization.

(5) Ensure that the managed care health plans comply with, at a minimum, and in addition to other statutory and contractual requirements, network adequacy requirements as follows:

(A) Provide access to providers that comply with applicable state and federal law, including, but not limited to, physical accessibility and the provision of health plan information in alternative formats.

(B) Meet provider network adequacy standards for long-term services and supports that the department shall develop.

(C) Maintain an updated, accurate, and accessible listing of a provider's ability to accept new patients, which shall be made available to beneficiaries, at a minimum, by phone, written material, and the internet, and in accessible formats, upon request.

(D) Monitor an appropriate provider network that includes an adequate number of accessible facilities within each service area.

(E) Contract with and assign patients to safety net and traditional providers as defined in subdivisions (hh) and (jj), respectively, of Section 53810 of Title 22 of the California Code of Regulations, including small and private practice providers who have traditionally treated dual eligible patients, based on available medical history to ensure access to care and services. A managed care health plan shall establish participation standards to ensure participation and broad representation of traditional and safety net providers within a service area.

(F) Maintain a liaison to coordinate with each regional center operating within the plan's service area to assist dual eligible beneficiaries with developmental disabilities in understanding and accessing services and act as a central point of contact for questions, access and care concerns, and problem resolution.

(G) Maintain a liaison and provide access to out-of-network providers, for up to 12 months, for new members enrolled under Sections 14132.275 and 14182.16 who have an ongoing relationship with a provider, if the provider will accept the health plan's rate for the service offered, or for nursing facilities and Community-Based Adult Services, or the applicable Medi-Cal fee-for-service rate, whichever is higher, and the managed care health plan determines that the provider meets applicable professional standards and has no disqualifying quality of care issues in accordance with guidance from the department, including all-plan letters. A partial-benefit dual eligible beneficiary enrolled in Medicare Part A who only receives primary and

specialty care services through a Medi-Cal managed care health plan shall be able to receive these Medi-Cal services from an out-of-network Medi-Cal provider for 12 months after enrollment. This subparagraph shall not apply to out-of-network providers that furnish ancillary services.

(H) Assign a primary care physician who is the primary clinician for the beneficiary and who provides core clinical management functions for partial-benefit dual eligible beneficiaries who are receiving primary and specialty care through the Medi-Cal managed care health plan.

(I) Employ care managers directly or contract with nonprofit or proprietary organizations in sufficient numbers to provide coordinated care services for long-term services and supports as needed for all members.

(6) Ensure that the managed care health plans address medical and social needs as follows:

(A) Offer services beyond those required by Medicare and Medi-Cal at the managed care health plan's discretion.

(B) Refer beneficiaries to community resources or other agencies for needed medical or social services or items outside the managed care health plan's responsibilities.

(C) Facilitate communication among a beneficiary's health care and personal care providers, including long-term services and supports and behavioral health providers when appropriate.

(D) Engage in other activities or services needed to assist beneficiaries in optimizing their health status, including assisting with self-management skills or techniques, health education, and other modalities to improve health status.

(E) Facilitate timely access to primary care, specialty care, medications, and other health services needed by the beneficiary, including referrals to address any physical or cognitive barriers to access.

(F) Utilize the most recent common procedure terminology (CPT) codes, modifiers, and correct coding initiative edits.

(7)

(A) Ensure that the managed care health plans provide, at a minimum, and in addition to other statutory and contractual requirements, a grievance and appeal process that does both of the following:

(i) Provides a clear, timely, and fair process for accepting and acting upon complaints, grievances, and disenrollment requests, including procedures for appealing decisions regarding coverage or benefits, as specified by the department. Each managed care health plan shall have a grievance process that complies with Section 14450, and Sections 1368 and 1368.01 of the Health and Safety Code.

(ii) Complies with a Medicare and Medi-Cal grievance and appeal process, as applicable. The appeals process shall not diminish the grievance and appeals rights of IHSS recipients pursuant to Section 10950.

(B) In no circumstance shall the process for appeals be more restrictive than what is required under the Medi-Cal program.

(e) The department shall do all of the following:

(1) Monitor the managed care health plans' performance and accountability for provision of services, in addition to all other statutory and contractual monitoring and oversight requirements, by doing all of the following:

(A) Develop performance measures that are required as part of the contract to provide quality indicators for the Medi-Cal population enrolled in a managed care health plan and for the dual

eligible subset of enrollees. These performance measures may include measures from the Healthcare Effectiveness Data and Information Set or measures indicative of performance in serving special needs populations, such as the National Committee for Quality Assurance structure and process measures, or other performance measures identified or developed by the department.

(B) Implement performance measures that are required as part of the contract to provide quality assurance indicators for long-term services and supports in quality assurance plans required under the plans' contracts. These indicators shall include factors such as affirmative member choice, increased independence, avoidance of institutional care, and positive health outcomes. The department shall develop these quality assurance indicators in consultation with stakeholder groups.

(C) Effective January 10, 2014, and for each subsequent year of the demonstration project authorized under Section 14132.275, provide a report to the Legislature describing the degree to which Medi-Cal managed care health plans in counties participating in the demonstration project have fulfilled the quality requirements, as set forth in the health plan contracts.

(D) Effective June 1, 2014, and for each subsequent year of the demonstration project authorized by Section 14132.275, provide a report from the department to the Legislature summarizing information from both of the following:

(i) The independent audit report required to be submitted annually to the department by managed care health plans participating in the demonstration project authorized by Section 14132.275.

(ii) Any routine financial examinations of managed care health plans operating in the demonstration project authorized by Section 14132.275 that have been conducted and completed for the previous calendar year by the department.

(2) Monitor on a quarterly basis the utilization of covered services of beneficiaries enrolled in the demonstration project pursuant to Section 14132.275 or receiving long-term services and supports pursuant to Article 5.7 (commencing with Section 14186).

(3) Develop requirements for managed care health plans to solicit stakeholder and member participation in advisory groups for the planning and development activities relating to the provision of services for dual eligible beneficiaries.

(4) Submit to the Legislature the following information:

(A) Provide, to the fiscal and appropriate policy committees of the Legislature, a copy of any report submitted to CMS pursuant to the approved federal waiver described in Section 14180.

(B) The department, together with the State Department of Social Services, the California Department of Aging, and the Department of Managed Health Care, convene and consult with stakeholders at least twice during the period following production of a draft of the implementation plan and before submission of the plan to the Legislature. Continued consultation with stakeholders shall occur on an ongoing basis for the implementation of the provisions of this section.

(C) No later than 90 days prior to the initial plan enrollment date of the demonstration project pursuant to the provisions of Sections 14132.275, 14182.16, and of Article 5.7 (commencing with Section 14186), assess and report to the fiscal and appropriate policy committees of the Legislature on the readiness of the managed care health plans to address the unique needs of dual eligible beneficiaries and Medi-Cal only seniors and persons with disabilities pursuant to the applicable readiness evaluation criteria and requirements set forth in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 14087.48. The report shall also include an assessment of the readiness of the managed care health plans in each county participating in the demonstration project to have met the requirements set forth in paragraphs (1) to (9), inclusive.

(D) The department shall submit two reports to the Legislature, with the first report submitted five months prior to the commencement date of enrollment and the second report submitted three months prior to the commencement date of enrollment, that describe the status of all of the following readiness criteria and activities that the department shall complete:

(i) Enter into contracts, either directly or by funding other agencies or community-based, nonprofit, consumer, or health insurance assistance organizations with expertise and experience in providing health plan counseling or other direct health consumer assistance to dual eligible beneficiaries, in order to assist these beneficiaries in understanding their options to participate in the demonstration project specified in Section 14132.275 and to exercise their rights and address barriers regarding access to benefits and services.

(ii) Develop a plan to ensure timely and appropriate communications with beneficiaries as follows:

(I) Develop a plan to inform beneficiaries of their enrollment options and rights, including specific steps to work with consumer and beneficiary community groups described in clause (i), consistent with the provisions of paragraph (1).

(II) Design, in consultation with consumers, beneficiaries, and stakeholders, all enrollment-related notices, including, but not limited to, summary of benefits, evidence of coverage, prescription formulary, and provider directory notices, as well as all appeals and grievance-related procedures and notices produced in coordination with existing federal Centers for Medicare and Medicaid Services (CMS) guidelines.

(III) Design a comprehensive plan for beneficiary and provider outreach, including specific materials for persons in nursing and group homes, family members, conservators, and authorized representatives of beneficiaries, as appropriate, and providers of services and supports.

(IV) Develop a description of the benefits package available to beneficiaries in order to assist them in plan selection and how they may select and access services in the demonstration project’s assessment and care planning process.

(V) Design uniform and plain language materials and a process to inform seniors and persons with disabilities of copays and covered services so that beneficiaries can make informed choices.

(VI) Develop a description of the process, except in those demonstration counties that have a county operated health system, of automatically assigning beneficiaries into managed care health plans that shall include a requirement to consider Medicare service utilization, provider data, and consideration of plan quality.

(iii) Finalize rates and comprehensive contracts between the department and participating health plans to facilitate effective outreach, enroll network providers, and establish benefit packages. To the extent permitted by CMS, the plan rates and contract structure shall be provided to the appropriate fiscal and policy committees of the Legislature and posted on the department’s internet website so that they are readily available to the public.

(iv) Ensure that contracts have been entered into between plans and providers including, but not limited to, agreements with county agencies as necessary.

(v) Develop network adequacy standards for medical care and long-term supports and services that reflect the provisions of paragraph (5).

(vi) Identify dedicated department or contractor staff with adequate training and availability during business hours to address and resolve issues between health plans and beneficiaries, and establish a requirement that health plans have similar points of contact and are required to respond to state inquiries when continuity of care issues arise.

(vii) Develop a tracking mechanism for inquiries and complaints for quality assessment purposes, and post publicly on the department's internet website information on the types of issues that arise and data on the resolution of complaints.

(viii) Prepare scripts and training for the department and plan customer service representatives on all aspects of the program, including training for enrollment brokers and community-based organizations on rules of enrollment and counseling of beneficiaries.

(ix) Develop continuity of care procedures.

(x) Adopt quality measures to be used to evaluate the demonstration projects. Quality measures shall be detailed enough to enable measurement of the impact of automatic plan assignment on quality of care.

(xi) Develop reporting requirements for the plans to report to the department, including data on enrollments and disenrollments, appeals and grievances, and information necessary to evaluate quality measures and care coordination models. The department shall report this information to the appropriate fiscal and policy committees of the Legislature, and this information shall be posted on the department's internet website.

(f) This section shall be implemented only to the extent that all federal approvals and waivers are obtained and only if and to the extent that federal financial participation is available.

(g) To implement this section, the department may contract with public or private entities. Contracts or amendments entered into under this section may be on an exclusive or nonexclusive basis and a noncompetitive bid basis and shall be exempt from the following:

(1) Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and any policies, procedures, or regulations authorized by that part.

(2) Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(3) Review or approval of contracts by the Department of General Services.

(h) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section and any applicable federal waivers and state plan amendments by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions, without taking regulatory action. Prior to issuing any letter or similar instrument authorized pursuant to this section, the department shall notify and consult with stakeholders, including advocates, providers, and beneficiaries. The department shall notify the appropriate policy and fiscal committees of the Legislature of its intent to issue instructions under this section at least five days in advance of the issuance.

(i) Notwithstanding subdivisions (c) and (d) of Section 34 of Chapter 37 of the Statutes of 2013, this section shall not be made inoperative as a result of any determination made by the Director of Finance pursuant to Section 34 of Chapter 37 of the Statutes of 2013.

SEC. 286. Section 14197.7 of the Welfare and Institutions Code is amended to read:

14197.7.

(a) Notwithstanding any other law, if the director finds that any entity that contracts with the department for the delivery of health care services (contractor), including a Medi-Cal managed care plan or a prepaid health plan, fails to comply with contract requirements, state or federal law or regulations, or the state plan or approved waivers, or for other good cause, the director may terminate the contract or impose sanctions as set forth in this section. Good cause includes, but is not limited to, a finding of deficiency that results in improper denial or delay in the delivery of health care services, potential endangerment to patient care, disruption in the contractor's provider network, failure to approve

continuity of care, that claims accrued or to accrue have not or will not be recompensed, or a delay in required contractor reporting to the department.

(b) The director may identify findings of noncompliance or good cause through any means, including, but not limited to, findings in audits, investigations, contract compliance reviews, quality improvement system monitoring, routine monitoring, facility site surveys, encounter and provider data submissions, grievances and appeals, network adequacy reviews, assessments of timely access requirements, reviews of utilization data, health plan rating systems, fair hearing decisions, complaints from beneficiaries and other stakeholders, whistleblowers, and contractor self-disclosures.

(c) Except when the director determines that there is an immediate threat to the health of Medi-Cal beneficiaries receiving health care services from the contractor, at the request of the contractor, the department shall hold a public hearing to commence 30 days after notice of intent to terminate the contract has been received by the contractor. The department shall present evidence at the hearing showing good cause for the termination. The department shall assign an administrative law judge who shall provide a written recommendation to the department on the termination of the contract within 30 days after conclusion of the hearing. Reasonable notice of the hearing shall be given to the contractor, Medi-Cal beneficiaries receiving services through the contractor, and other interested parties, including any other persons and organizations as the director may deem necessary. The notice shall state the effective date of, and the reason for, the termination.

(d) In lieu of contract termination, the director shall have the power and authority to require or impose a plan of correction and issue one or more of the following sanctions against a contractor for findings of noncompliance or good cause, including, but not limited to, those specified in subdivision (a):

(1) Temporarily or permanently suspend enrollment and marketing activities.

(2) Require the contractor to suspend or terminate contractor personnel or subcontractors.

(3) Issue one or more of the temporary suspension orders set forth in subdivision (j).

(4) Impose temporary management consistent with the requirements specified in Section 438.706 of Title 42 of the Code of Federal Regulations.

(5) Suspend default enrollment of enrollees who do not select a contractor for the delivery of health care services.

(6) Impose civil monetary sanctions consistent with the dollar amounts and violations specified in Section 438.704 of Title 42 of the Code of Federal Regulations, as follows:

(A) A limit of twenty-five thousand dollars ($25,000) for each determination of the following:

(i) The contractor fails to provide medically necessary services that the contractor is required to provide, under law or under its contract with the department, to an enrollee covered under the contract.

(ii) The contractor misrepresents or falsifies information to an enrollee, potential enrollee, or health care provider.

(iii) The contractor distributes directly, or indirectly through an agent or independent contractor, marketing materials that have not been approved by the state or that contain false or materially misleading information.

(B) A limit of one hundred thousand dollars ($100,000) for each determination of the following:

(i) The contractor conducts any act of discrimination against an enrollee on the basis of their health status or need for health care services. This includes termination of enrollment or refusal to reenroll a beneficiary, except as permitted under the Medicaid program, or any practice that would reasonably be expected to discourage enrollment by beneficiaries whose medical condition or history indicates probable need for substantial future medical services.

(ii) The contractor misrepresents or falsifies information that it furnishes to the federal Centers for Medicare and Medicaid Services or to the department.

(C) A limit of fifteen thousand dollars ($15,000) for each beneficiary the director determines was not enrolled because of a discriminatory practice under clause (i) of subparagraph (B). This sanction is subject to the overall limit of one hundred thousand dollars ($100,000) under subparagraph (B).

(e) Notwithstanding the monetary sanctions imposed for the violations set forth in paragraph (6) of subdivision (d), the director may impose monetary sanctions in accordance with this section based on any of the following:

(1) The contractor violates any federal or state statute or regulation.

(2) The contractor violates any provision of its contract with the department.

(3) The contractor violates any provision of the state plan or approved waivers.

(4) The contractor fails to meet quality metrics or benchmarks established by the department. Any changes to the minimum quality metrics or benchmarks made by the department that are effective on or after January 1, 2020, shall be established in advance of the applicable reporting or performance measurement period, unless required by the federal government.

(5) The contractor fails to demonstrate that it has an adequate network to meet anticipated utilization in its service area.

(6) The contractor fails to comply with network adequacy standards, including, but not limited to, time and distance, timely access, and provider-to-beneficiary ratio requirements pursuant to standards and formulae that are set forth in federal or state law, regulation, state plan or contract, and that are posted in advance to the department's internet website.

(7) The contractor fails to comply with the requirements of a corrective action plan.

(8) The contractor fails to submit timely and accurate network provider data.

(9) The director identifies deficiencies in the contractor's delivery of health care services.

(10) The director identifies deficiencies in the contractor's operations, including the timely payment of claims.

(11) The contractor fails to comply with reporting requirements, including, but not limited to, those set forth in Section 53862 of Title 22 of the California Code of Regulations.

(12) The contractor fails to timely and accurately process grievances or appeals.

(f)

(1) Monetary sanctions imposed pursuant to subdivision (e) may be separately and independently assessed and may also be assessed for each day the contractor fails to correct an identified deficiency. For a deficiency that impacts beneficiaries, each beneficiary impacted constitutes a separate violation. Monetary sanctions shall be assessed in the following amounts:

(A) Up to twenty-five thousand dollars ($25,000) for a first violation.

(B) Up to fifty thousand dollars ($50,000) for a second violation.

(C) Up to one hundred thousand dollars ($100,000) for each subsequent violation.

(2) For monetary sanctions imposed on a contractor that is funded from one or more of the realigned accounts described in paragraphs (2) to (4), inclusive, of subdivision (n), the department shall calculate a percentage of the funds attributable to the contractor to be offset per month pursuant to paragraphs (2) to (4), inclusive, of subdivision (n) until the amount offset equals the amount of the penalty imposed pursuant to paragraph (1).

(g) When assessing sanctions pursuant to this section, the director shall determine the appropriate amount of the penalty for each violation based upon one or more of the following nonexclusive factors:

(1) The nature, scope, and gravity of the violation, including the potential harm or impact on beneficiaries.

(2) The good or bad faith of the contractor.

(3) The contractor's history of violations.

(4) The willfulness of the violation.

(5) The nature and extent to which the contractor cooperated with the department's investigation.

(6) The nature and extent to which the contractor aggravated or mitigated any injury or damage caused by the violation.

(7) The nature and extent to which the contractor has taken corrective action to ensure the violation will not recur.

(8) The financial status of the contractor, including whether the sanction will affect the ability of the contractor to come into compliance.

(9) The financial cost of the health care service that was denied, delayed, or modified.

(10) Whether the violation is an isolated incident.

(11) The amount of the penalty necessary to deter similar violations in the future.

(12) Any other mitigating factors presented by the contractor.

(h) Except in exigent circumstances in which there is an immediate risk to the health of beneficiaries, as determined by the department, the director shall give reasonable written notice to the contractor of the intention to impose any of the sanctions authorized by this section and others who may be directly interested, including any other persons and organizations as the director may deem necessary. The notice shall include the effective date for, the duration of, and the reason for each sanction proposed by the director. A contractor may request the department to meet and confer with the contractor to discuss information and evidence that may impact the director's final decision to impose sanctions authorized by this section. The director shall grant a request to meet and confer prior to issuance of a final sanction if the contractor submits the request in writing to the department no later than two business days after the contractor's receipt of the director's notice of intention to impose sanctions.

(i) Notwithstanding subdivision (d), the director shall terminate a contract with a contractor that the United States Secretary of Health and Human Services has determined does not meet the requirements for participation in the Medicaid program contained in Subchapter XIX (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.

(j)

(1) The department may make one or more of the following temporary suspension orders as an immediate sanction:

(A) Temporarily suspend enrollment activities.

(B) Temporarily suspend marketing activities.

(C) Require the contractor to temporarily suspend specified personnel of the contractor.

(D) Require the contractor to temporarily suspend participation by a specified subcontractor.

(2) The temporary suspension orders shall be effective no earlier than 20 days after the notice specified in subdivision (k).

(k) Prior to issuing a temporary suspension order, or temporarily withholding funds pursuant to subdivision (o), the department shall provide the contractor with a written notice. The notice shall state

the department's intent to impose a temporary suspension or temporary withhold, and specify the nature and effective date of the temporary suspension or temporary withhold. The contractor shall have 30 calendar days from the date of receipt of the notice to file a written appeal with the department. Upon receipt of a written appeal filed by the contractor, the department shall within 15 days set the matter for hearing, which shall be held as soon as possible, but not later than 30 days after receipt of the notice of hearing by the contractor. The hearing may be continued at the request of the contractor if a continuance is necessary to permit presentation of an adequate defense. The temporary suspension order shall remain in effect until the hearing is completed and the department has made a final determination on the merits. However, the temporary suspension order shall be deemed vacated if the director fails to make a final determination on the merits within 60 days after the original hearing has been completed. The department shall stay imposition of a temporary withhold, pursuant to subdivision (o), until the hearing is completed and the department has made a final determination on the merits.

(l)

(1) Except as provided in paragraph (2), a contractor may request a hearing in connection with any sanctions applied pursuant to subdivision (d) or (e) within 15 working days after the notice of the effective date of the sanctions has been given, by sending a letter so stating to the address specified in the notice. The department shall stay collection of monetary sanctions upon receipt of the request for a hearing. Collection of the sanction shall remain stayed until the effective date of the final decision of the department.

(2) With respect to mental health plans, the due process and appeals process specified in paragraph (4) of subdivision (b) of Section 14718 shall be made available in connection with any contract termination actions, temporary suspension orders, temporary withholds of funds pursuant to subdivision (o), and sanctions applied pursuant to subdivision (d) or (e).

(m) Except as otherwise provided in this section, all hearings to review the imposition of sanctions, including temporary suspension orders, the withholding or offsetting of funds pursuant to subdivision (n), or the temporary withholding of funds pursuant to subdivision (o), shall be held pursuant to the procedures set forth in Section 100171 of the Health and Safety Code.

(n)

(1) If the director imposes monetary sanctions pursuant to this section on a contractor, except for a contractor described in paragraphs (2) to (4), inclusive, the amount of the sanction may be collected by withholding the amount from capitation or other associated payments owed to the contractor.

(2) If the director imposes monetary sanctions on a contractor that is funded from the Mental Health Subaccount, the Mental Health Equity Subaccount, the Vehicle License Collection Account of the Local Revenue Fund, or the Mental Health Account, the director may offset the monetary sanctions from the respective account. The offset ~~shall be~~is subject to paragraph (2) of subdivision (q).

(3) If the director imposes monetary sanctions on a contractor that is funded from the Behavioral Health Subaccount of the Local Revenue Fund 2011, the director may offset the monetary sanctions from that account from the distribution attributable to the applicable contractor. The offset ~~shall be~~is subject to paragraph (2) of subdivision (q).

(4) If the director imposes monetary sanctions on a contractor that is funded from any other mental health or substance use disorder realignment funds from which the Controller is authorized to make distributions to the contractor, the director may offset the monetary sanctions from these funds if the funds described in paragraphs (2) and (3) are insufficient for the purposes described in this subdivision, as appropriate. The offset ~~shall be~~is subject to paragraph (2) of subdivision (q).

(o)

(1) Whenever the department determines that a mental health plan or any entity that contracts with the department to provide Drug Medi-Cal services has violated state or federal law, a requirement of this chapter, Chapter 8 (commencing with Section 14200), Chapter 8.8 (commencing with Section 14600), or Chapter 8.9 (commencing with Section 14700), or any regulations, the state plan, or a term or condition of an approved waiver, or a provision of its contract with the department, the department may temporarily withhold payments of federal financial participation and payments from the accounts listed in paragraphs (2) to (4), inclusive, of subdivision (n). The department shall temporarily withhold amounts it deems necessary to ensure the mental health plan or the entity that contracts with the department to provide Drug Medi-Cal services promptly corrects the violation. The department shall release the temporarily withheld funds when it determines the mental health plan or the entity that contracts with the department to provide Drug Medi-Cal services has come into compliance.

(2) A mental health plan, or any entity that contracts with the department to provide Drug Medi-Cal services, may appeal the imposition of a temporary withhold pursuant to this subdivision in accordance with the procedures described in subdivisions (k) and (m). Imposition of a temporary withhold shall be stayed until the effective date of the final decision of the department.

(p) This section shall be read in conjunction with, and apply in addition to, any other applicable law that authorizes the department to impose sanctions or otherwise take remedial action upon contractors.

(q)

(1) Notwithstanding any other law, nonfederal moneys collected by the department pursuant to this section, except for moneys collected from a contractor funded from one or more of the realigned accounts described in paragraphs (2) to (4), inclusive, of subdivision (n), shall be deposited into the General Fund for use, and upon appropriation by the Legislature, to address workforce issues in the Medi-Cal program and to improve access to care in the Medi-Cal program.

(2) Monetary sanctions imposed via offset on a contractor that is funded from one or more of the realigned accounts described in paragraphs (2) to (4), inclusive, of subdivision (n) shall be redeposited into the account from which the monetary sanctions were offset pursuant to paragraphs (2) to (4), inclusive, of subdivision (n). The department shall notify the Department of Finance of the percentage reduction for the affected county. The Department of Finance shall subsequently notify the Controller, and the Controller shall redistribute the monetary sanction amount to nonsanctioned counties based on each county's prorated share of the monthly base allocations from the realigned account. With respect to an individual contractor, the department shall not collect via offset more than 25 percent of the total amount of the funds distributed from the applicable account or accounts that are attributable to the contractor in a given month. If the department is not able to collect the full amount of monetary sanctions imposed on a contractor funded from one or more of the realigned accounts described in paragraphs (2) to (4), inclusive, of subdivision (n) in a given month, the department shall continue to offset the amounts attributable to the contractor in subsequent months until the full amount of monetary sanctions has been collected.

(r)

(1) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section, in whole or in part, by means of plan or county letters, information notices, plan or provider bulletins, or other similar instructions, without taking any further regulatory action.

(2) By July 1, 2025, the department shall adopt any regulations necessary to implement this section in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(s) This section shall be implemented only to the extent that any necessary federal approvals have been obtained and that federal financial participation is available.

(t) For purposes of this section, “contractor” means any individual, organization, or entity that enters into a contract with the department to provide services to enrolled Medi-Cal beneficiaries pursuant to any of the following:

(1) Article 2.7 (commencing with Section 14087.3), including dental managed care programs developed pursuant to Section 14087.46.

(2) Article 2.8 (commencing with Section 14087.5).

(3) Article 2.81 (commencing with Section 14087.96).

(4) Article 2.82 (commencing with Section 14087.98).

(5) Article 2.9 (commencing with Section 14088).

(6) Article 2.91 (commencing with Section 14089).

(7) Chapter 8 (commencing with Section 14200), including dental managed care plans.

(8) Chapter 8.9 (commencing with Section 14700).

(9) A county Drug Medi-Cal organized delivery system authorized under the California Medi-Cal 2020 Demonstration pursuant to Article 5.5 (commencing with Section 14184) or a successor demonstration or waiver, as applicable.

SEC. 287. Section 14413 of the Welfare and Institutions Code is amended to read:

14413.

(a) Requests for disenrollment shall be made to an authorized representative of the prepaid health plan or to the department. All requests for disenrollment, except those submitted pursuant to ~~Sections 14303.1(c), 14303.2(c), or 14409(b)(5)~~subdivision (c) of Section 14303.1, subdivision (c) of Section 14303.2, or paragraph (6) of subdivision (b) of Section 14409, or for other good cause as determined by the director, shall be processed through the prepaid health plan’s grievance procedure as approved by the department. Disenrollment requests received by the prepaid health plan shall be submitted to the department, on standard disenrollment forms prescribed by the department, within a reasonable time following the date of such signed request, as determined by the director, to permit the department to terminate enrollment effective the beginning of the first calendar month following a full calendar month after the request is made.

(b) All applications for disenrollment shall be processed by the department, and where Medi-Cal eligibility continues or Medi-Cal coverage is extended under Section 14005.8, a Medi-Cal card shall be issued effective not later than the beginning of the first calendar month following a full calendar month after the request for disenrollment is made. Submittal of a request for disenrollment for processing through the grievance procedure of a prepaid health plan shall not be deemed to infringe on this entitlement.

SEC. 288. Section 15204.35 of the Welfare and Institutions Code is amended to read:

15204.35.

(a) The State Department of Social Services shall work with representatives of county human services agencies and the County Welfare Directors Association of California to develop recommendations for revising the methodology used for development of the CalWORKs single allocation annual budget. As part of the process of developing these recommendations, the department shall consult with legislative staff, advocates, and organizations that represent county workers.

(b)

(1) Recommendations for initial changes to the methodology for development of the CalWORKs single allocation for the 2018–19 fiscal year shall be made to the Legislature by January 10, 2018.

(2) Recommendations for additional changes to the methodology for the 2019–20 and subsequent fiscal years shall be made to the Legislature by October 1, 2018.

(c) The State Department of Social Services shall work with representatives of county human services agencies and the County Welfare Directors Association of California for purposes of continuing to develop the casework metrics used for the budgeting of funding for employment services in the CalWORKs single allocation and to develop the budgeting methodology for welfare-to-work direct services during the 2019–20 fiscal year. As part of the process of developing this budgeting methodology, the department shall consult with legislative staff, advocates, and organizations that represent county workers.

SEC. 289. Section 16521.8 of the Welfare and Institutions Code is amended to read:

16521.8.

(a)

(1) A child welfare public health nursing early intervention program shall be conducted in the County of Los Angeles~~,~~ as provided in this section, ~~and~~ with the county's consent. The purpose of the program is to improve outcomes for the expanded population of youth at risk of entering the foster care system, by maximizing access to health care ~~and~~, health education, and ~~connecting youth and families~~connection to safety net services. It is the intent of the Legislature for the program to maximize the use of county public health nurses in the field, in order to provide families with children who are at risk of being placed in the child welfare system with preventative services to meet their medical, mental, and behavioral health needs.

(2) The program shall be administered by the Los Angeles County Department of Public Health (DPH), in cooperation with the county's Department of Children and Family Services (DCFS).

(3) Funding appropriated for purposes of the program shall be used for, but not limited to, the following:

(A) Hiring a sufficient number of new public health nurses, with the goal of achieving an average caseload ratio of 200:1.

(B) Hiring additional public health nursing supervisors to provide necessary guidance and support.

(C) Hiring senior and intermediate typist clerks to assist with data entry.

(D) Establishing an accountability mechanism and a shared information and data exchange system.

(b) A county public health nurse providing services under the program may do all of the following:

(1) Respond to emergency response referrals with social workers.

(2) Conduct emergency and routine home visits with social workers.

(3) Educate social workers on behavioral, mental, and physical health conditions.

(4) Identify behavioral and health conditions that social workers are not trained to identify.

(5) Provide followup with families of youth who remain in the home to monitor compliance with the medical, dental, and mental health care plans to promote ~~wellbeing~~well-being and minimize repeat referrals.

(6) Conduct routine followups and monitoring of medically fragile and medically at-risk children and youth in the Family Maintenance and Reunification programs.

(7) Provide parents and guardians with educational tools and resources to ensure the child's physical, mental, and behavioral health needs are being met.

(8) Interpret medical records and reports for social workers.

(c)

(1) ~~The~~ DPH, in cooperation with ~~the~~ DCFS, shall develop appropriate outcome measures to determine the effectiveness of the program, including established triaging tools and visitation protocols, in achieving the objectives described in paragraph (1) of subdivision (a). Commencing ~~on January 1 during the fiscal year when funding has been provided to the DPH by the State Department of Social Services~~January 1, 2021, and each January 1 thereafter, the DPH shall report to the Legislature on the effectiveness of the program using those outcome measures, including any recommendations for continuation or expansion of the program.

(2) A report submitted under this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

(d)

(1) ~~Before January 1, 2021, and to the extent enabled by existing resources or appropriated funds,~~ The State Department of Health Care Services, in consultation with the County of Los Angeles, shall ~~determine the steps required to~~ seek any federal approvals necessary to ~~claim federal financial participation for those allowable Medicaid activities of~~implement the program described in subdivision (a) and shall seek ~~any federal approvals necessary to claim~~to maximize federal financial participation available for ~~those identified Medicaid activities~~this purpose.

(2) ~~The County of Los Angeles shall submit to the State Department of Health Care Services any information deemed relevant to the determination described in paragraph (1) at the time and in the form and manner specified by that department.~~

(3) ~~With respect to any Medicaid activities identified pursuant to paragraph (1) for which federal approval is sought, those activities shall be implemented only to the extent that the State Department of Health Care Services obtains any necessary federal Medicaid approvals.~~

(4) ~~Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this subdivision, in whole or in part, by means of provider bulletins, plan letters, or other similar instructions, without taking any further regulatory action.~~

(e) Contingent upon an appropriation in the annual Budget Act, the State Department of Social Services shall provide funds to ~~the~~ DPH for the purposes described in this section.

(f) Notwithstanding any other law, including the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Contracting Manual, any ~~state~~nonfederal share funds annually appropriated to the State Department of Social Services for the purposes described this section ~~that are not used as the nonfederal share for Medicaid expenditures approved pursuant to subdivision (d)~~ shall be passed through in a single lump-sum to ~~the~~ DPH.

(g)

(1) The implementation of this section shall be suspended on December 31, 2021, unless paragraph (2) applies.

(2) If, in the determination of the Department of Finance, the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 and 2022–23 fiscal years by the sum total of General Fund moneys appropriated for all programs subject to suspension on December 31, 2021, pursuant to the Budget Act of 2019 and the bills providing for appropriations related to

the Budget Act of 2019 within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, then the implementation of this section shall not be suspended pursuant to paragraph (1).

(3) If paragraph (1) applies, it is the intent of the Legislature to consider alternative solutions to facilitate the continued implementation of the program created pursuant to this section.

SEC. 290. Section 17600.50 of the Welfare and Institutions Code is amended to read:

17600.50.

(a) For fiscal years prior to the 2019–20 fiscal year, a county that participated in the County Medical Services Program in the 2011–12 fiscal year, including the Counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Modoc, Mono, Napa, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, and Yuba and the Governing Board of the County Medical Services Program, shall adopt resolutions by January 22, 2014, that confirm acceptance for the following approach to determining payments to the Family Support Subaccount:

(1) The amount of payments to the Family Support Subaccount shall be equal to 60 percent of the sum of the following:

(A) The 1991 health realignment funds that would have otherwise been allocated to the counties listed in this subdivision pursuant to Section 17603 and the maintenance of effort in subdivision (a) of Section 17608.10 for these counties, as those sections read on January 1, 2012, Sections 17604 and 17606.20, as those sections read on August 1, 2017, and Section 17606.10, as it read on July 1, 2013.

(B) The 1991 health realignment funds that would have otherwise been allocated to the County Medical Services Program pursuant to Sections 17603 and 17605.07, as those sections read on January 1, 2012, and Sections 17604 and 17606.20, as those sections read on August 1, 2017.

(2) The payment computed in paragraph (1) shall be achieved through the following:

(A) Each county listed in this subdivision shall pay the amounts otherwise payable to the County Medical Services Program pursuant to paragraph (2) of subdivision (j) of Section 16809 to the Family Support Subaccount.

(B) The County Medical Services Program shall pay the difference between the total computed in paragraph (1) and the amount calculated in subparagraph (A) from funds provided pursuant to this code.

(b) For the 2019–20 fiscal year and each fiscal year thereafter, until the Department of Finance determines that the total reserves of the County Medical Services Program are projected to fall below an amount totaling two fiscal years of total expenditures pursuant to paragraph (1) of subdivision (c), payments to the Family Support Subaccount shall be equal to the sum of the following:

(1)

(A) For the Counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Modoc, Mono, Napa, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, and Yuba the amount otherwise payable to the County Medical Services Program pursuant to paragraph (2) of subdivision (j) of Section 16809.

(B) For the County of Yolo, the amount otherwise payable to the County Medical Services Program pursuant to subparagraph (A) of paragraph (3) of subdivision (j) of Section 16809.

(2) The 1991 health realignment funds that would have otherwise been allocated to the governing board of the County Medical Services Program pursuant to Sections 17603 and 17605.07, as those sections read on January 1, 2012, Section 17604, as it read on August 1, 2017, and Section 17606.20, as it read on August 1, 2019.

(c)

(1) The payment computed in subdivision (b) shall become inoperative for the fiscal year immediately following the determination of the Department of Finance that the total reserves of the County Medical Services Program are projected to fall below an amount totaling two fiscal years of total expenditures.

(2) Beginning the fiscal year immediately following the Department of Finance's determination pursuant to paragraph (1), and each fiscal year thereafter, for a county that participated in the County Medical Services Program in the 2019–20 fiscal year, including the Counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Modoc, Mono, Napa, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, Yolo, and Yuba, and for the governing board of the County Medical Services Program, the following approach shall be utilized to determine payments to the Family Support Subaccount:

(A) The amount of payments to the Family Support Subaccount shall be equal to 60 percent of the sum of the following:

(i) The 1991 health realignment funds that would have otherwise been allocated to the counties listed in this subdivision pursuant to Section 17603 and the maintenance of effort in subdivision (a) of Section 17608.10 for these counties, as those sections read on January 1, 2012, Sections 17604 and 17606.20, as those sections read on August 1, 2017, and Section 17606.10, as it read on July 1, 2013.

(ii) The 1991 health realignment funds that would have otherwise been allocated to the County Medical Services Program pursuant to Sections 17603 and 17605.07, as those sections read on January 1, 2012, and Sections 17604 and 17606.20, as those sections read on August 1, 2017.

(3) The payment computed in paragraph (2) shall be achieved through the following:

(A) Each county listed in paragraph (2) shall pay the amounts otherwise payable to the County Medical Services Program pursuant to paragraphs (2) and (3) of subdivision (j) of Section 16809 to the Family Support Subaccount.

(B) The County Medical Services Program shall pay the difference between the total computed in paragraph (2) and the amount calculated in subparagraph (A) from funds provided pursuant to this code.

(d) The Counties of Fresno, Merced, Orange, Placer, Sacramento, San Diego, San Luis Obispo, Santa Barbara, Santa Cruz, Stanislaus, Tulare, and Yolo shall each tentatively inform the state by November 1, 2013, which of the following options it selects for determining its payments to the Family Support Subaccount. On or before January 22, 2014, the board of supervisors of each county and city and county may adopt a resolution informing the state of the county's or city and county's final selection of the option for determining its payments to the Family Support Subaccount:

(1) The formula detailed in Article 13 (commencing with Section 17613.1).

(2)

(A) A calculation of 60 percent of the total of 1991 health realignment funds that would have otherwise been allocated to that county or city and county pursuant to Section 17603, as it read on January 1, 2012, Sections 17604 and 17606.20, as those sections read on August 1, 2017,

and Section 17606.10, as it read on July 1, 2013, and 60 percent of the maintenance of effort in subdivision (a) of Section 17608.10, as it read on January 1, 2012.

(B) If a county's maintenance of effort in subdivision (a) of Section 17608.10 is greater than 14.6 percent of the total value of the county's 2010–11 allocation pursuant to Sections 17603, 17604, 17606.10, and 17606.20 and subdivision (a) of Section 17608.10, the value of the maintenance of effort used in the calculation in subparagraph (A) shall be limited to 14.6 percent.

(e) The Counties of Alameda, Contra Costa, Kern, Los Angeles, Monterey, Riverside, San Bernardino, San Francisco, San Joaquin, San Mateo, Santa Clara, and Ventura shall each tentatively inform the state by November 1, 2013, which of the following options it selects for determining its payments to the Family Support Subaccount. On or before January 22, 2014, the board of supervisors of each county and city and county may adopt a resolution informing the state of the county's or city and county's final selection of the option for determining its payments to the Family Support Subaccount:

(1) The formula detailed in Article 12 (commencing with Section 17612.1).

(2)

(A) A calculation of 60 percent of the total of 1991 health realignment funds that would have otherwise been allocated to that county or city and county pursuant to Section 17603, as it read on January 1, 2012, Sections 17604 and 17606.20, as those sections read on August 1, 2017, and Section 17606.10, as it read on July 1, 2013, and 60 percent of the maintenance of effort in subdivision (a) of Section 17608.10, as it read on January 1, 2012.

(B) If a county's maintenance of effort in subdivision (a) of Section 17608.10 is greater than 25.9 percent of the total value of the county's 2010–11 fiscal year allocation pursuant to Sections 17603, 17604, 17606.10, and 17606.20, and subdivision (a) of Section 17608.10, the value of the maintenance of effort used in the calculation in subparagraph (A) shall be limited to 25.9 percent.

(f)

(1) If the board of supervisors of a county or city and county fails to adopt a resolution pursuant to subdivision (b) or (c), as applicable, or fails to inform the Director of Health Care Services of the city and ~~county~~county's or county's final selection, by January 22, 2014, the calculation shall be 62.5 percent of the total of 1991 health realignment funds that would have otherwise been allocated to that county or city and county pursuant to Sections 17603, 17604, and 17606.20, as those sections read on January 1, 2012, and Section 17606.10, as it read on July 1, 2013, and 62.5 percent of the maintenance of effort in subdivision (a) of Section 17608.10, as it read on January 1, 2012.

(2) If the County Medical Services Program governing board or the board of supervisors of a county that participates in the County Medical Services Program fails to adopt a resolution pursuant to subdivision (a), or fails to inform the Director of Health Care Services of the county's final selection, by January 22, 2014, then paragraphs (1) and (2) of subdivision (a) apply to the applicable counties and to the County Medical Services Program.

SEC. 291. Section 18285 of the Welfare and Institutions Code is amended to read:

18285.

(a) There is hereby created in the State Treasury the Child Health and Safety Fund for the purposes specified in this section.

(b) Moneys for this fund shall be derived from the license plate program provided for pursuant to Section 5072 of the Vehicle Code and from civil penalties on child daycare facility providers.

(c) Moneys in the fund shall be expended, upon appropriation by the Legislature, for the purposes specified in subdivisions (d), (e), and (f).

(d) Fifty percent of moneys derived from the license plate program pursuant to Section 5072 of the Vehicle Code shall be available, upon appropriation, to the State Department of Social Services for the purpose of administering provisions of Sections 1596.816, 1596.87, 1596.872b, 1596.893b1596.895, 1596.95, 1597.091, 1597.54, 1597.541, 1597.542, 1597.55b and 1597.62 of the Health and Safety Code. Upon appropriation by the Legislature, an additional five hundred one thousand dollars ($501,000), in excess of the 50 percent derived from the license plate program, also shall be made available for these purposes. The State Department of Social Services shall allocate these special funds according to the following priorities:

(1) Site visits performed pursuant to Sections 1597.091 and 1597.55b of the Health and Safety Code.

(2) The monitoring responsibility of the childcare advocate program.

(3) Training for investigative and licensing field staff.

(4) Other aspects of the childcare advocate program performed pursuant to Section 1596.872b of the Health and Safety Code.

(5) The salary of the chief of the ~~child care~~childcare licensing branch.

In order to implement the list of priorities set forth in this subdivision, and to complete implementation of subdivision (a) of Section 1596.816 of the Health and Safety Code, the State Department of Social Services may, as necessary, fund appropriate administrative support costs.

(e) The balance of funds remaining after the appropriations specified in subdivision (d) derived from the license plate program pursuant to Section 5072 of the Vehicle Code shall be available, upon appropriation, for programs that address any of the following child health and safety concerns and that are either to be carried out within a two-year period or whose implementation is dependent upon one-time initial funding:

(1) Child abuse prevention, except that not more than 25 percent of the moneys in this fund shall be used for this purpose. Ninety percent of the 25 percent shall be deposited in the county children's trust fund, established pursuant to Section 18966 of the Welfare and Institutions Code, for the support of child abuse prevention services in the community, and 10 percent of the 25 percent shall be deposited in the State Children's Trust Fund, established pursuant to Section 18969, for public education, training, and technical assistance.

(2) Vehicular safety, including restraint, warnings, and education programs.

(3) Drowning prevention.

(4) Playground safety standards.

(5) Pedestrian Safety.

(6) Bicycle safety.

(7) Gun safety.

(8) Fire safety.

(9) Poison control and safety.

(10) In-home safety.

(11) Childhood poisoning, including from prescription medications, lead, and other toxic substances.

(12) Sleep suffocation and sudden infant death syndrome.

(13) Children left in parked cars and children run over by cars moving forward or backward.

(14) Sports-related concussions, heat stroke, and spinal injury safety.

(f) Moneys derived from civil penalties imposed on daycare ~~care~~ facility providers shall be made available, upon appropriation, to the State Department of Social Services exclusively for the technical assistance, orientation, training, and education of child daycare facility providers.

SEC. 292. Section 18951 of the Welfare and Institutions Code is amended to read:

18951.

As used in this chapter:

(a) "Child" means an individual under 18 years of age.

(b) "Child services" means services for or on behalf of children, and includes the following:

(1) Protective services.

(2) Caretaker services.

(3) Daycare services, including dropoff care.

(4) Homemaker services or family aides.

(5) Counseling services.

(c) "Adult services" means services for or on behalf of a parent of a child, which shall include, but not be limited to, the following:

(1) Access to voluntary placement, long or short term.

(2) Counseling services before and after a crisis.

(3) Homemaker services or family aides.

(d) "Multidisciplinary personnel" means a team of three or more people who are trained in the prevention, identification, management, or treatment of child abuse or neglect cases and who are qualified to provide a broad range of services related to child abuse or neglect. The team may include, but need not be limited to, any of the following:

(1) Psychiatrists, psychologists, marriage and family therapists, clinical social workers, professional clinical counselors, or other trained counseling personnel.

(2) Police officers or other law enforcement agents.

(3) Medical personnel with sufficient training to provide health services.

(4) Social workers with experience or training in child abuse prevention, identification, management, or treatment.

(5) A public or private school teacher, administrative officer, supervisor of child welfare and attendance, or certificated pupil personnel employee.

(6) A CalWORKs case manager whose primary responsibility is to provide cross program case planning and coordination of CalWORKs and child welfare services for those mutual cases or families that may be eligible for CalWORKs services and that, with the informed written consent of the family, receive cross program case planning and coordination.

(7) A representative of a local child abuse prevention council or ~~family strengthening~~family-strengthening organization, including, but not limited to, a family resource center.

(e) "Child abuse" as used in this chapter means a situation in which a child suffers from any one or more of the following:

(1) Serious physical injury inflicted upon the child by other than accidental means.

(2) Harm by reason of intentional neglect or malnutrition or sexual abuse.

(3) Going without necessary and basic physical care.

(4) Willful mental injury, negligent treatment, or maltreatment of a child by a person who is responsible for the child's welfare under circumstances that indicate that the child's health or welfare is harmed or threatened thereby, as determined in accordance with regulations prescribed by the Director of Social Services.

(5) Any condition that results in a violation of the rights or physical, mental, or moral welfare of a child or jeopardizes the child's present or future health, opportunity for normal development, or capacity for independence.

(f) "Parent" means a person who exercises care, custody, and control of the child as established by law.

(g) "Family resource center" means an entity providing family-centered and family-strengthening services that are embedded in communities, culturally sensitive, and include cross-system collaboration to assist in transforming families and communities through reciprocity and asset development based on impact-driven and evidence-informed approaches with the goal of preventing child abuse and neglect and strengthening children and families. A family resource center may be located in, or administered by, different entities, including, but not limited to, a local educational agency, a community resource center, or a neighborhood resource center.

SEC. 293. Section 5.7 of the San Diego Unified Port District Act (Chapter 67 of the Statutes of 1962, First Extraordinary Session), as amended by Section 2 of Chapter 372 of the Statutes of 2019, is amended to read:

Sec. 5.7.

(a) There is hereby granted in trust to the district all the right, title, and interest of the State of California, held by the state by virtue of its sovereignty, in and to all those remaining tidelands and submerged lands not previously granted, whether filled or unfilled, within the San Diego Bay lying northerly of the following described line:

Beginning at NGS monument Road 2 (PID DC1690), thence S 68°07'54" W 8,621.00 feet to NGS monument North Island NAS Shoran Tower (PID DC1727). The basis of bearings of this description is the California Coordinate System of 1983, Zone 6. All distances are grid distances.

(b) The district shall own, operate, and manage the public trust lands granted pursuant to subdivision (a) in accordance with the same terms, trusts, and conditions as the tide and submerged lands otherwise granted under this act.

(c)

(1)

(A)

(i) By June 30, 2020, the district shall transfer to the State Lands Commission the initial sum of four hundred twelve thousand nine hundred three dollars ($412,903) from the revenues generated on the lands granted pursuant to subdivision (a). This initial amount is based on the estimated gross annual revenues generated, as of June 30, 2020, from the lands granted pursuant to subdivision (a).

(ii) By June 30, 2021, and at the end of each fiscal year thereafter, the initial sum required to be transferred pursuant to clause (i) shall be adjusted according to the change in the Consumer Price Index, and that adjusted amount shall be transferred to the State Lands Commission.

(B) If the gross annual revenues generated by the lands granted pursuant to subdivision (a) exceed the amount required to be transferred to the commission pursuant to subparagraph (A),

the district shall, in addition, transfer to the State Lands Commission 20 percent of the total amount of the excess annual gross revenues.

(C) Notwithstanding subparagraph (B), the State Lands Commission may, at its discretion and at a properly noticed public meeting, enter into different revenue sharing agreements, upon proposal by the district, if it finds that the agreement will provide a significant benefit to the public trust and is in the best interests of the state. If the State Lands Commission approves a revenue sharing agreement different from subparagraph (B), the State Lands Commission shall provide notification, in writing or email, to the Assembly Committee on Natural Resources and the Senate Committee on Natural Resources and Water.

(2) Upon receipt of the moneys pursuant to paragraph (1), the State Lands Commission shall allocate 80 percent to the Treasurer for deposit in the General Fund and 20 percent to the Treasurer for deposit in the Land Bank Fund for expenditure pursuant to Division 7 (commencing with Section 8600) of the Public Resources Code for management of the commission's granted lands program.

(d) On or before January 1, 2024, the district shall submit to the State Lands Commission a trust lands use plan for trust lands granted pursuant to this section, describing any proposed development, preservation, or other use of the trust lands. The district shall then submit to the State Lands Commission for its approval any proposed changes to, or amendment to, the trust lands use plan. The State Lands Commission, in its sole discretion, may consider whether the submission of the Port Master Plan, pursuant to Section 19, meets the requirements of, and therefore may be considered, a trust lands use plan for trust lands granted pursuant to this section.

(e) The requirements of Section 6359 of the Public Resources Code do not apply to the trust lands granted pursuant to this section.

SEC. 294. Section *8* of the Santa Clarita Valley Water Agency Act (Chapter 833 of the Statutes of 2017), as amended by Section 1 of Chapter 369 of the Statutes of 2019, is amended to read:

Sec. 8.

(a) The agency shall be governed by a board of directors that shall initially consist of 15 members as follows:

(1) The five members of the Newhall County Water District board of directors in office as of December 31, 2017.

(2) The appointed member representing the purveyor described in subdivision (a) of Section 10 and the nine elected members of the Castaic Lake Water Agency board of directors in office as of December 31, 2017.

(b) Each elected member of the board of directors shall be a resident within the agency's service territory and shall hold office until a successor is elected pursuant to Section 9.

(c) Each of the initial members of the board of directors of the agency, except for the initial appointed member, are deemed to be designated as a director from the electoral division, as described in Section 5, in which the director's residence is located.

(d) Each of the initial members of the board of directors of the agency, except for the initial appointed member, shall hold office as follows:

(1) The initial terms of directors whose respective terms as a member of the Castaic Lake Water Agency or Newhall County Water District board of directors would have expired following the 2018 general election shall expire following the 2020 general election.

(2) The initial terms of directors whose respective terms as a member of the Castaic Lake Water Agency or Newhall County Water District board of directors would have expired following the 2020 general election shall expire following the 2022 general election.

(3)

(A) If any elected initial member of the board of directors of the agency resigns, vacates, or is removed from office before the expiration of the director's initial term, the board of directors may, in its discretion, decide not to appoint a successor and eliminate the seat on the board of directors. The board of directors shall appoint a successor if the electoral division in which the vacancy occurs will have fewer than three members representing the electoral division on the board of directors.

(B) If the elimination of a seat pursuant to subparagraph (A) leaves only one director residing in an electoral division whose term expires following the 2020 general election, and if elimination of the seat occurs before the secretary of the agency provides notice to the county elections official pursuant to Section 10509 of the Elections Code, successors to the initial members of the board of directors shall be determined pursuant to paragraph (2) of subdivision (b) of Section 9.

SEC. 295. Section 69 of Chapter 51 of the Statutes of 2019 is amended to read:

SEC. 69.

Notwithstanding any other law, the Paradise Unified School District may request the County Office Fiscal Crisis and Management Assistance Team to conduct an evaluation of the need for additional funding and statutory changes for the 2021–22 fiscal year as a result of the state of emergency declared by the Governor in November 2018 and provide recommendations to the Department of Finance, the Legislature, and the Superintendent of Public Instruction by October 30, 2020.

SEC. 296. Section 2 of Chapter 193 of the Statutes of 2019 is amended to read:

SEC. 2.

The Legislature finds and declares both of the following:

(a) The amendments to paragraph (1), and subparagraph (A) of paragraph (2), of subdivision (c) of Section 1615 of the Family Code made by this act are declaratory of existing law and do not constitute a change in law.

(b) The addition of subparagraph (B) of paragraph (2) of subdivision (c) of Section 1615 of the Family Code made by this act is intended to supersede, on a prospective basis, the holding in In re Marriage of Cadwell-Faso & Faso (2011) 191 Cal.App.4th 945.

SEC. 297. Section 2 of Chapter 194 of the Statutes of 2019 is amended to read:

SEC. 2.

(a) There is hereby granted and conveyed in trust to the City of Redwood City, in the County of San Mateo, and to its successors, all of the rights, title, and interests of the State of California in certain trust lands, acquired and held by the state acting by and through the State Lands Commission, subject to the common law public trust pursuant to an agreement that was approved as Staff Report C83 of the June 21, 2018, State Lands Commission meeting, as those lands are described as follows:

(1)

(A) All that real property situated in the City of Redwood City, County of San Mateo, State of California, being a portion of the Southwest 1/4 of Section 17, Township 5 South, Range 3 West, Mount Diablo Meridian described as follows:

(B) Portions of Parcels One, Two, and Four of the lands conveyed to the City of Redwood City by Grant Deed recorded June 25, 2009, in Document No. 2009-083463, San Mateo County Records, and being further described as follows:

(i) Beginning at a point on the Southeasterly boundary of said Parcel Two from which the Southerly most corner bears, South 33°39' 00" West, 376.92 feet distant; thence from said point of beginning and along the Southeasterly boundary of said Parcel Two.

(ii) North 33°39' 00" East, 117.55 feet to the Northeasterly most corner of said Parcel Two; thence along the Northerly boundary of said Parcel Two.

(iii) South 83°06' 05" West, 134.63 feet to the Northwesterly corner of said Parcel Two, also being the Southeasterly corner of Parcel Four per said deed; thence along the Easterly boundary of said Parcel Four.

(iv) North 19°32' 24" East, 235.95 feet, plus or minus, to the Northeasterly corner of said Parcel Four on the Northerly bank of Steinberger Creek; thence along the Northerly boundary of said Parcel Four and the Northerly bank of said creek.

(v) North 75°32' 00" West, 242.85 feet to an angle point therein; thence.

(vi) North 54°26' 00" West, 10.83 feet, more or less, to the intersection of the Northerly projection of the line described as, "South 33°39' West 1426.84 feet" in the Partition Deed recorded in Volume 2733 of Official Records, at Page 21, San Mateo County Records (2733-OR-21) with the Northerly bank of said creek; thence leaving the Northerly boundary of said Parcel Four and the Northerly bank of said creek, and along the Northerly prolongation of said line per 2733-OR-21.

(vii) South 33°39' 00" West, 247.03 feet, more or less, to a point on the Southerly boundary of said Parcel Four and the Northerly boundary of said Parcel One; thence continuing along the Northerly prolongation of said line per 2733-OR-21.

(viii) South 33°39' 00" West, 65.33 feet, to a point on a Southwesterly boundary of said Parcel One and the Northeasterly sideline of Maple Street; thence along the Southwesterly boundary of said Parcel One, and the Northeasterly sideline of Maple Street.

(ix) South 56°21' 00" East, 22.02 feet, to the beginning of a tangent curve to the right; thence continuing along said boundary and sideline.

(x) Along said curve to the right having a radius of 75.00 feet, through a central angle of 50°45' 04" , for an arc length of 66.43 feet; thence leaving said boundary and sideline.

(xi) South 82°59' 25" East, 357.92 feet to the Point of Beginning.

(2) Reserving therefrom the 20 foot wide easement for drainage and incidental purposes granted to the City of Redwood City and described in Resolution No. 7474, recorded November 14, 1975, in Book 6984 of Official Records at page 173, San Mateo County Records.

(b) The City of Redwood City shall hold these lands in trust for the same purposes and subject to all the conditions, restrictions, and requirements of Chapter 1359 of the Statutes of 1945, as amended or as may be amended from time to time.

(c) On or before January 1, 2024, the City of Redwood City shall submit to the State Lands Commission a trust lands use plan describing any proposed development, preservation, or other use of the trust lands. The City of Redwood City shall thereafter submit to the State Lands Commission for its approval any proposed changes to, amendments to, or extensions of the trust lands use plan.

(d) The interim trust lease covering these lands between the State Lands Commission and the City of Redwood City shall be terminated on January 1, 2020.

SEC. 298. Section 5 of Chapter 752 of the Statutes of 2019 is amended to read:

SEC. 5.

For purposes of this act, the following definitions apply:

(a) "1852 Grant" means Chapter 107 of the Statutes of 1852.

(b) "1852 Tidelands" means all or any portion of the tidelands granted to the city in trust for the purposes in the 1852 Grant.

(c) "1923 Grant" means Chapter 174 of the Statutes of 1923, as amended.

(d) "1923 Tidelands" means all or any portion of the tidelands or submerged lands granted to the city in trust for the purposes in the 1923 Grant.

(e) "Ballpark and Public Lands Development" or "ballpark project" means a baseball park that shall become the new home to the Oakland Athletics, along with other potentially public trust-consistent uses, such as visitor-serving retail, hotels, public access improvements, visitor-serving or water-oriented recreation, cultural and entertainment uses, and other uses to be developed on the final trust lands at the Howard Terminal property, consistent with the public trust and 1923 Grant, as determined by the commission. The Ballpark and Public Lands Development is a component of the larger Oakland Sports and Mixed-Use Project.

(f) "Bay" means the San Francisco Bay, including the estuary.

(g) "Bay Plan" means the San Francisco Bay Plan as adopted and administered by the San Francisco Bay Conservation and Development Commission pursuant to the McAteer-Petris Act (Title 7.2 (commencing with Section 66600) of the Government Code).

(h) "BCDC" means the San Francisco Bay Conservation and Development Commission.

(i) "BCDC jurisdictional bay fill lands" means those portions of the Howard Terminal property that were part of San Francisco Bay and on which fill was placed for water-oriented port use on or after September 17, 1965, pursuant to Permit No. 13-78 and subsequent permit and amendments issued by BCDC.

(j) "City" means the City of Oakland or the Town of Oakland, as applicable.

(k) "Commission" means the State Lands Commission.

(l) "Estuary" means that arm of San Francisco Bay being a body of tidal water lying between the city on the east and north and the City of Alameda on the west and south.

(m) "Exchange" means all or any of a boundary line agreement, title settlement, trust exchange, or quitclaim at the Howard Terminal property pursuant to Section 6 of this act.

(n) "Final trust lands" means those lands that are subject to the public trust and the terms, conditions, reservations, and restrictions of the 1923 Grant upon completion of an exchange pursuant to this act and other applicable laws.

(o)

(1) "Howard Terminal property" or "property" means the following two areas of real property situated in the City of Oakland, County of Alameda, State of California described as follows:

(A) An approximately 54-acre site located within the port area of the city, including Berths 67 and 68, bounded by the Inner Harbor channel of the estuary to the south, a privately held parcel to the west, Clay Street to the east, and the parallel Union Pacific railroad tracks and Embarcadero West roadway on the north, being more particularly described as follows:

BEING A PORTION OF THE LANDS CONVEYED TO THE CITY OF OAKLAND, A CHARTER CITY AND MUNICIPAL CORPORATION, AND BEING ASSESSOR'S PARCEL NOs. 018-0405-001, A PORTION OF 018-0405-002, 018-0405-003-01, 018-0405-004, 018-0410-001-04, A PORTION OF 018-0410-001-05, 018-0410-003, 018-0410-004, 018-0410-005, 018-0410-006-01, 018-0410-006-02, AND ALSO BEING PORTIONS OF MARKET STREET, MARTIN LUTHER KING JUNIOR WAY, FORMERLY KNOWN AS GROVE STREET, AND JEFFERSON STREET, AND BEING COLLECTIVELY KNOWN AS THE "HOWARD TERMINAL" BEING FURTHER DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE CENTERLINE OF LINDEN STREET PRODUCED SOUTHWESTERLY, FROM WHICH POINT THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, FORMERLY KNOWN AS FIRST STREET (99.99 FEET IN WIDTH), BEARS ALONG SAID PRODUCED CENTERLINE, NORTH 17°06' 12" EAST, 14.00 FEET DISTANT, SAID POINT OF BEGINNING ALSO BEING THE WESTERLY MOST CORNER OF THE LANDS OF THE SOUTHERN PACIFIC COMPANY (S.P.CO.) ALSO KNOWN AS ASSESSOR'S PARCEL NO. 018-0405-003-03; THENCE FROM SAID POINT OF BEGINNING, LEAVING THE PRODUCED CENTERLINE OF LINDEN STREET AND ALONG THE SOUTHWESTERLY BOUNDARY OF SAID LANDS OF S.P.CO. AND THE SOUTHWESTERLY BOUNDARY OF SAID LANDS OF THE CITY OF OAKLAND PER PARCEL 1, DOCUMENT NO. 83-013700, AS FOLLOWS:

(i) SOUTH 72°53' 29" EAST, 190.71 FEET TO AN ANGLE POINT OF SAID PARCEL 1; THENCE ALONG THE SOUTHWESTERLY AND SOUTHEASTERLY BOUNDARIES OF SAID PARCEL 1 THE FOLLOWING THREE COURSES (ii) SOUTH 79°21' 29" EAST, 79.91 FEET TO AN ANGLE POINT, THENCE ALONG A LINE PARALLEL TO AND FIVE FEET SOUTHWESTERLY OF THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (iii) SOUTH 72°53' 29" EAST, 196.00 FEET TO AN ANGLE POINT; THENCE (iv) NORTH 17°06' 31" EAST, 5.00 FEET TO A POINT ON THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, FORMERLY KNOWN AS FIRST STREET, 99.99 FEET IN WIDTH; THENCE LEAVING SAID LANDS OF THE CITY OF OAKLAND AND ALONG THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (v) SOUTH 72°53' 29" EAST, 481.31 FEET TO AN ANGLE POINT THEREIN; THENCE CONTINUING ALONG THE ORIGINAL SIDELINE OF SAID STREET HAVING A WIDTH OF 99.99 FEET (vi) SOUTH 62°35' 14" EAST, 960.57 FEET TO THE NORTHWESTERLY CORNER OF PARCEL THREE OF THE LANDS CONVEYED TO DUKE ENERGY OAKLAND L.L.C., BY GRANT DEED RECORDED JULY 7, 1998, IN DOCUMENT NO. 98235428, ALAMEDA COUNTY RECORDS, ALSO BEING A POINT ON THE SOUTHEASTERLY SIDELINE OF MARTIN LUTHER KING JUNIOR WAY (MLK WAY), FORMERLY KNOWN AS GROVE STREET; THENCE LEAVING THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, AND ALONG THE COMMON BOUNDARY OF SAID PARCEL THREE AND MLK WAY (vii) SOUTH 27°24' 46" WEST, 321.82 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL THREE; THENCE LEAVING THE SOUTHEASTERLY SIDELINE OF MLK WAY AND ALONG THE SOUTHERLY BOUNDARY OF SAID PARCEL THREE (viii) SOUTH 83°41' 08" EAST, 321.57 FEET TO THE NORTHEASTERLY BOUNDARY OF SAID PARCEL THREE AND THE NORTHWESTERLY SIDELINE OF JEFFERSON STREET; THENCE ALONG THE COMMON BOUNDARY OF SAID PARCEL THREE AND JEFFERSON

STREET (ix) NORTH 27°24’ 46” EAST, 206.06 FEET TO THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (99.99 FEET WIDTH); THENCE LEAVING THE COMMON BOUNDARY OF SAID PARCEL THREE AND JEFFERSON STREET, AND ALONG THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (x) SOUTH 62°35’ 14” EAST, 80.49 FEET TO THE SOUTHEASTERLY SIDELINE OF JEFFERSON STREET AND THE NORTHERLY MOST CORNER OF PARCEL TWO OF SAID LANDS CONVEYED TO DUKE ENERGY OAKLAND, L.L.C.; THENCE LEAVING THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, AND ALONG THE COMMON BOUNDARY OF JEFFERSON STREET AND SAID PARCEL TWO (xi) SOUTH 27°24’ 46” WEST, 175.01 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL TWO; THENCE LEAVING THE SOUTHEAST SIDELINE OF JEFFERSON STREET, AND ALONG THE SOUTHERLY BOUNDARY OF PARCEL TWO AND PARCEL ONE OF SAID LANDS CONVEYED TO DUKE ENERGY OAKLAND, L.L.C. (xii) SOUTH 78°39’ 14” EAST, 166.67 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL ONE; THENCE ALONG THE SOUTHEAST BOUNDARY OF SAID PARCEL ONE (xiii) NORTH 27°24’ 46” EAST, 128.88 FEET TO THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (99.99 FEET WIDTH); THENCE LEAVING THE SOUTHEAST BOUNDARY OF SAID PARCEL ONE, AND ALONG THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (xiv) SOUTH 62°35’ 14” EAST, 139.85 FEET TO THE NORTHWESTERLY SIDELINE OF CLAY STREET; THENCE LEAVING THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, AND ALONG THE NORTHWESTERLY SIDELINE OF CLAY STREET AND ITS SOUTHWESTERLY PRODUCTION (xv) SOUTH 27°24’ 46” WEST, 245.03 FEET TO THE QUAY WALL; THENCE ALONG THE QUAY WALL (xvi) NORTH 78°34’ 35” WEST, 272.25 FEET TO AN ANGLE POINT THEREIN; THENCE (xvii) NORTH 84°17’ 17” WEST, 78.84 FEET TO AN ANGLE POINT IN THE SOUTHEASTERLY BOUNDARY OF THE ENVIRONMENTAL RESTRICTION BOUNDARY (ERB) AS SAID RESTRICTION IS SHOWN IN THE COVENANT TO RESTRICT USE OF PROPERTY RECORDED ON MARCH 3, 2003, IN DOCUMENT NO. 2003121181, ALAMEDA COUNTY RECORDS; THENCE ALONG SAID ERB (xviii) SOUTH 48°24’ 27” WEST, 32.88 FEET TO AN ANGLE POINT IN SAID ERB; THENCE (xix) SOUTH 4°17’ 06” WEST, 382.36 FEET TO THE INTERSECTION OF SAID ERB WITH THE OAKLAND PIER-HEAD LINE AND THE EASTERLY PROLONGATION OF THE SOUTHERLY FACE OF THE EXISTING WHARF; THENCE LEAVING SAID ERB AND ALONG SAID OAKLAND PIER-HEAD LINE AND THE EASTERLY PROLONGATION OF THE SOUTHERLY FACE AND THE SOUTHERLY FACE OF THE EXISTING WHARF (xx) NORTH 85°41’ 58” WEST, (AT 1,272.00 FEET LEAVING SAID PIER-HEAD LINE) 1,965.80 FEET TO AN ANGLE POINT IN THE FACE OF THE EXISTING WHARF; THENCE CONTINUING ALONG THE WESTERLY FACE OF THE EXISTING WHARF (xxi) NORTH 4°15’ 12” EAST, 80.41 FEET TO AN ANGLE POINT THEREIN AND THE TOP OF DIKE; THENCE LEAVING THE EDGE OF SAID WHARF OR SAID PIER AND ALONG THE TOP OF DIKE (xxii) NORTH 18°29’ 24” EAST, 208.36 FEET TO AN ANGLE POINT IN SAID TOP OF DIKE, THENCE (xxiii) NORTH 65°44’ 33” WEST, 78.75 FEET TO A SOUTHEASTERLY BOUNDARY OF THE LANDS OF SCHNITZER STEEL PRODUCTS OF CALIFORNIA, INC., AS SHOWN IN THE CORPORATION GRANT DEED RECORDED FEBRUARY 2, 1968, IN REEL 2130, IMAGE 244, ALAMEDA COUNTY RECORDS; THENCE LEAVING SAID TOP OF DIKE AND ALONG

THE SOUTHEASTERLY BOUNDARY OF SAID LANDS OF SCHNITZER STEEL THE FOLLOWING THREE COURSES (xxiv) NORTH 17°06' 03" EAST, 468.47 FEET TO AN ANGLE POINT THEREIN; THENCE (xxv) NORTH 72°53' 29" WEST, 229.79 FEET TO AN ANGLE POINT THEREIN AND A POINT ON THE CENTERLINE OF LINDEN STREET PRODUCED SOUTHWESTERLY; THENCE ALONG SAID CENTERLINE PRODUCED (xxvi) NORTH 17°06' 12" EAST, 634.91 FEET TO THE POINT OF BEGINNING.

(B) The following privately owned properties described to the extent incorporated into the Oakland Sports and Mixed-Use Project bounded by portions of Howard Terminal on the south and the east, Martin Luther King Junior Way on the west, and the parallel Union Pacific railroad tracks and Embarcadero West roadway on the north, described as follows:

BEING A PORTION OF THE LANDS OF DYNEGY OAKLAND, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY, FORMERLY KNOWN AS LSP OAKLAND, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY, THAT ACQUIRED TITLE AS DUKE ENERGY OAKLAND, L.L.C., A DELAWARE LIMITED LIABILITY COMPANY BY GRANT DEED RECORDED JULY 6, 1998, IN DOCUMENT NO. 98235428, ALAMEDA COUNTY RECORDS AND BEING PORTIONS OF ASSESSOR'S PARCEL NOS. 018-0410-007 AND 018-0410-008, AND BEING FURTHER DESCRIBED AS FOLLOWS (BEARINGS AND DISTANCES USED IN THE DESCRIPTION BELOW ARE ON THE CALIFORNIA COORDINATE SYSTEM OF 1983, ZONE 3, USING THE 1984 DATUM (EPOCH), PUBLISHED IN 1986. MULTIPLY DISTANCES SHOWN BY 1.0000703 TO OBTAIN GROUND LEVEL DISTANCES):

PARCEL 1 (APN 018-0410-007) CONTAINING AN AREA OF 1.8179 ACRES OR 79,186 SQUARE FEET, A LITTLE MORE OR LESS: BEGINNING AT A POINT ON THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, FORMERLY KNOWN AS FIRST STREET, 99.99 FEET IN WIDTH, AT A POINT ON THE NORTHWESTERLY BOUNDARY OF PARCEL THREE AS SHOWN IN THE ABOVE-REFERENCED GRANT DEED, ALSO BEING A POINT ON THE SOUTHEASTERLY SIDELINE OF MARTIN LUTHER KING JUNIOR WAY (MLK WAY), FORMERLY KNOWN AS GROVE STREET; THENCE FROM SAID POINT OF BEGINNING, LEAVING THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, AND ALONG THE NORTHWESTERLY BOUNDARY OF SAID PARCEL THREE AND THE SOUTHEASTERLY SIDELINE OF MLK WAY (i) SOUTH 27°24' 46" WEST, 321.82 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL THREE; THENCE LEAVING THE SOUTHEASTERLY SIDELINE OF MLK WAY AND ALONG THE SOUTHERLY BOUNDARY OF SAID PARCEL THREE (ii) SOUTH 83°41' 08" EAST, 321.57 FEET TO THE NORTHEASTERLY BOUNDARY OF SAID PARCEL THREE AND THE NORTHWESTERLY SIDELINE OF JEFFERSON STREET; THENCE ALONG THE COMMON BOUNDARY OF SAID PARCEL THREE AND JEFFERSON STREET (iii) NORTH 27°24' 46" EAST, 206.06 FEET TO THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST; THENCE LEAVING THE COMMON BOUNDARY OF SAID PARCEL THREE AND JEFFERSON STREET, AND ALONG THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (iv) NORTH 62°35' 14" WEST, 300.01 FEET TO THE POINT OF BEGINNING.

PARCEL 2 (APN 018-0410-008) CONTAINING AN AREA OF 0.5587 ACRES OR 24,335 SQUARE FEET, A LITTLE MORE OR LESS: BEGINNING AT A POINT ON THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, FORMERLY KNOWN AS FIRST STREET, 99.99 FEET IN WIDTH, AT A POINT ON THE NORTHWESTERLY BOUNDARY OF PARCEL TWO AS SHOWN IN

THE ABOVE-REFERENCED GRANT DEED, ALSO BEING A POINT ON THE SOUTHEASTERLY SIDELINE OF JEFFERSON STREET; THENCE FROM SAID POINT OF BEGINNING, LEAVING THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, AND ALONG THE NORTHWESTERLY BOUNDARY OF SAID PARCEL TWO AND THE SOUTHEASTERLY SIDELINE OF JEFFERSON STREET (i) SOUTH 27°24' 46" WEST, 175.01 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL TWO; THENCE LEAVING THE SOUTHEAST SIDELINE OF JEFFERSON STREET, AND ALONG THE SOUTHERLY BOUNDARY OF PARCEL TWO AND PARCEL ONE OF SAID LANDS (ii) SOUTH 78°39' 14" EAST, 166.67 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL ONE; THENCE ALONG THE SOUTHEAST BOUNDARY OF SAID PARCEL ONE (iii) NORTH 27°24' 46" EAST, 128.88 FEET TO THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST, 99.99 FEET WIDE; THENCE ALONG THE SOUTHWESTERLY SIDELINE OF EMBARCADERO WEST (iv) NORTH 62°35' 14" WEST, 160.16 FEET TO THE POINT OF BEGINNING.

(2) "Howard Terminal property" or "property" also means modification of the description set forth in paragraph (1) that is approved by the commission and the port to address minor changes or technical corrections.

(p) "Inner Harbor turning basin" means the portion of the estuary adjacent to the southeast corner of the Howard Terminal property and north of the City of Alameda used for the turning of vessels in the estuary, as it currently exists or as may be expanded.

(q) "Legislative grants" means those grants of tidelands and submerged lands by the Legislature to the city in trust for public trust purposes, including the 1852 Grant and the 1923 Grant.

(r) "Liability measures" means measures intended to protect the commission, the state, and public trust funds from increased responsibility or liability associated with hazardous materials at, on, or under, the Howard Terminal property. Liability measures may include, without limitation, the commission's right to approve the remedial plan, applicable indemnities, or insurance policies.

(s) "Maritime reservation area" means an area located within the southwest corner of Howard Terminal reserved by the port under transaction documents for the Oakland Sports and Mixed-Use Project to accommodate a potential expansion or reconfiguration of the Inner Harbor turning basin.

(t) "Oakland Sports and Mixed-Use Project" has the meaning defined in Section 21168.6.7 of the Public Resources Code. The Oakland Sports and Mixed-Use Project includes the Ballpark and Public Lands Development.

(u) "Port" means the Port of Oakland established by the charter of the city, exclusive control and management of which the charter of the city vests in the board of port commissioners, acting pursuant to city charter as the trustee for the lands granted pursuant to the legislative grants and any improvements or related assets and any other lands owned by the city that are located in the port area, including any portion of the Rancho Uplands within the port area, or any successor trustee for those lands.

(v) "Port area" means lands that are under the jurisdiction of the board of port commissioners for the port in accordance with the charter of the city.

(w) "Public trust" or "trust" means the constitutional and common law doctrine providing the state's sovereign authority over the navigable waters of the state, including the tidelands and submerged lands underlying those waters that are held in trust for the benefit of all the people of the state and for purposes that include maritime or water-dependent commerce, navigation, fisheries, the preservation of the lands in their natural state for scientific study, open space, wildlife habitat, and water-oriented recreation.

(x) “Rancho Uplands” means lands within the Howard Terminal property that were never owned by the state, were within the rancho grant confirmed and patented by the United States to Vincente and Domingo Peralta, and are generally located landward of the ordinary high water mark in its last natural location.

(y) “Remedial plan” means the written plan approved by the Department of Toxic Substances Control acting as the oversight agency for investigation and remediation of hazardous materials at, on, or under the Howard Terminal property, including the establishment of screening and remediation goals therefor.

(z) “Seaport Plan” means the San Francisco Bay Area Seaport Plan adopted by BCDC and the Metropolitan Transportation Commission, as updated April 18, 1996, and amended through January 2012, and as may be amended from time to time.

(aa) “Trust termination lands” means those portions of the 1852 Tidelands, Rancho Uplands, the 1923 Tidelands, or interests in those lands, approved by the commission that meet the criteria set forth in Section 6 of this act for lands to be removed from the public trust and the terms, conditions, reservations, and restrictions of the legislative grants.

SEC. 299. Section 7 of Chapter 752 of the Statutes of 2019 is amended to read:

SEC. 7.

(a) The commission is authorized to approve a Ballpark and Public Lands Development on the final trust lands that meets the requirements of this act. The commission shall not approve the Ballpark and Public Lands Development unless it finds that all of the following conditions have been met:

(1) The ballpark project is designed to attract the statewide public to the waterfront, increase public enjoyment of the waterfront, encourage public trust activities, and maximize public use of trust assets and resources on the waterfront.

(2) The project provides multiple significant views to the public of the estuary, the San Francisco skyline, and the port’s working waterfront from a variety of elevations and vantage points within the baseball park, including significant views from various seating and viewing areas. An upper-level area around the perimeter of the baseball park will be publicly accessible year-round on nongame and nonevent days. To encourage the statewide public to visit the waterfront, the ballpark design shall provide free public views of the field from the outside, and the ballpark operator shall be required to allow the public to view the field from outside areas during games and events.

(3) The ballpark project allows and promotes free public access to exterior portions of the baseball park and to areas from which the public can view the estuary and the port’s working waterfront, subject to reasonable limitations based on security.

(4) Buildings, other than the ballpark, that are located on the BCDC jurisdictional bay fill lands are designed to allow significant and important views from the upper-level park, such as views of the bay, the estuary, the San Francisco skyline, and the port’s working waterfront.

(5) The ballpark project includes significant public plazas open to the public year-round, including on game and event days, that can be accessed via public pedestrian promenades at the site that encourage public use of the Howard Terminal property and provide a variety of views of the estuary, the San Francisco skyline, and the port’s working waterfront.

(6) The ballpark project will not involve any new fill that would reduce the existing surface area of the bay other than minor improvements to improve public access and access to the water.

(7) The design, construction, and operation of the ballpark project will not interfere with navigation of commercial vessels or the operations of the San Francisco Bar Pilots in piloting those vessels, the safe operation of ongoing maritime activities in navigable waters, or the construction and operation of a potentially expanded Inner Harbor turning basin.

(8) The ballpark project includes continuous public access along the estuary frontage of the Howard Terminal property that is open to the public year-round and includes an interpretive program to enhance the public's enjoyment and connection with the port's maritime history.

(9) Public trust-consistent events, uses, and programming are offered regularly, including free and low-cost visitor-serving events.

(10) A public community room will be made available within the ballpark project for free or low cost to the statewide public, without preference to local residents or organizations, if the commission or BCDC finds that there is a demand or need for those facilities.

(11) The Oakland Sports and Mixed-Use Project will allow for hotels and other overnight accommodations, such as hostels or other lower cost accommodations, and visitor-serving uses that will materially enhance public access and public trust uses on the Howard Terminal property.

(12) Accessory office use within the ballpark project shall be occupied only by public trust-consistent tenants that may include the primary tenants and users of the ballpark project, and office space necessary for the operation and management of the open space and other public facilities on the ballpark project, except that small amounts of incidental nonpublic trust uses located on floors above the ground floor of the ballpark project may be provided, with the maximum amount of those uses be approved by the commission.

(13) A notice of determination for the Oakland Sports and Mixed-Use Project has been filed pursuant to the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), and the city or the port has given the project its necessary local discretionary approvals, each following at least one public hearing, and the approvals include an enforceable comprehensive package of community benefits consistent with Section 21168.6.7 of the Public Resources Code.

(14) A major permit application for the Oakland Sports and Mixed-Use Project has been submitted to BCDC.

(15) If the public lands development is approved and constructed on Howard Terminal property, the port shall submit and present at a properly noticed public commission meeting a trust program report no later than one year from the date of the opening of the ballpark project, and every five years thereafter through the term of the ground lease for the ballpark project, that contains the following information:

(A) A list and description of the trust-related events and the programming that have occurred at the Ballpark and Public Lands Development over the preceding one-year or five-year period, including the dates on which the events occurred, and identifying free or low-cost visitor-serving events.

(B) A detailed narrative statement regarding the uses of the Ballpark and Public Lands Development, including a list of subtenants.

(C) Any other information specifically requested by the commission that pertains to the program of trust uses for the ballpark project.

(16) In consideration of the conditions described in paragraphs (1) to (15), inclusive, and all other relevant information known to the commission, the ballpark project is otherwise consistent with the public trust and the terms, conditions, reservations, and restrictions of the legislative grants.

(17) The ballpark project is in the best interests of the state.

(b) Notwithstanding the 1923 Grant, the ballpark project shall be an allowed use of the final trust lands if the commission approves the project pursuant to subdivision (a).

(c) Commission staff shall coordinate and consult with BCDC staff to ensure that all appropriate information is available to the commission for its consideration of the conditions in subdivision (a). The

commission and BCDC shall closely coordinate the scheduling of public meetings related to the determinations under this act.

(d) Notwithstanding subdivision (a), if the port and the Oakland Athletics do not enter into a binding agreement that allows for the construction of the Oakland Sports and Mixed-Use Project on the Howard Terminal property or if the agreement is terminated before construction has commenced on all or any portion of the Howard Terminal property, then the port may use and operate any portion of the Howard Terminal property pursuant to the 1923 Grant and for any trust consistent use, including marine terminal and ancillary uses, without further approvals or restriction in place on the Oakland Sports and Mixed-Use Project.

SEC. 300. Section 8 of Chapter 752 of the Statutes of 2019 is amended to read:

SEC. 8.

The Legislature, in the exercise of its retained power as trustee of the public trust, and in view of the unique circumstances existing at the Howard Terminal property, hereby authorizes the following:

(a) BCDC shall determine by February 28, 2020, or 140 days after the certification by the city of a project-level environmental impact report for the Oakland Sports and Mixed-Use Project, whichever is later, whether the Howard Terminal property and adjacent areas designated for port priority use, or portions of them, are no longer required for port priority use and shall be deemed free of the port priority use area designation for purposes of the Oakland Sports and Mixed-Use Project, or whether these areas are needed for port priority use and should continue in port priority use designation. If BCDC determines that these areas are no longer required for port priority use, BCDC and the Metropolitan Transportation Commission shall reprint the Seaport Plan and Bay Plan to reflect deletion of the port priority use designation on these areas.

(b) Notwithstanding subdivision (a), if the port and the Oakland Athletics have not entered into a binding agreement by January 1, 2025, that allows for the construction of the Oakland Sports and Mixed-Use Project, the port priority use designation shall be automatically reinstated on the Howard Terminal property as if it had not been deleted pursuant to BCDC's Seaport Plan and Bay Plan amendment process. If the port and the Oakland Athletics have entered into a binding agreement by January 1, 2025, that allows for the development of the project, but that agreement is subsequently terminated before construction has commenced on all or any portion of the Howard Terminal property, then the port priority use designation shall be automatically reinstated, if it had previously been deleted pursuant to BCDC's Seaport Plan and Bay Plan amendment process, on the undeveloped portions of the Howard Terminal property for which the agreement has terminated. In either case, BCDC and the Metropolitan Transportation Commission shall reprint the Seaport Plan and the Bay Plan to reflect the reinstatement of the port priority use designation on the applicable areas, but this subdivision shall apply regardless of whether the conforming changes have been made.

(c) Except as otherwise provided, this section does not limit the authority or the discretion of BCDC to consider amendments to the Seaport Plan or the Bay Plan to retain or remove Seaport Plan or Bay Plan port priority use designations from the Howard Terminal property and adjacent areas currently designated for port priority use.

SEC. 301. Section 9 of Chapter 752 of the Statutes of 2019 is amended to read:

SEC. 9.

(a) The Legislature finds and declares that unique circumstances exist at the site to be used for the Oakland Sports and Mixed-Use Project, including that the BCDC jurisdictional bay fill land, while still considered to be a part of the bay were filled for port use, and that considerable public benefits could be realized by the Oakland Sports and Mixed-Use Project.

(b) In light of subdivision (a), in the exercise of its retained powers as trustee of the public trust, the Legislature hereby authorizes BCDC, in considering permits for those aspects of the Oakland Sports and Mixed-Use Project that lie within BCDC's jurisdiction, to find that the ballpark, public trust, and public open-space uses that lie within the BCDC jurisdictional bay fill lands are water-oriented uses within the meaning of subdivision (a) of Section 66605 of the Government Code if BCDC finds, at a properly noticed public meeting, that all of the following conditions exist, and further provided that BCDC shall not issue permits for those aspects of the Oakland Sports and Mixed-Use Project that lie within BCDC's jurisdiction unless it finds that all of following conditions are met:

(1) The ballpark stadium has been designed using the bay as a design asset to attract large numbers of people to enjoy the bay, including a substantial quantity of high-quality open space and public access that serves the surrounding district and the region, and view of the bay from a rooftop park ringing the top of the stadium that will be publicly accessible on nongame and nonevent days subject to reasonable limitations based on security.

(2) Buildings on BCDC jurisdictional bay fill lands other than the ballpark stadium are designed using the bay as a design asset, including providing water views from public spaces within and around those buildings.

(3) Buildings developed on BCDC jurisdictional bay fill lands are designed to allow for significant and important view from the upper-level park within the ballpark stadium, such as views of the bay, the estuary, the San Francisco skyline, and the port's working waterfront.

(4) Public trust uses on BCDC jurisdictional bay fill lands are designed to promote activation of the adjacent public open spaces, significantly contribute to the public's use and enjoyment of the waterfront, and enhance rather than privatize the public realm.

(c) The Legislature further authorizes BCDC to grant a permit for those aspects of the Oakland Sports and Mixed-Use Project that lie within BCDC jurisdiction, including the substantial change of use of the BCDC jurisdictional bay fill lands, notwithstanding the findings and declarations set forth in subdivisions (b), (c), (d), and (f) of Section 66605 of the Government Code and the San Francisco Bay Plan policies on "Fills in Accord with Bay Plan," "Fill for Bay-Oriented Commercial Recreation and Bay-Oriented Public Assembly on Privately-Owned or Publicly-Owned Property," and "Filling for Public Trust Uses on Publicly-Owned Property Granted in Trust to a Public Agency by the Legislature," if BCDC finds, at a properly noticed public meeting, that the Oakland Sports and Mixed-Use Project is otherwise consistent with all other applicable BCDC laws and policies and both of the following:

(1) The Oakland Sports and Mixed-Use Project will provide a substantial quantity of high-quality open space and public access, and will provide the public with views from and along major thoroughfares that invite the public to the waterfront.

(2) The Oakland Sports and Mixed-Use Project will provide significant pedestrian and bicycle improvements both onsite and offsite in the vicinity of the project site to promote and encourage public access to, and public assembly at, the shoreline of the bay.

(d) This act does not limit the authority or discretion of BCDC to approve or deny permits for those aspects of the Oakland Sports and Mixed-Use Project described in this act that are within BCDC's jurisdiction in a manner consistent with the McAteer-Petris Act (Title 7.2 (commencing with Section 66600) of the Government Code) and the Bay Plan except as otherwise provided in this act, including the authority and discretion of BCDC to impose terms and conditions on the permits for the project.

(e) BCDC's findings pursuant to this section shall be made independently from the commission's findings pursuant to Sections 6 and 7 of this act.

SEC. 302. Section 11 of Chapter 752 of the Statutes of 2019 is amended to read:

SEC. 11.

Any exchange entered into pursuant to Section 6 of this act shall be conclusively presumed valid unless held to be invalid in an appropriate proceeding in a court of competent jurisdiction to determine the validity of the transaction commenced within 60 days after the recording of the exchange.

SEC. 303. Section 1 of Chapter 819 of the Statutes of 2019 is amended to read:

SECTION 1.

The Legislature finds and declares all of the following:

(a) The state has a goal to deploy 1.5 million zero-emission vehicles by 2025, and 5 million by 2030, respectively.

(b) The California Energy Commission's Electric Vehicle Infrastructure Projection modeling tool has determined 250,000 electric vehicle charging stations, inclusive of 10,000 DC fast chargers, are needed by 2025 to support the 2025 zero-emission vehicle deployment goal.

(c) To date, approximately 18,000 public charging stations, including approximately 2,700 DC fast chargers, have been installed in the state.

(d) The California Green Building Standards Code specifies the standards for the construction of California's buildings, including the infrastructure necessary to support the future installation of electric vehicle supply equipment.

(e) The California Green Building Standards Code currently does not define electric vehicle charging stations as parking spaces, despite the fact that these electric vehicles can be parked at a charging space for a lengthy period of time.

(f) Some local governments have required developers of electric vehicle supply equipment to construct additional parking spaces to comply with locally mandated minimum parking requirements.

(g) The requirement to construct additional parking spaces can run counter to state environmental goals, is costly and often technically infeasible, and creates an artificial barrier to electric vehicle charging station deployment.

(h) Some local jurisdictions, including the Counties of Los Angeles, Sonoma, and Sacramento, and the Cities of Stockton, West Hollywood, Santa Barbara, and Pleasanton, have enacted ordinances to count electric vehicle charging spaces as one or more parking spaces for purposes of required parking.

(i) California must reduce unnecessary and arbitrary barriers to electric vehicle charging station deployment to support its 2025 and 2030 zero-emission vehicle deployment goals.

SEC. 304.

Any section of any act enacted by the Legislature during the 2020 calendar year that takes effect on or before January 1, 2021, and that amends, amends and renumbers, adds, repeals and adds, or repeals a section that is amended, amended and renumbered, added, repealed and added, or repealed by this act, shall prevail over this act, whether that act is enacted before, or subsequent to, the enactment of this act.

History

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Sponsor

Judiciary

End of Document