

2014 New Laws Affecting REALTORS®

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This chart summarizes new laws passed by the California Legislature during the first half of the 2013-14 legislative session and the U.S. Congress that may affect, or otherwise be interesting to REALTORS®. Although this webpage is entitled "2014 Laws", some of the laws contained in this list may have already come into effect in 2013 or not be effective until after 2014. For the full text of any law, click on the legislative number shown, or go to <http://leginfo.legislature.ca.gov/> for California laws or <http://www.gpo.gov/fdsys/> for federal laws.

Topic	Description
Adjoining Owners	<p>Adjoining Owners Equally Responsible for Shared Fences and Boundaries</p> <p>Adjoining landowners, with properties contiguous or in contact with each another, must share equally the responsibility for maintaining boundaries and monuments between them. Adjoining landowners are presumed to share an equal benefit from any fence dividing their properties, and unless otherwise agreed in writing, are presumed to be equally responsible for the reasonable costs of construction, maintenance, or necessary replacement of the fence. A landowner must give each affected adjoining landowner a 30-day prior written notice of any intent to incur costs for a division fence. The notice of intent must include the following: (1) a notice of the presumption of equal responsibility for the reasonable costs of construction, maintenance, or necessary replacement of the fence; (2) a description of the nature of the problem with the shared fence; (3) the proposed solution for the problem; (4) the estimated construction or maintenance costs to address the problem; (5) the proposed cost sharing approach; and (6) the proposed timeline for addressing the problem. An adjoining landowner can overcome the presumption mentioned by demonstrating by a preponderance of the evidence that imposing equal responsibility would be unjust. To determine whether equal responsibility for the reasonable costs would be unjust, a court will consider the following: (1) whether the financial burden on one landowner is substantially disproportionate to the benefit conferred upon that landowner by the fence; (2) whether the cost of the fence would exceed the difference in the value of the property before and after its installation; (3) whether the financial burden to one landlord would impose an undue financial hardship given that party's financial circumstances as demonstrated by reasonable proof; (4) the reasonableness of a particular construction or maintenance project, including the extent to which the costs appear to be unnecessary, excessive, or the result of one landowner's personal aesthetic, architectural, or other preferences; and (5) any other equitable factors appropriate under the circumstances. This law does not apply to a city, county, political subdivision, public body, or public agency. Existing law enacted in 1872 which requires a homeowner who fully encloses a property to refund a neighbor a just proportion of the value of a division fence has been repealed.</p> <p>Assembly Bill 1404 (codified as Cal. Civil Code § 841) (effective January 1, 2014).</p>

Advertising	<p>Literal Translation of “Notary Public” in Ads Prohibited</p> <p>Any person who is not an attorney is guilty of the unauthorized practice of law for literally translating from English into another language any words that imply that the person is an attorney, including “notary public,” “notary,” “licensed,” “attorney,” or “lawyer,” in any advertisement or other document (Cal. Bus. & Prof. Code § 6126.7(a)). The literal translation of the phrase “notary public” into Spanish as “notario publico” or “notario” are explicitly prohibited by anyone other than an attorney (Cal. Bus. & Prof. Code § 6126.7(a)). A person who violates this law may be held liable in a civil action brought by the State Bar for a penalty up to \$1,000 per day for each violation (Cal. Bus. & Prof. Code § 6126.7(c)). The civil penalty is in addition to any other remedies, including criminal prosecution for a misdemeanor punishable by one year imprisonment, plus a \$1,000 fine (Cal. Bus. & Prof. Code § 6126). The State Bar may allocate civil penalties collected under this law to a fund for immigration related issues as specified (Cal. Bus. & Prof. Code § 6126.7(c)(5)).</p> <p>Assembly Bill 1159 (codified as Cal. Bus. & Prof. Code § 6126.7) (effective October 5, 2013).</p>
Advertising	<p>Advertising Government Terms and Symbols</p> <p>Any person or nongovernmental entity is generally prohibited from using any seal, emblem, insignia, trade or brand name, or any other term, symbol, or content that reasonably could be interpreted or construed as implying any federal, state, or local government, military veteran entity, or military or veteran service organization connection, approval, or endorsement of any product or services. This law applies to, among other things, any financial product, goods, or services, by any means, including a mailing, electronic message, website, magazine, or T.V. commercial disseminated in California. However, such term, symbol, or content may be used if the person or nongovernmental entity has an expressed connection with, or the approval or endorsement of, the government or military or veteran entity. With an expressed connection, approval, or endorsement, and if otherwise permitted by law, a person or nongovernmental entity may use such term, symbol, or content for advertising or promoting an event, presentation, seminar, workshop, or other public gathering, for soliciting the purchase or payment of a product or service as specified, or for soliciting the contribution of funds or membership fees as specified, including a mailing, electronic message, website, magazine, or T.V. commercial disseminated in California.</p> <p>Senate Bill 272 (codified as Cal. Bus. & Prof. Code § 17533.6)(effective January 1, 2014).</p>
Advertising	<p>Penalties for Mobile Advertising Billboard Violations</p> <p>Under existing law, a local authority may adopt an ordinance to regulate mobile billboard advertising displays and enforce any violation of the ordinance by requiring the removal of the mobile billboard advertising display and imposing misdemeanor criminal penalties. The new law authorizes the local authority to also impose civil penalties for a violation of an ordinance. A “mobile billboard advertising display” is an advertising display attached to a mobile, non-motorized vehicle, device, or bicycle, that carries or transports a sign or billboard (Cal. Vehicle Code § 395.5).</p> <p>Assembly Bill 1253 (codified as Cal. Vehicle Code § 21100(m)) (effective January 1, 2014).</p>

Advertising	<p>Advertising Displays at Sports Arenas and Transit Facilities</p> <p>Existing law under the Outdoor Advertising Act that regulates advertising displays within view of public highways provides an exemption for, among other things, a professional sports arena located on public land with a capacity of 5,000 or more seats. Senate Bill 31 revises this exemption to apply to a professional sports arena with a capacity of not 5,000, but 15,000 seats or more, or a contiguous project as specified. Senate Bill 694 provides another exemption for an advertising display in a multimodal transit facility on public property. These two new laws generally allow these venues to advertise, on advertising displays as authorized by local ordinance, certain products, goods, or services, but not tobacco, firearms, or sexually explicit material. The new laws also set forth various other requirements for advertising displays. As a side note, existing law already exempts advertisements for the sale, lease or exchange of real property from these advertising display requirements (Cal. Bus. & Prof. Code § 5272(a)(1)).</p> <p>Senate Bills 31 and 694 (Cal. Bus. & Prof. Code § 5272) (effective January 1, 2014).</p>
Animals	<p>Criminal Grand Theft of Livestock Broadened</p> <p>Under existing law, grand theft is committed if someone takes certain animals, namely a horse, mare, gelding, bovine animal, caprine animal, mule, jack, jenny, sheep, lamb, hog, sow, boar, gilt, barrow, or pig (including certain carcasses). The new law expands the crime of grand theft to include anyone who feloniously steals, takes, carries, leads, or drives away any of these animals belonging to another, fraudulently appropriates the animal entrusted to him or her, or fraudulently obtains possession of the animal. Grand theft of such animal is a misdemeanor or a felony punishable by one year imprisonment, plus a fine of \$5,000. The proceeds of such fine will be allocated to the Bureau of Livestock Identification for the investigation of cases involving the grand theft of animals as specified.</p> <p>Assembly Bill 924 (codified as Cal. Penal Code §§ 487a and 489) (effective January 1, 2014).</p>
Animals	<p>Public Dog Parks Not Liable for Injury Caused by Dogs</p> <p>A city, county, or other public entity that owns or operates a dog park is not liable for injury to, or death of, a person or pet resulting solely from the actions of a dog in a dog park. As background, existing law provides that the owner of any dog is liable for damages suffered by any person bitten by a dog while in a public place or lawfully in a private place (Cal. Civil Code § 3342).</p> <p>Assembly Bill 265 (codified as Cal. Gov't Code § 831.7.5) (effective January 1, 2014).</p>
Attorneys	<p>Lawful Presence in U.S. Not License Requirement</p> <p>The California Supreme Court has the authority to approve an application for admission to practice law for someone who is not lawfully present in the United States. If an applicant fulfills the other requirements for admission to practice law, the Supreme Court can admit that applicant not lawfully present in the U.S. as an attorney at law in all courts of this state.</p> <p>Assembly Bill 1024 (codified as Cal. Bus. & Prof. Code § 6064) (effective January 1, 2014).</p>
Attorneys	<p>Disbarment for Threatening to Report Immigration Status of Witness or Litigating Party</p> <p>An attorney can be disciplined or disbarred if, because a witness or party exercises his or her right related to employment, the attorney reports or threatens to report to a government agency the suspected immigration status of the witness or party (or the witness's or party's family member) involved in a civil or administrative action.</p> <p>Senate Bill 666 (codified as Cal. Bus. & Prof. Code § 6103.7) (effective January 1, 2014).</p>

Attorneys	<p>Communications with Lawyer Referral Service Are Confidential</p> <p>The attorney-client privilege against disclosure of confidential communications made to an attorney has been extended to include communications with a certified lawyer referral service as defined for purposes of retaining a lawyer or securing legal advice. The holder of the privilege can waive the protection by consenting to disclosure, failing to claim the privilege in a legal proceeding, or disclosing a significant part of the communication. The privilege does not apply if someone seeks to commit a crime or fraud, or if the staff person of the lawyer referral service reasonably believes that disclosure of the confidential communication is necessary to prevent a criminal act likely to result in someone's death or substantial bodily harm.</p> <p>Assembly Bill 267 (codified as Cal. Evidence Code §§ 912 and 965, et seq.) (effective January 1, 2014).</p>
Businesses	<p>Opportunity for a Business to Correct Prop 65 Violation</p> <p>A person pursuing an enforcement action in the public interest for certain Proposition 65 violations must first provide the business alleged to be in violation with an opportunity to correct as specified. As background, Proposition 65 (also known as the Safe Drinking Water and Toxic Enforcement Act of 1986) generally requires a business that employs 10 or more employees to post a clear and reasonable warning about any exposure to chemicals known to the state to cause cancer or reproductive toxicity (Cal. Health & Safety Code §§ 25249.6 and 25249.11(b)). The new law only affects the following types of exposure as specified: (1) Alcoholic beverages; (2) Chemicals in a food or beverage prepared and sold on the premises; (3) Tobacco smoke; and (4) Engine exhaust in a parking lot. Under the new law, a person cannot file an enforcement action in the public interest or receive a settlement payment for the above-mentioned exposures until service, on or after October 5, 2013, of a specified notice of the alleged failure to post a warning. The business must be given 14 days after receiving the notice to correct the alleged violation, pay a civil penalty of \$500 per facility or premises, and notify the complaining party that the violation has been corrected. The penalty must be paid to the complaining party within 30 days of service of the notice, and the complaining party must, in turn, remit 75% of the penalty due to the Safe Drinking Water and Toxic Enforcement Fund within 30 days of receipt of the funds. A business can only avail itself of these procedural safeguards once for a violation arising from the same exposure in the same facility or premises. Compliance with these procedural safeguards does not prevent the Attorney General, district attorney, city attorney, or prosecutor from pursuing an enforcement action, but any civil penalty imposed will be reduced by any payment already made for an alleged violation. The Judicial Council must, on April 1, 2019 and every 5 years thereafter, adjust the \$500 civil penalty based on the annual Consumer Price Index for All Urban Consumers as specified. Assembly Bill 227 (codified Cal. Health & Safety Code § 25249.7) (effective October 5, 2013).</p>

Businesses	<p>Hiring and Tax Credits for California Businesses</p> <p>The Governor's Economic Development Initiative has been enacted to help create jobs with middle class wages and benefits and improve the state's business climate through hiring credits for businesses, tax credits under the California Competes Investment Incentives program, and a sales and use tax exemption for biotech and manufacturing equipment. The hiring credits will be for businesses that, starting January 1, 2014, hire additional employees in defined geographic areas with high unemployment and poverty rates. The credit percentage will generally be 35% per year for wages 150% to 350% of the minimum wage for certain employees as defined. The hiring credits will expire on December 31, 2020. The California Competes Investment Incentives is a newly established program that allows businesses to compete for up to \$30 million in available funds based on the number of job created and retained, wages those jobs pay, job retention period, and other factors. This tax credit will expire on December 31, 2024. Assembly Bill 93 and Senate Bill 90 (codified as various statutes) (effective July 11, 2013).</p>
Businesses	<p>Modernization of Unified Hazardous Materials Management</p> <p>Businesses that handle certain hazardous materials as defined must establish and implement a business plan and comply with other requirements for emergency response to a release or threatened release of hazardous materials. Certain businesses are exempt, such as farms as specified (Cal. Health & Safety Code § 25507.1) and unstaffed remote facilities (Cal. Health & Safety Code § 25507.2). A business under this program must submit its business plan and certification of compliance to a statewide information management system, as well as review and certify that the information is correct at least once every 12 months thereafter (Cal. Health & Safety Code §§ 25508 and 25508.2). The business plan must include an annual inventory of hazardous substances or chemical products handled by the business, including, but not limited to, the maximum amount of each product, the manner each product is handled, and the name and phone number of the person representing the business in the event of an emergency during nonbusiness hours (Cal. Health & Safety Code § 25506). The unified program agency designated to enforce this program will conduct inspections of every business once every 3 years (Cal. Health & Safety Code § 25511). A business required to have a business plan under this law that is located on leased or rented real property must give written notice to the property owner that the business is subject to and has complied with this law (Cal. Health & Safety Code § 25505.1). Upon the request of an owner or owner's agent, the business must provide a copy of the business plan within 5 working days to the owner or owner's agent (Cal. Health & Safety Code § 25505.1). Senate Bill 483 (codified as Cal. Health & Safety Code §§ 25500, et seq.) (effective January 1, 2014).</p>

Businesses	<p>Emergency Preparedness for Corporations</p> <p>To conduct ordinary business operations and affairs in anticipation of or during an emergency, a corporation is authorized to modify lines of succession to accommodate the incapacity of any director, officer, employee, or agent resulting from the emergency, and to relocate the principal office, designate alternative offices, or authorize the officers to do so. Furthermore, during an emergency, a corporation can give notices to directors in any practicable manner if notice cannot be given in the manner specified in the bylaws, and can also deem that one or more officers at a board meeting is a director to achieve a quorum as specified. A corporation cannot take any action that requires a shareholders' vote or is not in the ordinary course of business unless the required shareholders' vote was obtained before the emergency. A corporation can adopt bylaws to manage and conduct ordinary business affairs during an emergency. Actions taken in good faith under this law bind the corporation and cannot be used to impose liability upon a corporate director, officer, employee, or agent. An "emergency" for purposes of this law is a natural disaster, an enemy attack on the state or nation, an act of terrorism, or a state of emergency proclaimed by the Governor or President.</p> <p>Assembly Bill 491 (codified as Cal. Corp. Code §§ 207 and 212) (effective January 1, 2014).</p>
Businesses	<p>\$1.6 Million Allocated to Expedite Business Filings</p> <p>\$1.6 million in additional funds has been allocated to the Secretary of State to expedite the processing time for the backlog of business filings, such as documents to establish business organizations, change governance structures, or inform the public regarding status as a domestic or foreign corporation. The Secretary of State must also provide monthly progress reports to the Joint Legislative Budget Committee.</p> <p>Assembly Bill 113 (amending Items 0890-001-0001 and 0890-001-0228 of section 2.00 of the Budget Act of 2012) (effective May 1, 2013).</p>
Businesses	<p>Revised Disclosure Requirement for Franchise Agreement</p> <p>The existing Franchise Investment Law that requires certain disclosures when offering and selling franchises has been revised. Under the existing law, a franchisor must, unless exempt, provide a written disclosure of certain information to each prospective franchisee at least 10 business days before entering into a franchise agreement. The new law changes the time frame of "10 business days" to "14 days." The new law also changes the term "offering circular" to "franchise disclosure document."</p> <p>Senate Bill 537 (codified as Cal. Corp. Code §§ 31101 and 31107, et seq.) (effective January 1, 2014).</p>
Community Care Facilities	<p>Group Home for Runaway and Homeless Youth</p> <p>A "runaway and homeless youth shelter" has been added to the types of group homes licensed and regulated under the California Community Care Facilities Act. A "runaway and homeless youth shelter" is a group home that provides voluntary, short-term, shelter and personal services to a maximum of 25 runaway or homeless youths as defined. As background, in light of policy reasons favoring residential care facilities, the location of a licensed care facility serving 6 or fewer persons is not considered a material fact that must be disclosed upon transfer of real property, according to a California Attorney General Opinion (73 Ops.Cal.Atty.Gen. 58; see also Cal. Health & Safety Code § 1566.5).</p> <p>Assembly Bill 346 (codified as Cal. Health & Safety Code § 1502.35, et seq.) (effective January 1, 2014).</p>

Contractors	<p>Disciplinary Action for Improper Use of Contractor's License Any licensed or unlicensed person who improperly uses a contractor's license as specified is subject to administrative action by the Contractors' State License Board in addition to all other available civil or criminal remedies. Violations subject to administrative remedies include, but are not limited to, displaying or having a canceled, revoked, suspended, fraudulently-altered, or fictitious license, or lending or permitting someone else to use a license (Cal. Bus. & Prof. Code § 119). Senate Bill 261 (codified as Cal. Bus. & Prof. Code § 7114.2) (effective January 1, 2014).</p>
Contractors	<p>Supervision Required for Contractor's License Applicants An existing law requiring a manager, through whom a contractor's license applicant qualifies for knowledge and experience, to exercise direct supervision over construction operations to secure full compliance with the Contractors' State License laws, has been expanded. The new law requires direct supervision without restriction to construction operations. Failure to comply with this law is subject to disciplinary action, as well as a misdemeanor punishable by 6 months imprisonment, plus a \$3,000 to \$5,000 fine. Senate Bill 262 (codified as Cal. Bus. & Prof. Code § 7068.1) (effective January 1, 2014).</p>
Contractors	<p>Contractors Authorized to Install Fire Protection System Existing law allowing a contractor with a fire protection contractor classification to install a residential fire protection system (excluding an electrical alarm system) for a one- or two-family dwelling has been broadened. The new law allows installation by a contractor with either a fire protection contractor classification or plumbing contractor classification as defined. This law expires on January 1, 2017. Assembly Bill 433 (codified as Cal. Bus. & Prof. Code § 7026.13) (effective January 1, 2014).</p>
Contracts	<p>Outside Evidence Cannot Alter Terms of a Trust Instrument Existing law that generally prohibits extrinsic evidence to alter the terms of a written agreement has been revised to also apply to trust instruments. Under the parol evidence rule, a court will generally not consider any evidence outside the four corners of a written agreement to alter the terms of that agreement. This rule, which pertains to contracts between parties, deeds, and wills, will be expanded to include trust instruments. Assembly Bill 824 (codified as Cal. Code of Civ. Proc. § 1856) (effective January 1, 2014).</p>
Courts	<p>Electronic Writs, Subpoenas, and Other Court Documents Allowed Existing law allowing certain court documents to be signed and verified electronically in accordance with established procedures has been broadened to include writs, subpoenas, and other legal process or similar document issued by a trial court. These electronically signed court documents have the same validity and legal force and effect as paper documents. Furthermore, if a writ of execution for money, possession, or sale of personal or real property is issued as an electronic record by the court or a document printed from an electronic record, the levying instructions accompanying the writ must include specified information, including, but not limited to, the date of writ issuance, judgment amount, description of property subject to judgment, judgment debtor's name, and judgment creditor's name. Assembly Bill 1167 (codified as Cal. Gov't Code § 68150(g) and Cal. Code of Civil Proc. § 687.010) (effective January 1, 2014).</p>
Courts	<p>Section Headings in Statutes Have No Legal Effect Existing law states that the headings for divisions, parts, titles, chapters, and articles of statutory law have no effect of the scope, meaning, or intent of the law. This law has been expanded to include section headings. Senate Bill 745 (codified as Cal. Civil Code § 4005) (effective January 1, 2014).</p>

Disclosures	<p>TDS Revised to Include Construction Defect Litigation Effective July 1, 2014, the Real Estate Transfer Disclosure Statement (TDS) has been revised to require disclosure of whether a seller is aware of certain construction defect claims under SB 800 (at Cal. Civil Code §§ 895, et seq.) as specified. The TDS is generally a required disclosure for sales transactions involving one-to-four residential units (with certain exemptions). Under the new law, the revised TDS will inquire, in question 16 of Section 11C, as to whether a seller is aware of any of the following claims threatening to or affecting the real property: (1) claims for damages by the seller based on construction defects (under Cal. Civil Code §§ 910 and 914); (2) claims for breach of warranty (under Cal. Civil Code § 900); or (3) claims for breach of an enhanced protection agreement (under Cal. Civil Code § 903), including any lawsuits or claims for damages under sections 910 or 914 alleging a defect or deficiency in the real property or common areas. For a seller's ease of reference, REALTORS® can obtain a copy of SB 800 (Cal. Civil Code §§ 895 to 945.5) as a PDF on our website at http://www.car.org/legal/standard-forms/sb800/. Senate Bill 652 (codified as Cal. Civil Code section 1102.6) (law itself takes effect January 1, 2014, but is operative on July 1, 2014).</p>
Elder Law	<p>Protecting the Elderly and Others from Wrongful Taking of Property Existing law allowing a court to hold someone liable for twice the value of property belonging to a trust, estate of a deceased person, conservatee, or minor, if the property has been wrongfully taken, concealed, or disposed of, by the use of undue influence in bad faith or elder or dependent adult financial abuse has been expanded in two ways. First, the law will also apply to property belonging to an elder, dependent adult, or principal under a power of attorney. Second, a court can also award reasonable attorney's fees and costs as specified. Assembly Bill 381 (codified as Cal. Probate Code §§ 859 and 4231.5) (effective January 1, 2014).</p>
Elderly/ Disabled	<p>Emergency Evacuation Plan for Seniors and Disabled Persons The Office of Emergency Services must, by July 31, 2015, update its State Emergency Plan to include proposed best practices for local governments and nongovernmental entities to use to mobilize and evacuate senior citizens, disabled persons, and others with access and functional needs during an emergency or natural disaster. Assembly Bill 918 (codified as Cal. Gov't Code § 8570.3) (effective January 1, 2014).</p>
Employment	<p>Minimum Wage Increased to \$10 Per Hour Minimum wage in California has been increased from \$8 per hour to \$10 per hour. A one-dollar increment from \$8 per hour to \$9 per hour will come into effect on July 1, 2014, and another one-dollar increment from \$9 per hour to \$10 per hour will come into effect on January 1, 2016. The minimum wage has been \$8 per hour since January 1, 2008. Assembly Bill 10 (codified as Cal. Labor Code § 1182.12) (law itself came into effect on September 25, 2013).</p>

Employment	<p>Employee Protection for Claiming Unpaid Wages</p> <p>Existing law protecting an employee or applicant for employment who engages in protected conduct has been broadened. Under the new law, an employer is not only prohibited from discharging or discriminating against an employee or applicant for engaging in protected conduct, as provided under existing law, but also from retaliating or taking any adverse action against an employee or applicant for employment because the employee or applicant engaged in protected conduct. The new law also includes as protected conduct an employee's written or oral complaint that he or she is owed unpaid wages. An employer who willfully refuses to hire, promote, or otherwise restore an employee or former employee who has determined to be eligible for rehiring or promotion by a grievance procedure or hearing is guilty of a misdemeanor. In addition to any other remedies available, an employer who violates this law is liable for a civil penalty of \$10,000 per employee for each violation.</p> <p>Assembly Bill 263 and Senate Bill 666 (codified as Cal. Labor Code § 98.6) (effective January 1, 2014).</p>
Employment	<p>Employee Protection for Meal or Rest Period</p> <p>Existing law prohibiting an employer from requiring an employee to work during a meal or rest or recovery period under an applicable law of the Industrial Welfare Commission has been expanded to include applicable laws of the Occupational Safety and Health Standards Board or the Division of Occupational Safety and Health. An employer's failure to provide a meal or rest or recovery period entitles the employee to one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided. This law does not apply to exempt employees.</p> <p>Senate Bill 435 (codified as Cal. Labor Code § 226.7) (effective January 1, 2014).</p>
Employment	<p>Criminal Liability for Failing to Remit Employee Withholdings</p> <p>Existing law makes it a crime for an employer, who has agreed with an employee to make payments to, among other things, a health or welfare fund, pension fund, vacation plan, or other similar plan for the benefit of the employee, to willfully or fraudulently failing to make the payments. The new law further prohibits an employer, who has made withholdings from an employee's wages under federal, state, or local law, to willfully or fraudulently fail to remit the withholdings to the proper agency. The employer's failure to pay more than \$500 into a fund is punishable as a felony with one year imprisonment, plus a \$1,000 fine. Other violations are punishable as a misdemeanor. Any withholdings recovered from an employer in a criminal proceeding will be forwarded to the appropriate fund or plan, or if restitution is imposed, the court must direct to whom it will be paid.</p> <p>Senate Bill 390 (codified as Cal. Labor Code § 227) (effective January 1, 2014).</p>

Employment	<p>Employee Protection When Victims of Certain Crimes</p> <p>An employer is prohibited from discharging or in any manner discriminating or retaliating against an employee because of the employee's status as a victim of domestic violence, sexual assault, or stalking, if the victim provides notice or the employer has actual knowledge of the status (Cal. Labor Code § 230(e)). An employer must, upon an employee's request for safety while at work, provide reasonable accommodations for a victim of domestic violence, sexual assault, or stalking, including, but not limited to, implementing safety measures and modifying schedule (§ 230(f)). An employer may, however, request certification demonstrating that the employee requesting accommodation is a victim as specified (§ 230(f)(7)(B)). Certification can be a police report, court order, or documentation from a health care provider or counselor (§ 230(d)(2) and (f)(7)(B)). Existing law that already prohibits an employer from taking adverse employment action against a victim of domestic violence or sexual assault who takes time off to obtain or attempt to obtain relief, such as a restraining order, has been broadened under the new law to include a victim of stalking (§ 230(c)). The employer must, to the extent allowed by the law, maintain the confidentiality of any employee requesting leave under this law (§ 230.1(b)(3)). An employee who is discharged, threatened with discharge, demotion, suspension, or in any other manner discriminated or retaliated against in his or her employment by his employer because of, among other things, the employee's status as a victim of domestic violence, sexual assault, or stalking, has the right of reinstatement and reimbursement of lost wages and work benefits caused by the employer's actions and appropriate equitable relief (§ 230(g)(2)). The employee may also file a complaint with the Division of Labor Standards Enforcement within one year from the occurrence of the violation (§ 230(h)). An employer who willfully refuses to rehire or otherwise restore an employee as specified is guilty of a misdemeanor (§ 230(g)(3)).</p> <p>Senate Bill 400 (codified as Cal. Labor Code § 230) (effective January 1, 2014).</p>
Employment	<p>Employee Protection for Giving CPR and Other Emergency Services</p> <p>An employer generally cannot adopt or enforce an office policy prohibiting an employee from providing voluntary emergency medical services, including, but not limited to, cardiopulmonary resuscitation (CPR). An employer may, however, require the volunteer to refrain unless a trained and authorized employee is not immediately available or otherwise unable or unwilling to provide the emergency medical services. An employer may also prohibit an employee from performing emergency medical services on a person who has expressed the desire to forgo resuscitation or other medical intervention through a do-not-resuscitate order, advanced health care directive, or other legally recognized means. An employer has no duty to train employees on emergency medical services or CPR. As background, under existing law, a person acting in good faith and not for compensation who renders emergency medical or nonmedical care at the scene of an emergency is not liable for civil damages resulting from any act or omission, except for gross negligence or willful or wanton misconduct (Cal. Health & Safety Code § 1799.102). Additional rules pertain to the protection from liability for a volunteer, such as for medical, law enforcement, and emergency personnel as specified (Cal. Health & Safety Code § 1799.102).</p> <p>Assembly Bill 633 (codified as Cal. Health & Safety Code § 1799.103) (effective January 1, 2014).</p>
Employment	<p>Employee Protection for Updating Personal Information</p> <p>An employer is prohibited from discharging an employee or in any manner discriminating, retaliating, or taking any adverse action against an employee, because the employee updates or attempts to update his or her personal information, unless the changes are directly related to the skill set, qualifications, or knowledge required for the job.</p> <p>Assembly Bill 263 (codified as Cal. Labor Code § 1024.6) (effective January 1, 2014).</p>

Employment	<p>Employee Protection for Taking Time for Court Proceedings</p> <p>An employer is prohibited from discharging or in any manner discriminating or retaliating against an employee who is a victim of specified offenses, for taking off from work, upon the victim's request, to appear in court to be heard at any proceeding in which a right of the victim is at issue. A victim is defined as a person, or that person's spouse, parent, child, sibling, or guardian, who suffers direct or threatened physical, psychological, or financial harm as a result of the commission or attempted commission of a crime. The specified offenses are as follows: vehicular manslaughter while intoxicated; hit-and-run causing death or injury; felony driving under the influence causing injury; felony elder, dependent adult, or child abuse; assault resulting in the death of a child under 8; felony domestic violence; sexual assault; felony stalking; and solicitation for murder. The employer must, to the extent allowed by the law, maintain the confidentiality of any employee requesting leave under this law. An employee who is discharged, threatened with discharge, demotion, suspension, or in any other manner discriminated or retaliated against in his or her employment by his employer because of time off taken to appear in court as specified has the right of reinstatement and reimbursement of lost wages and work benefits caused by the employer's actions. The employee may also file a complaint with the Division of Labor Standards Enforcement within one year from the occurrence of the violation. An employer who willfully refuses to rehire or otherwise restore an employee as specified is guilty of a misdemeanor.</p> <p>Senate Bill 288 (codified as Cal. Labor Code § 230.5) (effective January 1, 2014).</p>
Employment	<p>Employee Protection Against Unfair Immigration-Related Practices</p> <p>An employer is prohibited from purposely or intentionally engaging in, or directing another person to engage in, an unfair immigration-related practice as defined, for the purpose of retaliating against any person for exercising a protected right under state or local employment law. An unfair immigration-related practice means any of the following practices when undertaken for retaliatory purposes: (1) requesting more documents than required under 8 U.S.C. § 1324a(b); (2) refusing to honor documents tendered under 8 U.S.C. § 1324a(b) that reasonably appear genuine on their face; (3) using the federal E-Verify system to check employment authorization status when not required under 8 U.S.C. § 1324a(b) or without authority; (4) threatening to file or filing a false police report; or (5) threatening to contact or contacting immigration authorities. A protected right includes, but is not limited to, the following: (1) filing a complaint or informing someone in good faith about an employer's or other party's violation of law; (2) seeking information as to whether an employer or other party complies with the law; or (3) informing someone about his or her potential rights and remedies. An adverse action taken by an employer within 90 days of the exercise of a protected right creates a rebuttable presumption that the purpose or intent of the adverse action was for retaliation. An employee or other person may bring a civil action for an unfair immigration-related practice. Assembly Bill 263 (codified as Cal. Labor Code § 1019) (effective January 1, 2014).</p>
Employment	<p>Employee's Lawsuit for Threatening to Report Immigration Status</p> <p>An employee is not required to exhaust administrative remedies before bringing a civil action against an employer if, because the employee exercised his or her legal right, the employer reports or threatens to report to a government agency the suspected citizenship or immigration status of the employee or family member of the employee. For purposes of this law, an employee includes a current, former, or prospective employee.</p> <p>Senate Bill 666 (codified as Cal. Labor Code § 244) (effective January 1, 2014).</p>

Employment	<p>Business License Discipline for Threatening to Report Employee's Immigration Status</p> <p>A business license may be suspended or revoked by the Labor Commissioner or court if, because an employee exercised his or her legal right as specified, the business licensee reports or threatens to report to a governmental agency the suspected citizenship or immigration status of an employee or family member of the employee. For purposes of this law, an employee includes a current, former, or prospective employee. An employer is not subject to discipline for requiring a prospective or current employee to submit an I-9 Employment Eligibility Verification form within 3 business days of work for pay. The decision of the Labor Commissioner or court in the disciplinary matter must take into account any harm the suspension or revocation would cause the licensee's employees, as well as the licensee's good faith efforts to resolve any violations. In addition to the suspension or revocation of a business license, the finding of a violation by the Labor Commissioner or court is also grounds for disciplinary action against anyone who is licensed by a licensing agency within the Department of Consumer Affairs.</p> <p>Senate Bill 666 (codified as Cal. Bus. & Prof. Code § 494.6) (effective January 1, 2014).</p>
Employment	<p>Employee Protection for Whistle-Blowing</p> <p>Existing law prohibiting an employer from adopting or enforcing any rule preventing an employee from disclosing information to a government or law enforcement agency, has been expanded. The new law prohibits the employer from preventing the employee from disclosing information to a supervisor or another employee with the authority to investigate or correct a violation, if the employee reasonably believes that the information discloses a violation of a local, state, or federal law (Cal. Labor Code § 1102.5(a)). The new law also prohibits the employer from preventing an employee from providing information to, or testifying before, a public body conducting an investigation, hearing, or inquiry, if the employee reasonably believes the information discloses a violation of law (§ 1102.5(a)). An employer, or any person acting on the employer's behalf, cannot retaliate against an employee for disclosing such information (§ 1102.5(b)). Furthermore, an employer, or any person acting on the employer's behalf, cannot retaliate against an employee for exercising his or her right to disclose in any former employment (§ 1102.5(d)). A corporate or LLC employer is liable for, among other remedies, a \$10,000 penalty for each violation of this law (§ 1102.5(f)).</p> <p>Senate Bill 496 (codified as Cal. Labor Code § 1102.5) (effective January 1, 2014).</p>
Employment	<p>Employee Protection for Dismissed Convictions</p> <p>Existing law generally prohibiting a public agency or private employer from asking an applicant for employment to disclose, either verbally or in writing, information about an arrest, detention that did not result in conviction, or referral to a diversion program, has been expanded. The new law also generally prohibits an employer from asking an applicant to disclose, either verbally or in writing, or use as a factor in determining any condition of employment, information about a conviction that has been judicially dismissed or ordered sealed as specified. Exceptions to this requirement include the following: (1) the employer is legally required to obtain that information; (2) the position requires the possession or use of a firearm; (3) the applicant who has been convicted of a crime is prohibited by law from holding the position sought, regardless of whether the conviction has been expunged, judicially ordered sealed, statutorily eradicated, or judicially dismissed following probation; or (4) the employer is prohibited by law from hiring an applicant who has been convicted of a crime.</p> <p>Senate Bill 530 (codified as Cal. Labor Code § 432.7) (effective January 1, 2014).</p>

Employment	<p>Employee Suing in Good Faith Not Liable for Prevailing Party Attorney's Fees Existing law allowing a prevailing party in certain employment lawsuits to recover reasonable attorney's fees and costs if any litigating party requests attorney's fees and costs, has been amended to protect employees acting in good faith. Under the new law, a prevailing party who is not an employee will only be awarded such attorney's fees and costs if the court finds that the employee brought the lawsuit in bad faith. This law generally applies to lawsuits for nonpayment of wages, fringe benefits, or health and welfare or pension fund contributions. This law does not apply to an action brought by the Labor Commissioner. Another law allows an employee suing for minimum wage or overtime compensation to recover reasonable attorney's fees and costs (Cal. Labor Code § 1194). Senate Bill 462 (codified as Cal. Labor Code § 218.5) (effective January 1, 2014).</p>
Employment	<p>Leave of Absence for Training of Reserve Peace Officer or Emergency Rescue Personnel Existing law requiring an employer with 50 or more employees to allow an employee who is a volunteer firefighter to take a temporary leave of absence totaling 14 days per calendar year for training has been expanded to include employees who are reserve peace officers or emergency rescue personnel as defined. The purpose of the leave of absence under this law is for the employee to engage in fire, law enforcement, or emergency rescue training. Assembly Bill 11 (codified as Cal. Labor Code § 230.4) (effective January 1, 2014).</p>
Employment	<p>Liquidated Damages for Employee Paid Below Minimum Wage Existing law protecting an employee's right to minimum wage has been expanded. Under the new law, an employee who files a complaint for payment of a wage less than minimum wage can recover not only a civil penalty and restitution of wages as provided under existing law, but also liquidated damages in an amount equal to the wages unlawfully unpaid plus interest. As background, the civil penalty under existing law is \$100 per pay period for each underpaid employee for any initial violation intentionally committed, and \$250 for each subsequent violation. Assembly Bill 442 (codified as Cal. Labor Code § 1197.1) (effective January 1, 2014).</p>
Employment	<p>Military or Veteran Status Protected Against Employment Discrimination Military or veteran status has been added to the list of protected classes of people under the California Fair Employment and Housing Act who cannot be discriminated against when seeking, obtaining, or holding employment (Cal. Gov't Code § 12920). An employer can, however, identify members of the military or veterans for purposes of awarding a veteran's preference as permitted by law (Cal. Gov't Code § 12940(p)). The term "military or veteran status" is defined as a member or veteran of the U.S. Armed Forces, U.S. Armed Forces Reserve, the U.S. National Guard, and the California National Guard (Cal. Gov't Code § 12926(k)). Assembly Bill 556 (codified as Cal. Gov't Code §§ 12920, et seq.) (effective January 1, 2014).</p>
Employment	<p>Sexual Harassment Prohibited Regardless of Sexual Desire Effective January 1, 2014, this law clarifies that conduct need not be motivated by sexual desire to be construed as sexually harassing conduct in the workplace, as prohibited under the California Fair Employment and Housing Act. As background, harassment based on sex is defined to include sexual harassment, gender harassment, and harassment based on pregnancy, childbirth, or related medical conditions. Senate Bill 292 (codified as Cal. Gov't Code § 12940 (j)(4)(C)) (effective January 1, 2014).</p>

Employment	<p>Employee Lien on Employer's Real Property Under existing law, a final order by the Labor Commissioner for a complaint filed by an employee creates a judgment lien. Under the new law, instead of a judgment lien, the Labor Commissioner may at his or her discretion and based upon the employer's assets, record a certificate of lien with the county recorder of any county in which the employer's real property may be located. The lien will continue on the employer's real property until satisfied or release, or for 10 years from the date of its creation. Assembly Bill 1386 (codified as Cal. Labor Code § 98.2) (effective January 1, 2014).</p>
Employment	<p>Inquiry into Conviction History Excluded from Government Job Application Starting July 1, 2014, California state and local government agencies are prohibited from asking an applicant for employment to disclose, orally or in writing, information concerning the conviction history of the applicant, including any inquiry about conviction history on any employment application, until the agency has determined the applicant meets minimum employment qualifications as stated in any notice issued for the position. This requirement does not apply to misdemeanors or to any position for which the law requires the government agency to conduct a conviction history background check or to any position within a criminal justice agency as specified. As part of this new law, the Legislature declares that reducing barriers to employment for people who have previously offended, and reducing unemployment in communities with concentrated numbers of people who have previously offended, are matters of statewide concern. Assembly Bill 218 (codified as Cal. Labor Code § 432.9) (law itself takes effect on January 1, 2014).</p>
Environmental Health	<p>Public Disclosure of Toxic Air Contaminants from Pesticides The Director of Pesticide Regulation in consultation with other agencies must, upon completion of an evaluation report of a pesticide that is a toxic air contaminant, determine the need for, and appropriate degree of, control measures. The director's written determination and the formal written comments of any consulting agencies must be made available to the public. Furthermore, within 2 years of determining the need for control measures, the director must generally adopt control measures to protect human health. Assembly Bill 304 (codified as Cal. Food & Agricultural Code § 14022, et seq.) (effective January 1, 2014).</p>
Escrow	<p>Regulation of Escrow Agent Rating Services A new law regulates escrow agent rating services in a similar manner as some of the requirements for consumer credit report agencies. An "escrow agent rating service" is a person or entity that prepares a report, for compensation or expectation of compensation, for use by a creditor in evaluating the capacity of an escrow agent to perform escrow services in connection with an extension of credit. Escrow agents protected by this law include broker-owned escrows, as well as escrow and title companies, among others. Under the new law, an escrow agent rating service must generally comply with the following requirements: (1) allow an escrow agent to visually inspect files maintained regarding that escrow; (2) disclose to an escrow agent the right to obtain a decoded written version of the file; (3) disclose the recipients of any report as specified; (4) provide a report only upon written instructions of the escrow agent; (5) exclude certain information, such as bankruptcies over 10 years old, judgments over 7 years old, and other information; (6) investigate and record disputed information as specified; (7) maintain procedures to ensure that public records likely to have an adverse effect are current and complete; (8) comply with certain procedures if engaged in reselling the report; and (9) establish procedures to safeguard personally identifiable information from theft or misuse. This law expires on January 1, 2017. Assembly Bill 1169 (codified as Cal. Civil Code §§ 1785.28 and 1785.28.6) (effective January 1, 2014).</p>

Estates	<p>Conservator Cannot Control Certain Personal Rights A conservator who has the care, custody, and control of a conservatee cannot control the personal rights retained by the conservatee, including, but not limited to, the right to receive visitors, telephone calls, and personal mail, unless specifically limited by court order. Assembly Bill 937 (codified as Cal. Probate Code § 2351(a)) (effective January 1, 2014).</p>
Financing	<p>Protection Against Lender Collecting or Claiming Deficiency is Owed California's anti-deficiency laws that generally prohibit a foreclosing lender from obtaining a deficiency against a borrower have been expanded to also prohibit the lender from claiming that a deficiency is owed, such as on a credit report, or collecting on a deficiency. Existing law already generally prohibits a short sale lender from claiming a deficiency is owed or from collecting a deficiency. The new law applies to loans foreclosed upon by a trustee's sale, as well as loans secured by purchase-money, owner-occupied, one-to-four residential unit properties (including refinances with no cash out). A lender, however, can pursue a deficiency against a guarantor or other surety (such as a mortgage insurer), or pursue other security for a cross-collateralized loan. Senate Bill 426 (codified as Cal. Code of Civil Procedure § 580b) (effective January 1, 2014).</p>
Financing	<p>Consumer Right to Free Credit Report From Creditor Who Declines A consumer credit reporting agency cannot prohibit in any manner, or dissuade or attempt to dissuade, a user of a consumer credit report furnished by that credit reporting agency from providing a copy of the same credit report to the consumer upon the consumer's request, if the user has taken adverse action against the consumer, based on information in the credit report. The term, "prohibit in any manner" includes, but is not limited to, having a contractual provision to that effect. A district attorney or other enforcement agency can bring a civil lawsuit to recover \$5,000 in civil penalties against a credit reporting agency who violates this law. As background, existing law requires anyone (such as a lender and landlord) who takes adverse action against a consumer based on credit report information to provide written notice of the adverse action, including, among other things, the consumer's right to obtain a free credit report from the credit reporting agency that furnished the credit report (Cal. Civil Code § 1785.20). Assembly Bill 1220 (codified as Cal. Civil Code § 1785.10.1) (effective January 1, 2014).</p>

Financing	<p>Regulating Collection Practices of Debt Buyers</p> <p>The Fair Debt Buying Practices Act has been enacted to regulate the collection and litigation activities of debt buyers who have purchased charged-off consumer debt as defined. The new law applies to consumer debt sold or resold on or after January 1, 2014. Under the new law, a debt buyer is generally prohibited from making any written statements to a debtor in an attempt to collect a consumer debt unless the debt buyer has the following information: (1) the debt buyer is the sole owner of the debt (or is authorized to assert the rights of all owners of the debt); (2) the debt buyer has access to a copy of a contract or other document evidencing the debt; (3) the debt balance at charge off; (4) an explanation of the charge-off amount, interest, and fees; (5) the date of default or last payment; (6) the name and address of the creditor; (7) the account number of the debt; (8) the name and last known address of the debtor; and (9) the name and address of any person or entity that purchased the debt after charge-off. A debt buyer must provide a debtor with a free copy of the debtor's agreement and other information regarding the debt or proof of the debt within 15 calendar days of receipt of a debtor's written request, or otherwise cease to collect the debt until such information is provided. A debt buyer must include with its first written communication with the debtor a statutory notice in at least 12-point type indicating, among other things, the debtor's right to request records. This law also requires a debt buyer to provide the debtor with any settlement agreements in writing, receipts for payments, and final statements. In litigation, a debt buyer is prohibited from suing if the applicable statute of limitations has expired. Furthermore, as a plaintiff, a debt buyer must disclose his or her status as a debt buyer on a complaint, provide a copy of the debtor's agreement or other document, and comply with other requirements. A debt buyer who violates this law may be held liable for actual damages, statutory damages up to \$1,000, and for class action cases, damages up to \$500,000 if the debt buyer engaged in a pattern and practice of violating this law.</p> <p>Senate Bill 233 (codified as Cal. Civil Code §§ 1788.5, et seq.) (effective January 1, 2014).</p>
Financing	<p>CalHFA Can Award Energy Efficiency Grants</p> <p>Starting August 12, 2013, the California Housing Finance Agency (CalHFA) is authorized to make grants for energy efficient repairs or improvements to residential buyers with a CalHFA first trust deed under the FHA Energy Efficient Mortgage Program. Also starting August 12, 2013, the down payment assistance under the California Homebuyer's Downpayment Assistance Program for first-time and low-income homebuyers with an FHA first trust deed will generally not be due and payable upon the sale of a home. This law also adds, effective January 1, 2014, the Secretary of Veterans Affairs to the CalHFA board of directors.</p> <p>Assembly Bill 984 (codified as Cal. Health & Safety Code §§ 50901, 51065.1, and 51504) (effective August 12, 2013 unless indicated otherwise).</p>
Financing	<p>Finance Lender License Exemption and Issuance of Citations</p> <p>Existing California Finance Lenders Law that imposes licensing requirements on finance lenders under the Department of Corporations has been revised to include three additional exemptions as follows: (1) persons making no more than 5 commercial loans in a 12-month period if the loans are incidental to the person's business (previously the limit was one commercial loan in a 12-month period without restriction); (2) California business and industrial development corporations acting under federal law or other state authority; and (3) licensed pawnbrokers acting under the authority of that license. This law also authorizes the Commissioner of Corporations to, upon investigation, issue a citation if the commissioner has cause to believe that a licensee has violated the California Finance Lenders Law or the California Residential Mortgage Lending Act. The citation may contain an order to correct the violation and assess an administrative fine of \$2,500.</p> <p>Assembly Bill 1091 (codified as Cal. Financial Code §§ 22050 and 22707.5) (effective January 1, 2014).</p>

Geologists	<p>Written Contract Required for Geological or Geophysical Services</p> <p>A geologist or geophysicist must generally enter into a written contract before commencing to provide geological or geophysical services to a client, unless, among other exceptions, the client states in writing that work may commence before execution of the contract. The written contract must include the following: (1) a description of the services to be provided; (2) a description of any basis for compensation; (3) the method of payment; (4) the name, address, and license or certificate number of the geologist or geophysicist; (5) the name and address of the client; (6) a description of how to add services; and (7) a description of how to terminate the contract.</p> <p>Senate Bill 152 (codified as Cal. Bus. & Prof. Code § 7839.2) (effective January 1, 2014).</p>
Government	<p>Hazardous Materials Cleanup in Blighted Properties</p> <p>A local government agency can take certain action within its boundaries determined to be necessary to investigate and clean up a release of hazardous materials from a blighted property in a blighted area in accordance with certain procedural requirements (§ 25403.1(a)). This law was enacted to transfer the authority to clean up redevelopment areas previously held by redevelopment agencies, now dissolved as of 2012, over to local government for blighted areas. Any action taken by a local agency must be consistent with other state and federal laws (§ 25403.1(a)) and except for an imminent threat to human health or the environment, such action can be taken only if the local agency cannot identify a responsible party or if the responsible party, upon proper notice, has failed to propose or implement an investigation or cleanup plan as specified (§ 25403.1(b)). If the local agency does not own the property, the local agency has the right to enter that property if, upon providing proper notice to the owner of that property as specified, the owner fails to adequately respond (§ 25403.1(a)). To assist in remedial planning, a local agency may also require the owner or operator of a site to provide all existing environmental information pertaining to the site, including the results of any Phase I or other environmental assessments, that is within that person's possession or control, including actual knowledge of information (§ 25403.1(f)(1)) and(2)). If environmental assessment information is unavailable, the local agency may require the owner to conduct and pay for a Phase I or Phase II environmental assessment (§ 25403.1(f)(2)). If the owner or operator fails to provide this information, the local agency can, upon reasonable notice, enter the property to conduct the Phase I or Phase II environmental assessment (§ 25403.1(f)(2)). Before conducting cleanup, a local agency must, among other things, comply with the following procedural requirements: (1) submit a proposed investigation plan for approval by the Department of Toxic Substances Control, the California regional water control board, or a designated agency as specified (§ 25403.1(a)(2)(B)); (2) provide an opportunity for members of the public and other public agencies to participate in the decisions for a proposed cleanup plan (§ 25403.7); and (3) submit a proposed cleanup plan for approval by an authorized agency (§ 25403.1(a)(2)(C) and (D)). A local agency that cleans up a hazardous material release is immunized from certain liability if the cleanup plan was prepared by a qualified independent contractor and approved by an authorized agency or board, and the cleanup was properly completed (§ 25403.2). The immunity may extend to a developer or developer's successor who enters into an agreement with the local agency to acquire property affected by a hazardous material release or to clean up a hazardous material release (§ 25403(c) and (d)). A local agency has the authority to recover cleanup costs from the responsible party (§ 25403.5).</p> <p>Assembly Bill 440 (codified as Cal. Health & Safety Code § 25403, et seq.) (effective January 1, 2014).</p>

Government	<p>Local Government Authority for Economic Development Under this new law, the California Legislature has stated that it intends to promote economic development on the local level by allowing communities to enact local strategies to increase jobs, create economic opportunity, and generate tax revenue. Examples include development agreements to create new jobs, development agreements to increase property tax revenues, the creation of affordable housing, the sale or lease of city or county property, loan agreements to owners or tenants for rehabilitating commercial buildings, and development agreements for financing industrial or manufacturing facilities or capital equipment.</p> <p>Senate Bill 470 (codified as Cal. Gov't Code §§ 52200, et seq.) (effective January 1, 2014).</p>
Government	<p>Hiring Real Estate Broker for Sale of Surplus Government Property The requirements under existing law for a state agency selling surplus real property to hire a licensed real estate broker have been expanded. Under existing law, a real estate broker can be hired upon determination by the Director of General Services that employing a broker would result in a cost savings to the state. Also under existing law, a broker's commission must be negotiated and cannot exceed reasonable and customary brokerage commissions applicable to similar privately-owned properties in the area. The new law further requires the broker to be local with respect to the real property, and the selection of a broker to be based upon the following: (1) location of the property; (2) the broker's demonstration of knowledge of the local real estate market and success in selling real property in the local market; and (3) the broker's demonstration of competence and professional qualifications necessary for satisfactory performance of the services required. Implementation of this selection method requires the state to adopt specific criteria to determine competency and qualification for services to be performed and to evaluate customary brokerage commissions charged based on services in the area. This law also expands the types of properties that are not needed that the Director of General Services can sell, convey, or exchange to include the following: (1) landlocked property of 50 acres or less sold to an adjoining owner; (2) property of 15 acres or less that is a remainder or remnant parcel with diminished economic utility or value due to its size, shape, location, or other detrimental characteristics if sold to an adjoining owner; and (3) property that is a remainder or remnant parcel acquired for a capital outlay project if the request to sell is made by the jurisdictional agency within one year of purchase.</p> <p>Assembly Bill 1421 (codified as Cal. Gov't Code §§ 11011.5 and 14664) (effective January 1, 2014).</p>
Government	<p>Statutes Changed to Reflect State Reorganization Plan Statutory law and governmental duties have been revised to reflect changes made by the Governor's Reorganization Plan No. 2, including the newly formed Business, Consumer Services and Housing Agency. Among many other revisions, laws that used to reference the "Department of Real Estate" have been changed to the "Bureau of Real Estate" under the Department of Consumer Affairs. This law became law on September 26, 2013, but is operative as of July 1, 2013 except for revisions to community service organizations (Cal. Civil Code § 5240), development of an online course (Cal. Civil Code § 5400), and common interest development filing with the Secretary of State (Cal. Civil Code § 5405), which will take effect on January 1, 2014.</p> <p>Assembly Bill 1317 and Senate Bill 820 (codified as Cal. Bus. & Prof. Code §§ 10004, et seq.) (effective September 26, 2013).</p>
Government	<p>State Fire Marshal Authority For Fire Safety The State Fire Marshal's existing authorities has been expanded to include the authority to propose, adopt, and administer regulations deemed necessary to ensure fire safety in buildings including construction, modification, testing, inspection, labeling, licensing, operation, and so on. Assembly Bill 433 (codified as Cal. Health & Safety Code § 13110) (effective January 1, 2014).</p>

Government	<p>Local Agency Can Hold Closed Meeting With Governor</p> <p>The legislative body of a local agency can hold a closed meeting with the Governor, among others, on matters posing a threat to the security of public buildings or essential public services, or a threat to the public's right to access public services or facilities. This law limiting the public's access to the meetings of public bodies has been adopted based upon legislative findings that allowing governing bodies to meet with the Governor in closed meetings to discuss security matters that may include sensitive information enhances the health and safety of the people of California.</p> <p>Assembly Bill 246 (codified as Cal. Gov't Code § 54957(a)) (effective January 1, 2014).</p>
Government	<p>Bond Required for Government Leases for Infrastructure Projects</p> <p>A lease agreement for rights-of-way, easements, or other authorization over government property entered into between a governmental agency and a private construction company for a government-owned infrastructure project as specified, must include performance bonds as security to ensure the completion of the construction of the facility and payment bonds to secure the payment of claims of laborers, mechanics, and materials suppliers as specified.</p> <p>Assembly Bill 164 (codified as Cal. Gov't Code § 5956.6(b)) (effective January 1, 2014).</p>
Government Program	<p>Establishment of Statewide Earthquake Warning System</p> <p>The Office of Emergency Services is required to develop a comprehensive statewide earthquake early warning system in California, including the installation of field sensors and the establishment of warning notification to the public. This law, however, will generally not be operative unless the office can identify funding sources (other than the General Fund). In the event no funding source is identified by January 1, 2016, this law will be repealed.</p> <p>Senate Bill 135 (codified as Cal. Gov't Code § 8587.8) (effective January 1, 2014).</p>
Government Program	<p>Disposing and Recycling Used Mattresses</p> <p>The Used Mattress Recovery and Recycling Act has been enacted to reduce illegal dumping and blight in neighborhoods, increase recycling, and reduce government costs for the end-of-life management of used mattresses. The new law requires the establishment of a mattress recycling organization to develop, implement, and administer a statewide mattress recycling program under the Department of Resources Recycling and Recovery. By July 1, 2015, the mattress recycling organization must develop a state plan for recycling used mattresses, including a funded mechanism for local governments and certain solid waste facilities to recover illegally disposed mattresses and the setting of an annual recycling charge to be added to the purchase price of most mattresses. Furthermore, starting July 1, 2014, a retailer who sells a mattress must, among other things, give a consumer the option of having a used mattress picked up at no additional cost when the new mattress is delivered or being given an opportunity for a free drop-off of the used mattress. Governor Brown released a signing message applauding this law, but directing the Department of Resources Recycling and Recovery to help enact cleanup legislation next session to clarify its regulatory authority.</p> <p>Senate Bill 254 (codified as Cal. Public Resources Code §§ 42985, et seq.) (law itself takes effect on January 1, 2014).</p>

Home Improvement	<p>Smoke Detectors Specifications Changed Starting July 1, 2014, the State Fire Marshall will not approve a battery-operated smoke alarm unless it contains a non-replaceable, non-removable battery capable of powering the smoke alarm for at least 10 years. This rule was originally slated to take effect on January 1, 2014. Until July 1, 2015, an exception to this rule applies to smoke alarms ordered by, or in the inventory of, an owner, managing agent, contractor, wholesaler, or retailer on or before July 1, 2014. Furthermore, starting January 1, 2015, the State Fire Marshal will not approve a smoke alarm unless it does all of the following: (1) displays the date of manufacture on the device; (2) provides a place on the device to insert the date of installation; and (3) incorporate a hush feature. A previous requirement for the smoke alarm to incorporate an end-of-life feature that provides notice that the device needs to be replaced has been eliminated. The requirements taking effect on January 1, 2015 was originally slated to take effect on January 1, 2014. The State Fire Marshal has the authority to create exceptions to these requirements. Senate Bill 745 (codified as Cal. Health & Safety Code § 13114) (effective January 1, 2014).</p>
Home Improvement	<p>Correction to Water-Conserving Plumbing Fixture Requirements Existing law that erroneously requires, starting January 1, 2014, the replacement of noncompliant plumbing fixtures in a “commercial residential real property” when making certain building alterations has been corrected to apply to “commercial real property” instead. As background, water-conserving plumbing fixtures are required for single family residences starting in 2017 (unless the property is remodeled as specified on or after January 1, 2014) and multifamily residential real property and commercial real property starting in 2019 (unless property is remodeled as specified on or after January 1, 2014). Senate Bill 745 (codified as Cal. Civil Code § 1101.5) (effective January 1, 2014).</p>
Home Improvement	<p>Flammability Standards for Building Insulation Materials The State Fire Marshal and Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation must review the flammability standards for building insulation materials, both with or without chemical flame retardants. If the State Fire Marshal deems it appropriate, he or she must, by July 1, 2015, propose updated insulation flammability standards to the California Building Standards Commission for maintaining overall building fire safety and ensuring adequate protection from fires that travel between walls and into confined spaces. Assembly Bill 127 (codified as Cal. Health & Safety Code § 13108.1) (effective January 1, 2014).</p>
Homeowners' Associations	<p>HOA Contract for Traffic and Parking Enforcement As part of a pilot program, the Orange County Board of Supervisors or the city council of a city in Orange County is authorized to contract to provide supplemental law enforcement services to a homeowners' association (HOA) as specified. The services to be provided will generally be to enforce, on an occasional or ongoing basis, provisions of the Vehicle Code on the HOA's privately owned and maintained roads. Such services will generally be rendered by regularly appointed full-time peace officers. This law expires on January 1, 2017. Senate Bill 298 (codified as Cal. Gov't Code § 53069.81) (effective January 1, 2014).</p>

Homeowners' Associations	<p>Revised Billing Statement for HOA Documents and Other Changes</p> <p>Existing law requiring a homeowners' association (HOA) to use a statutory form for billing charges for HOA sales disclosures has been revised to require the form to be in at least 10-point type and include an itemization for "Rental Restrictions, if any" (Cal. Civil Code § 4528). Existing law prohibiting an HOA from charging a cancellation fee for HOA documents as specified has been moved from section 1368 to section 4530 of the California Civil Code. Furthermore, existing law stating that, when an inconsistency exists, governing documents prevail over articles of incorporation, which in turn prevail over bylaws, and in turn prevail over operating rules, has been revised to apply when a conflict, not inconsistency, exists (Cal. Civil Code §§ 4205 and 4350). Additionally, existing law requiring delivery of documents to an HOA by email, fax, other electronic means, or personal delivery if the HOA consents to any of those methods, has been extended to allow delivery by first-class mail, postage prepaid, registered or certified mail, express mail, or overnight delivery by an express service center, regardless of HOA consent (Cal. Civil Code § 4035(3)). Also, existing law requiring certain actions that must be approved by a majority of a quorum of the members to be approved at a "duly-held meeting" at which a quorum is present has been revised to require approval in a "duly-held election" at which a quorum is represented (Cal. Civil Code § 4070). This law also repeals several laws (Cal. Civil Code §§ 1363.05, 1368, and 1368.2) that have been superseded by the restructuring of the Davis-Stirling Common Interest Development Act that takes effect on January 1, 2014.</p> <p>Senate Bill 745 (codified as Cal. Civil Code §§ 4528, 4205, 4350, 4035, and 4070) (effective January 1, 2014).</p>
Homeowners' Associations	<p>Condominium Manager Exemption from Contractors Law</p> <p>A common interest development manager performing management services is not required to have a contractor's license. Conversely, the term "contractor" or "consultant" does not include a common interest development manager. A "common interest development manager" is generally defined as someone who, for compensation or in expectation of compensation, provides or contracts to provide management or financial services (or represents himself or herself as providing management or financial services) to a condominium complex or other common interest development (Cal. Bus. & Prof. Code § 11501).</p> <p>Senate Bill 822 (codified as Cal. Bus. & Prof. Code § 7026.1(b)) (effective January 1, 2014).</p>
Housing	<p>Local Code Enforcement Officer Can Determine Substandard Housing</p> <p>The enforcement authority for determining certain substandard housing conditions previously delegated only to county health officers, has been expanded to include local code enforcement officers as defined. An infestation of insects, vermin, or rodents, as well as inadequate garbage storage and removal facilities, can now be determined by a local code enforcement officer if the city does not have an agreement or the resources to contract for county health services. To qualify to make these determinations, the local code enforcement officer must successfully complete a course of study in the appropriate subject matter as determined by the city. A property owner will not be cited by both local and county enforcement agencies for the same violation regarding pest infestation or inadequate garbage storage or removal.</p> <p>Senate Bill 488 (codified as Cal. Health & Safety Code § 17920.3) (effective January 1, 2014).</p>
Housing	<p>Establishing Green Building Standards in the Building Code</p> <p>The California Building Standards Commission and state agencies that propose green building standards must allow for input by other state agencies with expertise in green building subject areas. These other state agencies must submit suggested changes for consideration in accordance with administrative procedures to be adopted as regulations. For the next triennial update of the California Building Standards Code, state agencies must, to the extent feasible, reference or reprint those green building standards in other</p>

	<p>portions of the Building Code. This law also authorizes the use of the Building Standards Administration Special Revolving Fund for, among other existing purposes, carrying out the updating of green building standards and verification guidelines, training, and education.</p> <p>Assembly Bill 341 (codified as Cal. Health & Safety Code §§ 18930 et seq.) (effective January 1, 2014).</p>
Housing	<p>Building Standards for Electric Vehicle Charging Stations</p> <p>Starting with the next triennial edition of the California Building Standard Code adopted after January 1, 2014, the California Building Standards Commission must adopt, codify, and publish mandatory building standards for the installation of future electric vehicle charging infrastructure for parking spaces in multifamily dwellings and nonresidential developments. Furthermore, the Department of Housing and Community Development (HCD) is required to submit proposed mandatory building standards to the Commission for consideration.</p> <p>Assembly Bill 1092 (codified as Cal. Health & Safety Code § 18941.10) (effective January 1, 2014).</p>
Housing	<p>Statement of Reasons for Building Standards</p> <p>Under existing law, a state agency must submit an initial statement of reasons for a proposed regulation that is a building standard impacting housing. The initial statement must include the estimated potential benefits of the regulation, the estimated cost of compliance, and the assumptions used to determine the estimates. Under the new law, the initial statement of reasons must be submitted for any proposed regulation that is a building standard, regardless of whether it impacts housing.</p> <p>Senate Bill 401 (codified as Cal. Gov't Code § 11346.2) (effective January 1, 2014).</p>
Immigration	<p>Requirements for Providing Immigration Consulting Services</p> <p>A new law imposes various new requirements on immigration consultants, including a detailed itemization of services and costs in the requisite written contract (Cal. Bus. & Prof. Code § 22442), the imposition of civil penalties of \$1,000 per day for each violation (Cal. Bus. & Prof. Code § 22442.3), and, starting July 1, 2014, an increase in the bond requirement from \$50,000 to \$100,000 (Cal. Bus. & Prof. Code § 22443.1). This law also regulates attorneys and immigration consultants who provide any services for any pending or future immigration reform enactment by Congress between 2014 and 2016 (Cal. Bus. & Prof. Code §§ 6240, et seq. and §§ 22442.5, et seq.).</p> <p>Assembly Bill 1159 (codified as Cal. Bus. & Prof. Code §§ 6126.7, 6240, et seq., and 22442, et seq.) (effective October 5, 2013).</p>
Insurance	<p>Seismic Safety Account for Earthquake Research and Hazard Mitigation</p> <p>The Department of Insurance will administer a new Seismic Safety Account to support the Alfred E. Alquist Seismic Safety Commission. This law is expected to generate \$1.2 million in funds for conducting research, coordinating earthquake safety activities, and overseeing certain aspects of earthquake hazard mitigation. The Seismic Safety Account will be funded by imposing an assessment on every real property owner covered by a property insurance policy. The Department of Insurance will calculate and set the annual assessment starting August 1, 2014 in an amount not to exceed 15 cents for each property exposure. The insurer must, upon receipt of an invoice from the department, transmit payment to the department, and collect the assessment from the insured or pay the assessment on the insured's behalf.</p> <p>Assembly Bill 98 (codified as Cal. Insurance Code § 12975.9) (effective June 27, 2013).</p>
Insurance	<p>Electronic Transmission of Certain Insurance Notices</p> <p>Existing law requiring residential property insurers to, when issuing or delivering property insurance, also offer earthquake coverage as specified, has been revised to generally allow the earthquake coverage offer to be made electronically as provided. This law also generally allows an earthquake insurer, when providing an insured with a renewal notice</p>

	<p>that revises the terms and conditions of an existing policy, rider, or endorsement, to do so electronically. This law further generally allows an insurer or affiliate insurer who offers earthquake coverage every other year (as is required) after an initial offer has been rejected, to do so electronically. This law also authorizes certain notices involving workers' compensation, automobile insurance, or property insurance to be provided electronically as specified. These provisions allowing electronic transmission expire on January 1, 2019. Senate Bill 251 (codified as Cal. Ins. Code §§ 38.5 and others) (effective January 1, 2014).</p>
Landlord-Tenant	<p>Landlord Required to Provide Specific Utility Rate Schedules A master-meter customer of an apartment building, mobilehome park, or similar residential complex, must post in a conspicuous place the applicable specific current residential gas or electrical rate schedule as published by the serving utility, rather than the prevailing residential utilities rate schedule as previously required. Alternatively, the master-meter customer may elect to post the website address for a tenant to access the schedule as long as the master-meter customer also does the following: (1) state in the posting that an individual user may request a copy of the specific current residential gas or electrical rate schedule from the master-meter customer; and (2) provide the schedule upon request at no cost. Senate Bill 196 (codified as Public Utilities Code § 739.5(e)) (effective January 1, 2014).</p>
Landlord-Tenant	<p>Tenancy Termination by Victims of Human Trafficking and Other Crimes Existing law allowing a residential tenant to terminate a tenancy within 30 days by notifying the landlord that the tenant was a victim of domestic violence, sexual assault, or elder or dependent adult abuse, has been broadened to include victims of human trafficking as defined. The notice to terminate tenancy must include a copy of a police report or a temporary restraining order or other court order protecting the tenant or household member from further domestic violence, sexual assault, stalking, human trafficking, or elder or dependent adult abuse. The notice to terminate must generally be given within 180 days from the date of the police report or court order. Instead of a police report or court order, a tenant may, from January 1, 2014 until January 1, 2016, provide documentation from a qualified third party professional indicating that the tenant or household member is seeking assistance for physical or mental injuries resulting from domestic violence, sexual assault, stalking, human trafficking, or elder or dependent adult abuse. The law provides a sample Qualified Third Party Statement for this purpose. A landlord is prohibited from disclosing to a third party any information provided by the tenant seeking to terminate tenancy under this law, except if the tenant consents in writing or if disclosure is required by law or court order. Senate Bill 612 (codified as Cal. Civil Code § 1946.7) (effective January 1, 2014).</p>
Landlord-Tenant	<p>Protection from Eviction for Victims of Human Trafficking The existing prohibition against a landlord from terminating a tenancy or failing to renew a tenancy based on acts against a tenant or tenant's household member that constitute domestic violence, sexual assault, or elder or dependent adult abuse, has been expanded to include human trafficking. This prohibition applies if the acts of domestic violence, sexual assault, stalking, human trafficking, or elder or dependent adult abuse is documented by police report or protective court order and the wrongdoer is not a tenant of the same dwelling unit. The landlord, however, may terminate or refuse to renew a tenancy if, after invoking protection under this law, the tenant allows the wrongdoer named in the police report or protective order to visit the property, or the landlord reasonably believes that the wrongdoer poses a physical threat to other tenants or guests or to the tenant's right to quiet possession. On or before July 1, 2014, the Judicial Council must develop a new form or revise an existing form that a tenant can use to assert this law as an affirmative defense in an unlawful detainer action. Senate Bill 612 (codified as Cal. Code of Civil Procedure § 1161.3) (effective January 1, 2014).</p>

Landlord-Tenant	<p>Telephone Jack for Tenant Must Satisfy California Standards Existing law requires a residential landlord to install at least one usable telephone jack on leased premises and to ensure that the inside telephone wiring is in good working condition and meets the most recent statutory standards. The new law replaces the applicable standards of the National Electrical Code as adopted by the Electronic Industry Association with that of the California Electrical Code. Senate Bill 745 (codified as Cal. Civil Code § 1941.4) (effective January 1, 2014).</p>
Land Use	<p>Offsite Recreational Facility for Subdivision Map Approval Allowed The existing Quimby Act (within the Subdivision Map Act), which authorizes a city or county to condition the approval of a tentative or parcel subdivision map upon the dedication of land or imposition of fees for developing or rehabilitating a park or recreational facility to serve the subdivision, has been revised to also allow using the fees for developing or rehabilitating a park or recreational facility located in another neighborhood as specified. A shared used agreement may be used to facilitate access to park or recreational facilities by certain residents. The city or county must hold a public hearing before using fees for a park or recreational facility in another neighborhood. Assembly Bill 1359 (codified as Cal. Gov't Code § 66477) (effective January 1, 2014).</p>
Land Use	<p>City May Allow Small-Scale Urban Farms The Urban Agriculture Incentive Zone Act has been enacted to promote small-scale sustainable urban farm enterprises. This new law authorizes a city or county and a landowner to enter into a contract for at least 5 years to restrict the use of vacant, unimproved, or otherwise blighted lands for small-scale production of agricultural crops and animal husbandry. The property must be at least 0.10 acres in size. The county assessor must value property restricted for crops and animal husbandry at a rate based on the average per-acre value of irrigated cropland in California, adjusted proportionately to reflect the acreage of the property as specified. This law expires on January 1, 2019. Assembly Bill 551 (codified as Cal. Gov't Code §§ 51040, et seq. and Cal. Rev. & Tax Code § 422.7) (effective January 1, 2014).</p>
Land Use	<p>Industrial Hemp Farming Allowed Subject to Federal Law The California Industrial Hemp Farming Act has been enacted, but will not become operative unless authorized under federal law as determined by the California Attorney General. This act authorizes the growth and cultivation of industrial hemp by excluding it from the definition of "marijuana". Industrial hemp is defined as a fiber or oilseed crop of the nonpsychoactive types of cannabis, and the seed produced therefrom, having no more than 0.3 percent tetrahydrocannabinol (THC) contained in the dried flowering tops. Industrial hemp must be cultivated and processed exclusively for certain purposes, such as producing the mature stalks, fiber, or oilseed. This law imposes various requirements on industrial hemp growers, including registration with the county agricultural commissioner. Senate Bill 566 (codified as Cal. Food and Ag. Code §§ 81000, et seq.) (effective January 1, 2014).</p>
Land Use	<p>Statutes of Limitation for Certain Zoning and Planning Claims Existing law that generally requires an action or proceeding against a legislative body that made a local zoning or planning decision, to commence within one year of the accrual of the cause of action, has been revised. The new law generally provides for statutes of limitations for commencing an action or proceeding as follows: (1) 6 months after accrual of an action challenging the adoption or revision of a housing element that the Department of Housing and Community Development (HCD) has found to substantially comply with affordable housing rules (at Cal. Gov't Code §§ 65580); (2) one year after accrual of an action challenging the adoption or revision of a housing element that the HCD has found not to substantially comply with affordable housing rules as specified; and (3) 180 days after accrual of an action challenging an action taken for a wireless telecommunication</p>

	<p>collocation facility (Cal. Gov't Code § 65836.6), affordable housing (Cal. Gov't Code § 65913), or density bonus ordinance (Cal. Gov't Code § 65915). A cause of action under this law, however, generally cannot be maintained until 60 days after the complainant files a notice to the city or county specifying the deficiencies of the plan, zoning ordinance, or other action as specified. The notice may be filed within 270 days after an action described in #1 above, 2 years after an action described in #2 above, and 180 days after an action described in #3 above. This law is intended to modify the court decision in <i>Urban Habitat Program v. City of Pleasanton</i> (2008) 164 Cal.App.4th 1561.</p> <p>Assembly Bill 325 (codified as Cal. Gov't Code § 65009) (effective January 1, 2014).</p>
Land Use	<p>Education on Historical Landmark Nominating Process</p> <p>The State Office of Historic Preservation must educate the public by posting on its website and providing information in its publications about the process for nominating a resource for listing in the California Register of Historical Resources, including historically significant buildings, structures, and areas, with particular emphasis on the labor and civil rights movements and California's modern history. The Office must also, by January 1, 2015, identify publicly-owned resources for potential listing as historical resources, historical landmarks, or points of historical interest due to their association with the labor and civil rights movements or California's modern history. This law also requires the land known as Nuestra Señora Reina de La Paz in Kern County, including the farmhouse where Cesar Chavez lived and his burial site, to be registered as a state historical landmark.</p> <p>Assembly Bill 34 (codified as Cal. Public Resources Code §§ 5024.6 and 5029.6) (effective January 1, 2014).</p>
Land Use	<p>Reaffirming Bi-State Tahoe Regional Planning Agency</p> <p>The Legislature states that it intends to continue having a single entity, the Tahoe Regional Planning Agency established over 40 years ago, to regulate development in the Lake Tahoe Basin under California's bi-state Tahoe Regional Planning Compact with the State of Nevada. The two states have agreed to revise the bi-state compact to, among other things, establish that any party challenging the Tahoe Regional Planning Agency or regional plan will bear the burden of proof, and upon ratification by Congress, that the regional plan will reflect not only existing environmental and preservation concerns, but also economic considerations in the Tahoe Basin. The State of Nevada has also agreed to repeal its 2011 statutory withdrawal from the bi-state compact that was scheduled to take effect in 2015.</p> <p>Senate Bill 630 (codified as Cal. Gov't Code § 66801) (effective January 1, 2014).</p>
Land Use	<p>Construction in Sacramento-San Joaquin Valley Flood Hazard Zones</p> <p>Existing law requiring a city or county in the Sacramento-San Joaquin Valley to make one of 3 findings regarding protection from flood before approving construction permits or tentative or parcel subdivision maps for properties located in a flood hazard zone, has been amended. The new law allows for a fourth finding that a property in an undetermined risk area has met the urban level of flood protection based on substantial evidence in the record.</p> <p>Assembly Bill 1259 (codified as Cal. Gov't Code §§ 65962 and 66474.5) (effective January 1, 2014).</p>
Licensing	<p>Disciplinary Action for Broker Record Tampering</p> <p>The Bureau of Real Estate can suspend or revoke the license of any real estate salesperson, broker, or corporate brokerage, if the broker, salesperson, or any director, officer, employee, or agent of the corporation, knowingly destroys, alters, conceals, mutilates, or falsifies any of the books, papers, writings, documents, or tangible objects required to be maintained and provided upon notice, or sought in connection with an investigation, audit, or examination. As background, a real estate broker must retain copies of all documents executed or obtained by him in connection with any transactions involved licensed activities.</p> <p>Senate Bill 676 (codified as Cal. Bus. & Prof. Code § 10148) (effective January 1, 2014).</p>

Licensing	<p>Consumer Protection Against Prepaid Rental Listing Services The Bureau of Real Estate (BRE) is authorized to issue a citation to an unlicensed person if it has cause to believe that the person engaged in prepaid rental listing services without a prepaid rental listing service license or real estate broker license (Cal. Bus. & Prof. Code § 10080.9). As background, a prepaid rental listing service is a business that charges a fee for providing a prospective tenant with a list of available places for rent. Existing required content for a written contract that a prepaid rental listing service licensee must offer a prospective tenant before accepting a fee has been broadened to include the licensee's license number as well as a specific statutory notice about refunds (Cal. Bus. & Prof. Code §§ 10167.9 and 10167.95). An aggrieved person with a final judgment against a prepaid rental listing service licensee may apply to the BRE for payment from the Consumer Recovery Account (Cal. Bus. & Prof. Code § 10471). Any payment from the Consumer Recovery Account will result in automatic suspension of the prepaid rental listing service licensee (Cal. Bus. & Prof. Code § 10475). This law also increases the application fees for prepaid rental listing service licenses (Cal. Bus. & Prof. Code § 10470).</p> <p>Senate Bill 269 (codified as Cal. Bus. & Prof. Code §§ 10080.9, 10167.9, 10167.95, 10470, 10471, and 10475) (effective January 1, 2014).</p>
Liquor License	<p>Liquor License for Live Performance Theaters in San Francisco The Department of Alcoholic Beverage Control may issue a special on-sale general license to the operator of any for-profit theater in San Francisco primarily devoted to live theatrical performances with at least 1,000 seats. The special license will allow sales, service, and consumption of alcoholic beverages as specified. A special on-sale general license will not be issued until any existing licenses issued to the operator for the premises are canceled.</p> <p>Assembly Bill 525 (codified as Cal. Bus. & Prof. Code § 24045.75) (effective January 1, 2014).</p>
Liquor License	<p>Allowing Additional Liquor Licenses in San Luis Obispo County The Department of Alcoholic Beverage Control can issue 5 additional original on-sale general licenses for bona fide public eating places with a seating capacity of 50 or more diners. This law, which expires on December 31, 2016, only applies to counties of the 24th class, such as San Luis Obispo County, with a population of 105,000 to 119,999 people.</p> <p>Assembly Bill 461 (codified as Cal. Bus. & Prof. Code § 23823.12) (effective January 1, 2014).</p>
Liquor Tasting	<p>Regulation of Distilled Spirit Tastings To separate between manufacturing and retail interests for alcoholic beverages, tastings of distilled spirits or brandies on a licensed manufacturer's premises are limited to one-fourth of one ounce per taste and no more than 6 tastes per individual per day. Tastings of distilled spirits cannot be given in the form of a cocktail or mixed drink. A licensee may charge consumers for tastings conducted on its premises.</p> <p>Assembly Bill 933 (codified as Cal. Bus. & Prof. Code § 23363.1 and 23363.3) (effective January 1, 2014).</p>
Manufactured Homes	<p>Five Days to Record Manufactured Home Certificate of Occupancy Existing law requiring an enforcement agency to record a certificate of occupancy for the installation of a manufactured home or mobilehome on the same day that the certificate of occupancy is issued has been changed to require recordation within 5 business days of the issuance of the certificate of occupancy. This law also makes other minor changes and clarifications.</p> <p>Assembly Bill 379 (codified as Cal. Health & Safety Code § 18551) (effective January 1, 2014).</p>

Military	<p>Deferral of Payment Period for Military</p> <p>A service member can, during his or her current period of military service or 6 months thereafter, petition a court for a deferment of the payments due on installments under a contract for the purchase of real estate, mortgage loan, and other obligations incurred before the current period of military service. The deferment under existing law for a period of time equal to the period of the remaining life of the installment contract or other instrument, plus a period of time equal to the period of military service, has been changed. The new law allows a deferment for a period of time equal to the period of military service as specified. It also prohibits, during the deferment period, the charging of interest or penalties for nonpayment, or foreclosure or repossession. Mortgage payments deferred are nevertheless due and payable upon the earlier of the following: (1) sale of the property or other reason for the lender to accelerate the loan; (2) further encumbrance of the property other than to preserve or protect the property; or (3) maturity of the loan. Senate Bill 720 (codified as Cal. Military & Veterans Code § 409.3) (effective January 1, 2014).</p>
Military	<p>Deferral of Payments for Active Duty Reservists</p> <p>Existing law allowing members of the U.S. Military Reserve or National Guard called into active duty as a result of the Iraq or Afghanistan conflict to defer certain consumer payments has been expanded. Starting January 1, 2014, the definition of a military reservist will include additional members of the federal or state military service. A reservist called into military duty as specified can defer mortgage payments, credit cards, retail installment accounts, two vehicle loans, utility bills, and property tax for the reservist's primary residence when ordered to active duty. The deferral period on financial obligations will be 180 days or the period of active duty plus 60 calendar days, whichever is less, and cannot exceed 180 days within a 365-day period. Assembly Bill 526 (codified as Cal. Military & Veterans Code §§ 800, et seq.) (effective January 1, 2014).</p>
Military	<p>Inquiry as to Military Service in License Applications</p> <p>Every board or bureau within the Department of Consumer Affairs must, starting January 1, 2015, inquire in every application for licensure as to whether the applicant is serving in the military or has previously served in the military. This law will help ensure a more streamlined and efficient process for licensing military veterans in professional careers. Assembly Bill 1057 (codified as Cal. Bus. & Prof. Code § 114.5) (law itself takes effect on January 1, 2014).</p>
Military	<p>Multifamily Housing for Homeless Veterans</p> <p>The Veterans Housing and Homeless Prevention Bond Act of 2014 has been enacted to authorize the restructuring of \$600 million in bond moneys for constructing and rehabilitating multifamily buildings to provide affordable, supportive, and transitional housing for veterans. A ballot measure setting forth this law will be submitted to the voters at the June 3, 2014 statewide primary election. As background, California leads the nation with about 19,000 homeless veterans. Many of these homeless veterans struggle with post-traumatic stress disorder, substance abuse, and the lack of employment. Assembly Bill 639 (codified as Cal. Military & Veterans Code §§ 987.001, et seq.) (effective October 12, 2013).</p>

Motor Vehicles	<p>Issuance of Driver's License to Undocumented Persons</p> <p>To address the estimated 1.4 million drivers in California who are unlicensed and uninsured, the Department of Motor Vehicles (DMV) shall issue an original driver's license to a person who is unable to submit satisfactory proof of legal presence in the U.S. as authorized under federal law. This law will become operative on January 1, 2015 unless the DMV director announces an earlier date. A person applying for a driver's license under this law must meet all other qualifications for a driver's license and submit proof of his or her identity and California residency. The DMV will implement emergency regulations to set forth the documents that are acceptable for proving identity and California residency, and the procedures for authenticating the documents. A driver's license issued under this law will include a recognizable, distinguishing feature on the front of the card (such as "DP" instead of "DL") as well as a notice that the card is not acceptable for official federal purposes, or for establishing eligibility for employment, voter registration, or public benefits. However, discrimination against an individual who has a driver's license issued pursuant to this law is a violation of law. Additionally, a driver's license issued pursuant to this law cannot be used as evidence of the holder's citizenship or immigration status, and cannot be used as a basis for a criminal investigation, arrest, or detention.</p> <p>Assembly Bill 60 (codified as Cal. Vehicle Code § 12801.9) (law itself takes effect on January 1, 2014).</p>
Motor Vehicles	<p>Parking at Inoperable Parking Meters Allowed</p> <p>A vehicle may park, for up to the posted time limit, in any parking space regulated by an inoperable parking meter (or inoperable parking payment center). This new law repeals the preexisting law that came into effect on January 1, 2103 allowing a city or other local authority to adopt an ordinance to prohibit or restrict the parking of a vehicle at an inoperable parking meter. For purposes of this law, an "inoperable parking meter" means a meter that has become inoperable and cannot accept payment or cannot register that a payment has been made. The new law expires on January 1, 2017.</p> <p>Assembly Bill 61 (codified as Cal. Vehicle Code § 22508.5) (effective January 1, 2014).</p>
Motor Vehicles	<p>Three Feet Safety Zone for Bicycles</p> <p>Starting September 16, 2014, the new Three Feet for Safety Act requires the driver of a motor vehicle overtaking and passing a bicycle proceeding in the same direction on a street or highway to keep a distance of at least 3 feet between any part of the motor vehicle and any part of the bicycle or bicycle operator. If the driver of a motor vehicle is unable to comply due to traffic or roadway conditions, the driver must slow to a reasonable speed, and can only pass when doing so would not endanger the safety of the bicycle operator. This law expressly applies to driving on a highway, but a highway is defined under the California Vehicle Code as including streets, as well as "a way or place of whatever nature, publicly maintained and open to the use of the public for purposes of vehicular travel" (Cal. Vehicle Code § 360). A violation of the Three Feet for Safety law is an infraction punishable by a \$35 fine, unless a collision occurs, in which case the fine is \$220.</p> <p>Assembly Bill 1371 (codified as Cal. Vehicle Code §§ 21750 and 21760) (law itself takes effect on January 1, 2014).</p>
Motor Vehicles	<p>Extended Statute of Limitations for Hit-and-Run Prosecution</p> <p>Under existing law, if a person flees the scene of an accident that caused death or permanent, serious injury, criminal prosecution may be brought 3 years after the commission of the offense if punishable by imprisonment, or 1 year after the commission of the offense if not punishable by death or imprisonment. Under the new law, criminal prosecution may be brought as provided under existing law, or one year after the person is initially identified by law enforcement as a suspect in the commission of the offense, whichever is later, but not to exceed 6 years after the commission of the offense.</p> <p>Assembly Bill 184 (codified as Cal. Penal Code § 803(j)) (effective January 1, 2014).</p>

Notaries	<p>Inmate Identification Card for Notarizing Prisoner's Signature</p> <p>Existing law allowing a notary public to acknowledge a person's signature upon obtaining satisfactory evidence of the person's identification has been revised to include an inmate identification card issued by the Department of Corrections and Rehabilitation, if the inmate is in custody in prison, and the identification card is current or was issued within 5 years. The previous law allowed for an inmate identification card, but only if it contained certain identifying information (photograph, description of person, signature, and serial or other identifying number). This law was enacted based on legislative findings that 80% of imprisoned women are mothers who need access to a notary for, among other things, establishing temporary guardianship for their children.</p> <p>Assembly Bill 625 (codified as Cal. Civil Code § 1185) (effective January 1, 2014).</p>
Online Privacy	<p>Revised Online Privacy Policy for Commercial Websites</p> <p>Existing online privacy rights for California residents has been expanded. Under existing law, an operator of a commercial website or online service that collects personally identifiable information through the Internet from individual consumers residing in California who use or visit the website to conspicuously post a privacy policy on its website. Under the new law, the online privacy policy must disclose how the operator responds to web browsers' "do not track" signals that allow a consumer to exercise choice in the collection of his or her personally identifiable information. The operator can satisfy this "do not track" disclosure requirement by providing a clear and conspicuous hyperlink in the privacy policy to an online description of any program the operator follows that offers the consumer that choice. The new law also requires an operator's online privacy policy to disclose whether other parties may collect personally identifiable information about a consumer. "Personally identifiable information" is individually identifiable information about a person, such as first and last name, street address, email address, telephone number, social security number, and any other identifier that allows the physical or online contacting of a specific person (Cal. Bus. & Prof. Code § 22577(a)). As background, existing law already requires an online privacy policy to identify its effective date, the types of personally identifiable information that the operator collects, the process for a consumer to request changes to his or her personally identifiable information, and the process the operator will notify consumers of material changes to the privacy policy. An operator will violate this law only if the operator fails to post its privacy policy within 30 days after being notified of noncompliance.</p> <p>Assembly Bill 370 (codified as Cal. Bus. & Prof. Code § 22575) (effective January 1, 2014).</p>

Online Privacy	<p>Notice of Online Security Breach to Consumers</p> <p>Existing law requiring a person or business to inform individuals of any security breach of computerized data has been broadened. Under existing law, any person or business conducting business in California that owns, licenses, or maintains computerized data must, upon discovery of a breach of the security system, provide a specified notice in the most expedient time possible, to any resident in California whose unencrypted personal information is reasonably believed to have been acquired by an unauthorized person. Also under existing law, “personal information” generally means an individual’s first name or first initial and last name in combination with any of the following data elements when either the name or data elements are not encrypted: (1) social security number; (2) driver’s license number or California identification card number; (3) account number, credit or debit card number, in combination with any required security code, access code, or password; (4) medical information; or (5) health insurance information. Under the new law, an alternative meaning of “personal information” is a user name or email address in combination with a password or security question-and-answer that would permit access to an online account (Cal. Civil Code § 1798.82(h)(2)). Also under the new law, if a breach of the security system involves a user name and password or security question for an online account and no other personal information, the person or business may provide the security breach notification in electronic or other form that directs the user to promptly change his or her password and security question-and-answer, as applicable, or take other appropriate steps.</p> <p>Senate Bill 46 (codified as Cal. Civil Code §§ 1798.29 AND 1798.82) (effective January 1, 2014).</p>
Online Privacy	<p>Protecting Online Privacy of Minors</p> <p>A new law called the Privacy Rights for California Minors in the Digital World will come into effect on January 1, 2015. The law will generally prohibit an Internet website operator, online service, online app, or mobile app directed predominantly at minors under the age of 18 to market or advertise certain products or services, including, but not limited to, firearms, tobacco, and alcoholic beverages. The operator will also be generally prohibited from knowingly using, disclosing, or compiling, or allowing a third party to use, disclose or compile, a minor’s personal information for marketing or advertising those products or services to the minor. The operator is also required to, among other things, allow a minor who is a registered user to remove or request removal of content that the user posted, and provide notice to registered users of their right to remove postings.</p> <p>Senate Bill 568 (codified as Cal. Bus. & Prof. Code § 568) (law itself takes effect on January 1, 2014).</p>
Property Taxes	<p>New Construction Notice Requirement for Tax Assessment Exemption</p> <p>Certain owners seeking exemption from tax assessment starting from the date of completion of new construction, based on the owner’s intent not to occupy or use the property, have a new notice requirement. Under existing law, new construction is generally deemed completed for tax assessment purposes on the date of completion, unless an owner does not intend to occupy or use the property (Cal. Rev. & Tax Code § 75.12(a)(1)(A)). To avail oneself of this exemption, existing law requires the owner to notify the assessor, either before or within 30 days of commencement of construction, of his or her intent not to occupy or use the property (Cal. Rev. & Tax Code § 75.12(a)(1)(A)). However, also under existing law, the notice is generally not required for a subdivision of 5 or more single family residences with a recorded parcel map (Cal. Rev. & Tax Code § 75.12(a)(1)(B)). The new law requires an owner previously exempt from this notice requirement to nevertheless notify the assessor within 45 days if the property changes ownership, is leased, or is used for other purpose as specified, whichever is earliest.</p> <p>Senate Bill 825 (codified as Cal. Rev. & Tax. Code § 75.12(e)) (effective January 1, 2014).</p>
Property Taxes	<p>30 Day Notice of Tax Sale to Tax Assessor</p>

	<p>Existing law requiring a tax collector conducting a sale to notify the tax assessor about the sale and provide other information within 10 days after the sale has been extended to 30 days after the sale. As background, if an owner defaults on the payment of property taxes, existing law authorizes a county tax collector to sell residential property 5 years after default or sell commercial property 3 years after default (Cal. Rev. & Tax. Code § 3691). Senate Bill 825 (codified as Cal. Rev. & Tax. Code § 3716) (effective January 1, 2014).</p>
Secured Transactions	<p>Changes to Secured Transactions for Personal Property Beginning July 1, 2014, certain amended rules become operative concerning security interests in personal property, fixtures, accounts, and chattel paper under the California Commercial Code. The new law implements new rules for perfecting a security interest, as well as new requirements for the following: (1) public organic records (which means records available to the public for inspection); (2) electronic chattel paper; (3) debtor's change of location; (4) name of an individual, registered organization, or decedent's estate on a financing statement; (5) creditor's right to file an information statement for a financing statement when creditor has reason to believe the person who filed was not entitled to do so as specified; (6) subordination of security interests; (7) assignment of security interests; and (8) a filing officer's refusal to accept a record for filing. Assembly Bill 502 (codified as Cal. Commercial Code §§ 9102, et seq.) (law itself takes effect on January 1, 2014).</p>
Structural Pest Control	<p>Increased Insurance Requirements for Structural Pest Control Existing law allowing a structural pest control operator to file with the Structural Pest Control Board evidence of either an insurance policy or bond as specified, has been revised to eliminate the option of the bond. Furthermore, the minimum limit of the insurance policy that an operator must maintain has been increased from \$25,000 to \$500,000 for bodily injury and destruction of property. Additionally, the amount of a surety bond that an operator must maintain has been increased from \$4,000 to \$12,500. Also, the surety bond requirement for reissuance of a license or registration after suspension or revocation has been increased from a range of \$1,000 to \$8,000, to a range of \$8,000 to \$25,000. Senate Bill 662 (codified as Cal. Bus. & Prof. Code §§ 8690, et seq.) (effective January 1, 2014).</p>
Structural Pest Control	<p>Structural Fumigation Enforcement Program in 4 Counties Extended The existing structural fumigation enforcement program for the 4 counties of Los Angeles, Orange, San Diego, and Santa Clara has been revised. The \$5 fee under existing law required from a person performing a structural fumigation in one of 4 counties has been increased to \$8 (Cal. Bus. & Prof. Code § 8698.1). This fee is used to fund increased structural fumigation, inspection, and enforcement activities by the agricultural commissioner for the 4 counties (Cal. Bus. & Prof. Code § 8698). This law also authorizes a county agricultural commissioner to require full payment of any delinquent fees owed to that county under the enforcement program before a structural pest control licensee can register as required each year to operate a structural pest control business in that county (Cal. Bus. & Prof. Code § 8698.4 and Cal. Food and Agricultural Code § 15204.6). Also, this structural fumigation enforcement program originally set to expire on January 1, 2014, has been extended to January 1, 2018 (Cal. Bus. & Prof. Code § 8698.6). Assembly Bill 1177 (codified as Cal. Bus. & Prof. Code §§ 8698, et seq. and Cal. Food & Agricultural Code § 15204.6) (effective January 1, 2014).</p>
Subdivisions	<p>Enactment of Commercial and Industrial Common Interest Development Act The Commercial and Industrial Common Interest Development Act has been enacted to provide for the creation and regulation of commercial and industrial common interest developments. Many provisions of the new law are patterned after provisions in the Davis-Stirling Common Interest Development Act for residential properties, including association governance, operating rules, and property use and maintenance. However, various provisions of the Davis-Stirling Act are not part of the Commercial and Industrial Common Interest Development Act, including, among other things, sales disclosure requirements,</p>

	<p>board and member meetings, accounting, and dispute resolution. This law also makes various conforming changes to other statutory provisions.</p> <p>Senate Bill 752 (codified as Cal. Civil Code §§ 6500, et seq.) (effective January 1, 2014).</p>
Subdivisions	<p>24 Month Extension for Approved Tentative Subdivision Maps</p> <p>To allow cities and counties to preserve development applications not currently being processed due to adverse economic conditions in the construction industry, the existing time frame that an approved tentative map or vesting tentative map for subdivided parcels of land under the Subdivision Map Act has been extended. Under existing law, an approved tentative map or vesting tentative map generally expires within 24 to 36 months, depending on local ordinance. The new law automatically allows an additional 24 months for any map approved on or after January 1, 2000 if the map was not expired as of July 11, 2013. A tentative map or vesting tentative map approved on or before December 31, 1999 can also be extended by 24 months if the subdivider applies for an extension at least 90 days before the expiration of the map, and the map is determined to be consistent with applicable zoning and general plan requirements. If, however, the map is determined to be inconsistent, the legislative body or advisory agency may deny or conditionally approve a 24 month extension.</p> <p>Assembly Bill 116 (codified as Cal. Gov't Code § 66452.24) (effective July 11, 2013).</p>
Subdivisions	<p>Public Report Exemption for Residential Structures Completed At Conveyance</p> <p>Existing law providing exemptions to the public report requirement for a subdivider of 5 or more units who intends to offer a property for sale or lease has been changed. Under existing law, an exemption pertains if a subdivision to be sold or offered for sale is improved with a completed residential structure and other improvements as necessary for occupancy, or has financial arrangements that the city has determined to be adequate to ensure completion. The new law clarifies that a lot, parcel, or unit satisfies the requirement of a completed residential structure if it is improved with a completed residential structure at the time the subdivider conveys the property.</p> <p>Senate Bill 184 (codified as Cal. Bus. & Prof. Code § 11010.4) (effective January 1, 2014).</p>
Subdivisions	<p>Overnight Stay Facilities Exempt from Public Report Requirement</p> <p>Existing law provides certain exemptions from the public report requirement for any person who intends to offer for sale or lease a property in a subdivision with 5 or more lots, parcels, or other interests as specified. The exemption from the public report requirement under existing law for subdivisions limited to industrial or commercial uses, has been expanded to include the operation of a business that provides facilities for the overnight stay of its customers, employees, or agents.</p> <p>Senate Bill 752 (codified as Cal. Bus. & Prof. Code § 11010.3) (effective January 1, 2014).</p>
Subdivisions	<p>Survey of Support for Mobilehome Park Conversion</p> <p>Under existing law, a subdivider who is filing a tentative or parcel subdivision map for the conversion of a rental mobilehome park to resident ownership must obtain a survey of support of residents, and submit the results of that survey to the local agency for consideration. A new law requires that the local agency considers the results of the survey in making its decision to approve or disapprove the map. The local agency has the authority to disapprove the map upon finding the results of the survey do not demonstrate the support of at least the majority of the park's homeowners. A local government can implement these survey requirements by local ordinance or resolution.</p> <p>Senate Bill 510 (codified as Cal. Gov't Code § 66427.5) (effective January 1, 2014).</p>

Subdivisions	<p>Disclosure and Other Requirements for Floating Home Marina Conversions A subdivider who proposes to convert a floating home marina of 5 or more units into resident ownership must make a specified statutory disclosure in writing to homeowners and residents of the marina regarding the tentative price of the subdivided interest proposed to be sold or leased (Cal. Bus. & Prof. Code § 11010.9(a)). The disclosure must include a specific statement regarding, among other things, the possibility that the tentative price could change before the actual sale or lease (Cal. Bus. & Prof. Code § 11010.9(b)). Furthermore, when filing a tentative or parcel map for the conversion of a rental floating home marina subdivision of 5 or more units to resident ownership, a subdivider must submit a report on the impact of the conversion upon residents, as well as provide tenants with an option to purchase or remain as tenants, as part of the requirement to avoid the economic displacement of nonpurchasing residents (Cal. Gov't Code § 66427.6). When filing a tentative or parcel map for a floating home marina conversion other than the conversion of a rental floating home marina to resident ownership, a subdivider must, among other things, submit an impact report addressing the availability of adequate replacement space for displaced residents as specified (Cal. Gov't Code § 66427.4). The parcel map or tentative and final map requirement can be waived if, among other things, two-thirds of the tenants in a floating home marina sign a petition indicating their intent to purchase upon conversion to resident ownership (Cal. Gov't Code § 66428.1).</p> <p>Assembly Bill 253 (codified as Cal. Bus. & Prof. Code § 11010.9; Cal. Gov't Code §§ 66427.4 , 66427.6, and 66428.1) (effective January 1, 2014).</p>
Taxes	<p>FTB Information Return for Out-of-State Acquisition in 1031 Exchange For any 1031 exchange that occurs on or after January 1, 2014, a taxpayer acquiring a "like-kind" property located outside of California must file an information return with the Franchise Tax Board (FTB) for that taxable year and every year thereafter in which the gain or loss from the exchange has not been recognized. If a taxpayer fails to file such information return and tax returns, the FTB may propose to assess the amount of tax, interest, and penalties due by estimating net income from any available information, including the amount of gain.</p> <p>Assembly Bill 92 (codified as Cal. Rev. & Tax Code § 24953) (law took effect June 27, 2013).</p>
Taxes	<p>Stricter Regulation of Tax Preparers The requirements under existing law for a tax preparer to register with the California Tax Education Council, maintain a bond, and complete 60 hours of specified education, have been broadened. The new law further authorizes the council issue a registration to any applicant who provides satisfactory evidence of eligibility requirements as specified. The council can also deny a registration application or discipline a registrant for certain unprofessional conduct or conviction of a crime substantially related to his or her duties. Discipline of a registrant includes, among other things, the suspension or revocation of the registration. The council must also notify Internal Revenue Service and Franchise Tax Board of any suspension or revocation of a registration.</p> <p>Senate Bill 484 (codified as Cal. Bus. & Prof. Code §§ 22251.1, et seq.) (effective January 1, 2014).</p>
Taxes	<p>Tax Information Exchange for Business Tax Enforcement Existing law authorizing a city to exchange tax information under a reciprocal agreement with the Franchise Tax Board for business tax administration purposes only was set to expire on December 31, 2013, but has been extended until January 1, 2019. This law also requires a city to use tax data in a manner that safeguards the tax information as specified.</p> <p>Senate Bill 211 (codified as Cal. Rev. & Tax Code § 19551.1) (effective January 1, 2014).</p>

Taxes	<p>Contribution for Coastal Cleanup on Tax Returns Taxpayers may simply check a box on their personal income tax returns to make a voluntary contribution in the amount of \$1 or more for the “Protect Our Coast and Oceans Fund”. The contribution would be in excess of the taxpayer’s tax liability. The funds donated will be used by the California Coastal Commission for grants and programs to preserve, protect, or enhance coastal resources and promote marine education for underserved communities. This law will be repealed after five years, or earlier if the Franchise Tax Board determines that the voluntary contribution fund fails to meet the \$250,000 minimum per year as adjusted for inflation. Assembly Bill 754 (codified as Cal. Rev. & Tax Code §§ 18745, et seq.) (effective January 1, 2014).</p>
Title Companies	<p>Title Companies Protected for Good Faith Filing of Notice of Default or Sale Except when acting as a trustee, a title insurance company is not liable for violating certain laws prohibiting the filing of a notice of default or notice of sale if the title company, while acting in good faith and in the normal course of business, records or causes to record a notice of default or notice of sale at the request of the trustee, substituted trustee, or beneficiary. This protection applies to the following laws: (1) prohibition against the filing of a notice of default until 30 days after the lender contacts a borrower to explore options of avoiding foreclosure (Cal. Civil Code §§ 2923.5 and 2923.55); (2) prohibition against the filing of a notice of default or sale if a short sale is approved by all parties as specified (Cal. Civil Code § 2924.11); (3) prohibition against the filing of a notice of default or sale if the borrower has submitted a complete loan modification application as specified (Cal. Civil Code §§ 2923.6 and 2924.18); and (4) injunctive relief for certain violations (Cal. Civil Code § 2924.19). Senate Bill 310 (codified as Cal. Civil Code §§ 2924.25 and 2924.26) (effective January 1, 2014).</p>
Unclaimed Property	<p>\$25 Threshold for Itemized Report of Unclaimed Property Starting July 1, 2014, the threshold amount for the required submission of a report to the Controller by every person holding funds or other property that escheated to the state has been changed from \$50 to \$25. Under the new law, every person holding funds or other property worth at least \$25 that escheated to the state must submit a report to the Controller including, among other things, the name and last known address of every apparent owner of any property (except money orders and traveler’s checks) and the nature and identifying number, if any, or description of any intangible property. Items of value under \$25 each may be reported in aggregate, rather than accompanied by identifying numbers. A banking or financial institution is authorized to impose a service charge for notices. Assembly Bill 212 (codified as Cal. Code of Civil Procedure §§ 1530 and 1513.5) (law itself takes effect on January 1, 2014).</p>
Underground Storage Tanks	<p>Extension of Underground Storage Tanks Program Under existing law, the Replacing, Removing, and Upgrading Tanks (RUST) Program that offers loans and grants to assist small businesses addressing issues involving underground storage tanks was set to expire on January 1, 2016. Under the new law, this program has generally been extended until January 1, 2022. Additionally, the new law makes certain changes to the loan eligibility and grant award requirements, such as annual allocation of available funds for grants, imposition of interest rates for loans, and other uses of the funds. Senate Bill 763 (codified as §§ 25299.102, et seq. and others) (effective January 1, 2014).</p>
Utilities	<p>Privacy Rights for Utility Usage Under the new Privacy of Customer Electrical or Natural Gas Usage Data law, a business is generally prohibited from sharing, disclosing, or otherwise making accessible to any third party a customer’s electrical or natural gas usage data without obtaining the express consent of the customer and conspicuously disclosing to whom the information will be</p>

	<p>given and how the data will be used. A business must also implement and maintain reasonable security procedures and practices to protect data from unauthorized access. A business that discloses data to a nonaffiliated third party with the express consent of the customer must contractually require the third party to also implement and maintain reasonable security procedures and practices. A customer can bring a civil action for actual damages suffered not to exceed \$500 for each willful violation of this law.</p> <p>Assembly Bill 1274 (codified as Cal. Civil Code §§ 1798.98 and 1798.99) (effective January 1, 2014).</p>
Utilities	<p>Clean Energy Electricity Exempt from Utility User Tax</p> <p>The consumption of electricity generated by a clean energy resource (as defined below), that is solely used for a single customer or customer's tenants, is exempt from any utility user tax imposed by a local agency. A clean energy resource is a device located on the customer's premises used for a renewable electrical generation facility or other technology producing minimal emissions of sulfur oxides and nitrogen oxides, among other requirements. This law will expire on January 1, 2020.</p> <p>Assembly Bill 792 (codified as Cal. Rev. & Taxation Code § 7284.5) (effective January 1, 2014).</p>
Utilities	<p>Establishment of Fixed Charges for Electrical Service</p> <p>Existing law limiting the raising of residential electrical rates during the energy crisis of 2000-01 has been repealed. The new law, however, requires the Public Utilities Commission to reinstate rates for low-income customers under the California Alternate Rates for Energy (CARE) program as specified. This law also authorizes the commission to approve new, or expand existing, fixed charges for an electrical corporation for the purposes of collecting a reasonable portion of the fixed costs for providing service to residential customers. The fixed charges for a basic service fee and other charges not based on the amount of electricity consumed must be determined according to the guidelines provided. Starting January 1, 2015, the fixed charges cannot exceed \$10 per month for a residential customer account or \$5 per month for CARE program participant. Starting January 1, 2016, the maximum allowable fixed charge may be adjusted by no more than the annual percentage increase in the Consumer Price Index. This law has various other provisions for regulating electric utility companies and services.</p> <p>Assembly Bill 327 (Cal. Public Utilities Code §§ 739.9 and others) (law itself takes effect on January 1, 2014).</p>
Utilities	<p>Solar Energy Systems for Low-Income Housing</p> <p>The Legislature declares that the state of California has set a goal to install solar energy systems with a generating capacity equivalent to 50 megawatts for low-income residential housing. This law authorizes additional funding under the California Solar Initiative of \$108 million as needed to administer the Single-Family Affordable Solar Homes Program (SASH) and the Multifamily Affordable Solar Housing Program (MASH) until December 31, 2021 (Cal. Public Utilities Code § 2851(f)). This law also requires the Public Utilities Commission that is supervising a program implementing the California Solar Initiative, to ensure that the program is designed to maximize the overall benefit to ratepayers (Cal. Public Utilities Code § 2852(d)).</p> <p>Assembly Bill 217 (codified as Cal. Public Utilities Code §§ 2851(f) and 2852(d)) (effective January 1, 2014).</p>
Utilities	<p>Utilities Websites to Provide Energy Efficiency Information</p> <p>The Public Utilities Commission must require electrical and gas corporation to cooperate in establishing, by June 1, 2014, a publicly available website containing information about ratepayer-funded energy efficiency programs. The information to be provided must be updated at least once every 30 days, and must include, without limitation, the types of energy efficiency measures installed, the amount of funds expended, and the expected annual energy savings. As background, over the last 15 years, California ratepayers and taxpayers have spent about \$15 billion to support the development of energy efficiency and renewable energy in California, yet information is lacking to assess and monitor these</p>

	<p>expenditures.</p> <p>Assembly Bill 270 (codified as Cal. Public Utilities Code § 589) (effective January 1, 2014).</p>
Wrongful Acts	<p>Domestic Violence Includes Fiancés and Those in Dating Relationships</p> <p>The definition of domestic violence has been expanded. Under existing law, domestic violence is defined as any person who willfully inflicts corporal injury resulting in a traumatic condition upon a spouse, former spouse, cohabitant, former cohabitant, or the mother or father of the offender's child. The new law extends the existing law to include a fiancé or someone who the person has or previously had a dating or engagement relationship. As background, domestic violence is a felony punishable by up to 4 years imprisonment, plus a \$6,000 fine for the first offense.</p> <p>Assembly Bill 16 (codified as Cal. Penal Code § 273.5) (effective January 1, 2014).</p>
Wrongful Acts	<p>Undue Influence of Elderly Defined</p> <p>A new law defines "undue influence" for purposes of determining elder or dependent adult abuse as excessive persuasion that causes another person to act or refrain from acting by overcoming that person's free will and results in inequity. Factors for determining undue influence include the vulnerability of the victim, the influencer's apparent authority, the influencer's tactics, and the equity of the result. As background, financial abuse of an elder or dependent adult occurs if, among other things, a person takes, secretes, appropriates, obtains, or retains, or assists in taking, secreting, appropriating, obtaining, or retaining, real or personal property of an elder or dependent adult by undue influence.</p> <p>Assembly Bill 140 (codified as Cal. Welfare & Institutions Code § 15610.70) (effective January 1, 2014).</p>
Wrongful Acts	<p>Threatening to Report Immigration Status May Constitute Criminal Extortion</p> <p>Existing law on the crime of extortion has been clarified. Under existing law, extortion generally means wrongfully using force or fear to obtain property from another with that person's consent. The new law clarifies that, for purposes of constituting extortion, fear may be induced by a threat to, among other things, report someone's immigration status or suspected immigration status.</p> <p>Assembly Bill 524 (codified as Cal. Penal Code § 519) (effective January 1, 2014).</p>

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