SB-1380 Maintenance of the codes. (2021-2022)

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Senate Bill No. 1380

CHAPTER 28

An act to amend Sections 27, 655, 2886, 3046.1, 4126.10, 4842.7, 4999.46.2, 5009.5, 6056, 6210.5, 7596.3, 10083.2, 10166.07, 10232.2, 18975, 22979.24, 26012.5, 26067, and 26162 of the Business and Professions Code, to amend Sections 714.6, 1798.24, 1798.29, 1798.82, and 1946.7 of the Civil Code, to amend Sections 704.113, 1001, 1179.04, 1179.12, and 1733.1 of the Code of Civil Procedure, to amend Sections 10872, 22228, 60900, 69436, 69514, 69996.9, and 78071 of, and to amend and renumber Section 8281.5 of, the Education Code, to amend Sections 2194, 2262, 2265, 2269, 3026, 13204, and 13300.7 of the Elections Code, to amend Section 3011 of the Family Code, to amend Section 2103 of the Financial Code, to amend Sections 591, 9269, 12978.7, and 81012 of the Food and Agricultural Code, to amend Sections 925.6, 1029, 3558, 3579, 4533, 4534, 8593.7, 8607, 9605, 11019.7, 11546.45, 11549.3, 12019.60, 12100.63, 12100.93, 12271, 12926.1, 12956.1, 16429.5, 20136, 25300, 53398.51.1, 54953, 62001, 65913.4, 68109, 93026, 100033, and 100104 of the Government Code, to amend Sections 1324.22, 1325.5, 1423, 1424.3, 1798.200, 13140.5, 25200.3, 25214.8.11.6, 25214.8.13, 25214.8.13.5, 25214.8.18, 25230.11, 25501, 25538, 38599.11, 39692, 44274.13, 50220.6, 50254, 50259, 50897, 50897.1, 111928, 115917, 116773.4, 127673.81, 128365, 128734.1, 128735, 128736, 128737, 128745, 130060, 130206, and 131052 of the Health and Safety Code, to amend Sections 1215.4, 1215.8, 1666.5, and 12921.2 of the Insurance Code, to amend Sections 138.7, 2783, 6403.1, and 6409.6 of the Labor Code, to amend Section 999.11 of the Military and Veterans Code, to amend Sections 832.5, 832.7, and 2807 of the Penal Code, to amend Section 16106 of the Probate Code, to amend Sections 10112.3, 10208, 20665.24, and 20919.24 of the Public Contract Code, to amend Sections 4584, 21080.47, 21108, 21168.6.9, 21183.5, 21189.70.8, 25711.5, 41821.5, 42355.51, 42653, and 75230 of the Public Resources Code, to amend Section 3420 of the Public Utilities Code, to amend Sections 17053.99, 18410.2, 18897, 19777, and 60495 of the Revenue and Taxation Code, to amend Sections 91.41, 91.42, 118.9, and 383 of the Streets and Highways Code, to amend Sections 21101 and 40240 of the Vehicle Code, to amend Section 10609.51 of the Water Code, to amend Sections 300, 8257, 13405, 13652, 14105.22, 14301.1, and 18901.12 of the Welfare and Institutions Code, to amend Section 1 of Chapter 126 of the Statutes of 2021, to amend Section 1 of Chapter 662 of the Statutes of 2021, and to amend Section 9 of Chapter 693 of the Statutes of 2021, relating to the maintenance of the codes.

[Approved by Governor June 20, 2022. Filed with Secretary of State June 20, 2022.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1380, Committee on Judiciary. Maintenance of the codes.

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

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

Vote: majority Appropriation: no Fiscal Committee: no Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 27 of the Business and Professions Code is amended to read:

27. (a) Each entity specified in subdivisions (c), (d), and (e) shall provide on the internet information regarding the status of every license issued by that entity in accordance with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The public information to be provided on the internet shall include information on suspensions and revocations of licenses issued by the entity and other related enforcement action, including accusations filed pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) taken by the entity relative to persons, businesses, or facilities subject to licensure or regulation by the entity. The information may not include personal information, including home telephone number, date of birth, or social security number. Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of the licensee's home address, as the address of record. This section shall not preclude an entity from also requiring a licensee, who has provided a post office box number or other alternative mailing address as the licensee's address of record, to provide a physical business address or residence address only for the entity's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the internet.

(b) In providing information on the internet, each entity specified in subdivisions (c) and (d) shall comply with the Department of Consumer Affairs' guidelines for access to public records.

(c) Each of the following entities within the Department of Consumer Affairs shall comply with the requirements of this section:

(1) The Board for Professional Engineers, Land Surveyors, and Geologists shall disclose information on its registrants and licensees.

(2) The Bureau of Automotive Repair shall disclose information on its licensees, including auto repair dealers, smog stations, lamp and brake stations, smog check technicians, and smog inspection certification stations.

(3) The Bureau of Household Goods and Services shall disclose information on its licensees, registrants, and permitholders.

(4) The Cemetery and Funeral Bureau shall disclose information on its licensees, including cemetery brokers, cemetery salespersons, cemetery managers, crematory managers, cemetery authorities, crematories, cremated remains disposers, embalmers, funeral establishments, and funeral directors.

(5) The Professional Fiduciaries Bureau shall disclose information on its licensees.

(6) The Contractors State License Board shall disclose information on its licensees and registrants in accordance with Chapter 9 (commencing with Section 7000) of Division 3. In addition to information related to licenses as specified in subdivision (a), the board shall also disclose information provided to the board by the Labor Commissioner pursuant to Section 98.9 of the Labor Code.

(7) The Bureau for Private Postsecondary Education shall disclose information on private postsecondary institutions under its jurisdiction, including disclosure of notices to comply issued pursuant to Section 94935 of the Education Code.

(8) The California Board of Accountancy shall disclose information on its licensees and registrants.

(9) The California Architects Board shall disclose information on its licensees, including architects and landscape architects.

(10) The State Athletic Commission shall disclose information on its licensees and registrants.

(11) The State Board of Barbering and Cosmetology shall disclose information on its licensees.

(12) The Acupuncture Board shall disclose information on its licensees.

(13) The Board of Behavioral Sciences shall disclose information on its licensees and registrants.

(14) The Dental Board of California shall disclose information on its licensees.

(15) The California State Board of Optometry shall disclose information on its licensees and registrants.

(16) The Board of Psychology shall disclose information on its licensees, including psychologists and registered psychological associates.

(17) The Veterinary Medical Board shall disclose information on its licensees, registrants, and permitholders.

(d) The State Board of Chiropractic Examiners shall disclose information on its licensees.

(e) The Structural Pest Control Board shall disclose information on its licensees, including applicators, field representatives, and operators in the areas of fumigation, general pest and wood destroying pests and organisms, and wood roof cleaning and treatment.

(f) “Internet” for the purposes of this section has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

SEC. 2. Section 655 of the Business and Professions Code, as added by Section 11 of Chapter 630 of the Statutes of 2021, is amended to read:

655. (a) For the purposes of this section, the following terms have the following meanings:

(1) “Health plan” means a health care service plan licensed pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code).

(2) “Optical company” means a person or entity that is engaged in the manufacture, sale, or distribution to physicians and surgeons, optometrists, health plans, or dispensing opticians of lenses, frames, optical supplies, or optometric appliances or devices or kindred products.

(3) “Optometrist” means a person licensed pursuant to Chapter 7 (commencing with Section 3000) or an optometric corporation, as described in Section 3160.

(4) “Physician and surgeon” means a person licensed by the Medical Board of California or the Osteopathic Medical Board of California under Chapter 5 (commencing with Section 2000) or a medical corporation that is authorized to render professional services, as defined in Section 13401 of the Corporations Code.

(5) “Registered dispensing optician” means a person or entity licensed pursuant to Chapter 5.5 (commencing with Section 2550).

(6) “Therapeutic ophthalmic product” means lenses or other products that provide direct treatment of eye disease or visual rehabilitation for diseased eyes.

(b) No optometrist may have any membership, proprietary interest, coownership, or any profit-sharing arrangement, either by stock ownership, interlocking directors, trusteeship, mortgage, or trust deed, with any registered dispensing optician or any optical company, except as otherwise permitted under this section.

(c) (1) A registered dispensing optician or an optical company may operate, own, or have an ownership interest in a health plan so long as the health plan does not directly employ optometrists to provide optometric services directly to enrollees of the health plan, and may directly or indirectly provide products and services to the health plan or its contracted providers or enrollees or to other optometrists. For purposes of this section, an optometrist may be employed by a health plan as a clinical director for the health plan pursuant to Section 1367.01 of the Health and Safety Code or to perform services related to utilization management or quality assurance or other similar related services that do not require the optometrist to directly provide health care services to enrollees. In addition, an optometrist serving as a clinical director may not employ optometrists to provide health care services to enrollees of the health plan for which the optometrist is serving as clinical director. For the purposes of this section, the health plan’s utilization management and quality assurance programs that are consistent with the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code) do not constitute providing health care services to enrollees.

(2) The registered dispensing optician or optical company shall not interfere with the professional judgment of the optometrist.

(3) The Department of Managed Health Care shall forward to the California State Board of Optometry any complaints received from consumers that allege that an optometrist violated the Optometry Practice Act (Chapter 7 (commencing with Section 3000)). The Department of Managed Health Care and the California State Board of Optometry shall enter into an Inter-Agency Agreement regarding the sharing of information related to the services provided by an optometrist that may be in violation of the Optometry Practice Act that the Department of Managed Health Care encounters in the course of the administration of the

Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code).

(d) An optometrist, a registered dispensing optician, a physician and surgeon, an optical company, or a health plan may execute a lease, sublease, or other written agreement with an optometrist, if all of the following conditions are contained in a written agreement establishing the landlord-tenant relationship:

(1) (A) The practice shall be owned by the optometrist and in every phase be under the optometrist's exclusive control, including the selection and supervision of optometric staff, the scheduling of patients, the amount of time the optometrist spends with patients, fees charged for optometric products and services, the examination procedures and treatment provided to patients, and the optometrist's contracting with managed care organizations.

(B) Subparagraph (A) shall not preclude a lease from including commercially reasonable terms that: (i) require the provision of optometric services at the leased space during certain days and hours, (ii) restrict the leased space from being used for the sale or offer for sale of spectacles, frames, lenses, contact lenses, or other ophthalmic products, except that the optometrist shall be permitted to sell therapeutic ophthalmic products if the registered dispensing optician, physician and surgeon, health plan, or optical company located on or adjacent to the optometrist's leased space does not offer any substantially similar therapeutic ophthalmic products for sale, (iii) require the optometrist to contract with a health plan network, health plan, or health insurer, or (iv) permit the landlord to directly or indirectly provide furnishings and equipment in the leased space.

(2) The optometrist's records shall be the sole property of the optometrist. Only the optometrist and those persons with written authorization from the optometrist shall have access to the patient records and the examination room, except as otherwise provided by law.

(3) The optometrist's leased space shall be definite and distinct from space occupied by other occupants of the premises, have a sign designating that the leased space is occupied by an independent optometrist or optometrists and be accessible to the optometrist after hours or in the case of an emergency, subject to the facility's general accessibility. This paragraph shall not require a separate entrance to the optometrist's leased space.

(4) All signs and displays shall be separate and distinct from that of the other occupants and shall have the optometrist's name and the word "optometrist" prominently displayed in connection therewith. This paragraph shall not prohibit the optometrist from advertising the optometrist's practice location with reference to other occupants or prohibit the optometrist or registered dispensing optician from advertising their participation in any health plan's network or the health plan's products in which the optometrist or registered dispensing optician participates.

(5) There shall be no signs displayed on any part of the premises or in any advertising indicating that the optometrist is employed or controlled by the registered dispensing optician, health plan, or optical company.

(6) Except for a statement that an independent doctor of optometry is located in the leased space, in-store pricing signs and as otherwise permitted by this subdivision, the registered dispensing optician or optical company shall not link its advertising with the optometrist's name, practice, or fees.

(7) Notwithstanding paragraphs (4) and (6), this subdivision shall not preclude a health plan from advertising its health plan products and associated premium costs and any copayments, coinsurance, deductibles, or other forms of cost sharing, or the names and locations of the health plan's providers, including any optometrists or registered dispensing opticians that provide professional services, in compliance with the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code).

(8) A health plan that advertises its products and services in accordance with paragraph (7) shall not advertise the optometrist's fees for products and services that are not included in the health plan's contract with the optometrist.

(9) The optometrist shall not be precluded from collecting fees for services that are not included in a health plan's products and services, subject to any patient disclosure requirements contained in the health plan's provider agreement with the optometrist or that are not otherwise prohibited by the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code).

(10) The term of the lease shall be no less than one year and shall not require the optometrist to contract exclusively with a health plan. The optometrist may terminate the lease according to the terms of the lease. The landlord may terminate the lease for the following reasons:

(A) The optometrist's failure to maintain a license to practice optometry or the imposition of restrictions, suspension or revocation of the optometrist's license, or if the optometrist or the optometrist's employee is or becomes ineligible to

participate in state or federal government-funded programs.

(B) Termination of any underlying lease where the optometrist has subleased space, or the optometrist's failure to comply with the underlying lease provisions that are made applicable to the optometrist.

(C) If the health plan is the landlord, the termination of the provider agreement between the health plan and the optometrist, in accordance with the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code).

(D) Other reasons pursuant to the terms of the lease or permitted under the Civil Code.

(11) The landlord shall act in good faith in terminating the lease and in no case shall the landlord terminate the lease for reasons that constitute interference with the practice of optometry.

(12) Lease or rent terms and payments shall not be based on number of eye exams performed, prescriptions written, patient referrals, or the sale or promotion of the products of a registered dispensing optician or an optical company.

(13) The landlord shall not terminate the lease solely because of a report, complaint, or allegation filed by the optometrist against the landlord, a registered dispensing optician, or a health plan, to the California State Board of Optometry or the Department of Managed Health Care or any law enforcement or regulatory agency.

(14) The landlord shall provide the optometrist with written notice of the scheduled expiration date of a lease at least 60 days prior to the scheduled expiration date. This notice obligation shall not affect the ability of either party to terminate the lease pursuant to this section. The landlord may not interfere with an outgoing optometrist's efforts to inform the optometrist's patients, in accordance with customary practice and professional obligations, of the relocation of the optometrist's practice.

(15) The California State Board of Optometry may inspect, upon request, an individual lease agreement pursuant to its investigational authority, and if such a request is made, the landlord or tenant, as applicable, shall promptly comply with the request. Failure or refusal to comply with the request for lease agreements within 30 days of receiving the request constitutes unprofessional conduct and is grounds for disciplinary action by the appropriate regulatory agency. This section shall not affect the Department of Managed Health Care's authority to inspect all books and records of a health plan pursuant to Section 1381 of the Health and Safety Code.

Any financial information contained in the lease submitted to a regulatory entity, pursuant to this paragraph, shall be considered confidential trade secret information that is exempt from disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(16) This subdivision shall not be applicable to the relationship between any optometrist employee and the employer medical group, or the relationship between a medical group exclusively contracted with a health plan regulated by the Department of Managed Health Care and that health plan.

(e) No registered dispensing optician may have any membership, proprietary interest, coownership, or profit-sharing arrangement either by stock ownership, interlocking directors, trusteeship, mortgage, or trust deed, with an optometrist, except as permitted under this section.

(f) Nothing in this section shall prohibit a person licensed under Chapter 5 (commencing with Section 2000) or its professional corporation from contracting with or employing optometrists, ophthalmologists, or optometric assistants and entering into a contract or landlord-tenant relationship with a health plan, an optical company, or a registered dispensing optician, in accordance with Sections 650 and 654 of this code.

(g) Any violation of this section constitutes a misdemeanor as to such person licensed under Chapter 7 (commencing with Section 3000) of this division and as to any and all persons, whether or not so licensed under this division, who participate with such licensed person in a violation of any provision of this section.

(h) (1) Notwithstanding any other law and in addition to any action available to the California State Board of Optometry, the California State Board of Optometry may issue a citation containing an order of abatement, an order to pay an administrative fine, or both, to an optical company, an optometrist, or a registered dispensing optician for a violation of this section. The administrative fine shall not exceed fifty thousand dollars ($50,000) per administrative action. Notwithstanding any other law and in addition to any action available to the Medical Board of California or the Osteopathic Medical Board of California, the Medical Board of California or the Osteopathic Medical Board of California may issue a citation containing an order of abatement, an order to pay an administrative fine, or both, to a physician and surgeon for a violation of this section. In assessing the amount of the fine, the board shall give due consideration to all of the following:

(A) The gravity of the violation.

(B) The good faith of the cited person or entity.

(C) The history of previous violations of the same or similar nature.

(D) Evidence that the violation was or was not willful.

(E) The extent to which the cited person or entity has cooperated with the board's investigation.

(F) The extent to which the cited person or entity has mitigated or attempted to mitigate any damage or injury caused by the violation.

(G) Any other factors as justice may require.

(2) A citation or fine assessment issued pursuant to a citation shall inform the cited person or entity that if a hearing is desired to contest the finding of a violation, that hearing shall be requested by written notice to the board within 30 days of the date of issuance of the citation or assessment. If a hearing is not requested pursuant to this section, payment of any fine shall not constitute an admission of the violation charged. Hearings shall be held pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(3) The board shall adopt regulations to implement a system for the issuance of citations, administrative fines, and orders of abatement authorized by this section. The regulations shall include provisions for both of the following:

(A) The issuance of a citation without an administrative fine.

(B) The opportunity for a cited person or entity to have an informal conference with the executive officer of the board in addition to the hearing described in paragraph (2).

(4) The failure of a licensee to pay a fine within 30 days of the date of assessment, unless the citation is being appealed, may result in disciplinary action being taken by the board. Where a citation is not contested and a fine is not paid, the full amount of the assessed fine shall be added to the fee for renewal of the license. A license shall not be renewed without payment of the renewal fee and fine.

(5) Notwithstanding any other law, if a fine is paid to satisfy an assessment based on the finding of a violation, payment of the fine shall be represented as satisfactory resolution of the matter for purposes of public disclosure.

(i) Administrative fines collected pursuant to this section shall be deposited in the fund of the board that has issued the fine. It is the intent of the Legislature that moneys collected as fines and deposited in the fund be used by the board primarily for enforcement purposes.

(j) Any complaints against a physician and surgeon for violations of this section shall be referred to the physician and surgeon's licensing board.

(k) This section shall become operative on January 1, 2023.

SEC. 3. Section 2886 of the Business and Professions Code is amended to read:

2886. (a) It is unlawful for a person to willfully make any false representation or to impersonate any other person in connection with any examination or application for a license, or request to be examined or licensed.

(b) It is unlawful for a person to permit or aid any person in any manner to impersonate that person in connection with any examination or application for a license, or request to be examined or licensed.

SEC. 4. Section 3046.1 of the Business and Professions Code is amended to read:

3046.1. (a) The board shall issue a temporary license to practice optometry to any person who applies for and is eligible for licensure pursuant to Section 3046, but who is unable to immediately take the Section III - Clinical Skills Examination developed by the National Board of Examiners in Optometry (NBEO), required for licensure under this chapter, due to the state of emergency, proclaimed by the Governor on March 4, 2020, in response to the COVID-19 pandemic. In addition to Section 3046, the person shall also satisfy all of the following conditions:

(1) The person has never been previously licensed to practice optometry in any state in the United States.

(2) The person pays to the board the applicable fee of one hundred dollars ($100), or a fee in an amount as determined by the board, not to exceed the reasonable cost of administering this section and submits an application to be a temporary licensee, as described in subdivision (j), to the board.

(3) The person has received approval from their accredited school of optometry that the person meets the educational requirements to practice optometry.

(4) The person satisfies all other conditions to licensure established by this chapter.

(b) A person holding a temporary license shall be subject to the same rights and restrictions that are afforded to a person holding a valid, unrevoked California optometrist license, except as set forth in this section. For the purposes of this chapter, “temporary licensee” means a person holding a temporary license pursuant to this section.

(c) A temporary licensee shall practice under the direct supervision of a supervising optometrist. For the purposes of this chapter, “supervising optometrist” means a California licensed optometrist that has been licensed for a minimum of five years and has been certified for the treatment of glaucoma, pursuant to subdivision (e) of Section 3041, and submits an application to be a supervising optometrist, as described in subdivision (k), to the board. A licensed physician practicing ophthalmology may also supervise a temporary licensee and shall be subject to all of the same reporting requirements as set forth in this section.

(d) Notwithstanding any other law, a temporary licensee may perform services as authorized by this chapter if both of the following requirements are met:

(1) The temporary licensee renders the services under the direct supervision of a supervising optometrist who is not subject to a disciplinary condition imposed by the board prohibiting that supervision or prohibiting the employment of a temporary licensee.

(2) The supervising optometrist is legally and professionally responsible for the actions of the temporary licensee.

(e) For the purposes of this chapter, “direct supervision” means that a supervising optometrist oversees the activities of, and accepts responsibility for, the services rendered by a temporary licensee. Direct supervision, as defined in this subdivision, requires that the supervising optometrist be physically present and immediately available in the facility or office in which the optometric services are being provided when the temporary licensee is with a patient.

(f) The supervising optometrist shall have a formal written procedure in place by which patients are informed that an optometrist with a temporary license will be performing the services. Additionally, the patient shall be informed that the supervising optometrist will be supervising the temporary licensee and the supervising optometrist will be identified to the patient. The temporary licensee shall note in the medical record the patient’s consent to this process prior to performing services authorized by this chapter.

(g) During the timeframe in which the temporary licensee holds a temporary license, the temporary licensee shall not open their own optometric office or place of practice.

(h) The temporary license shall expire either upon the date that the temporary licensee completes all of the requirements for licensure or six months after the date the state of emergency, proclaimed by the Governor on March 4, 2020, in response to the COVID-19 pandemic has ended, pursuant to Section 8629 of the Government Code, whichever occurs first.

(i) The supervising optometrist shall submit in writing to the board any violations of this chapter committed by the temporary licensee within 14 days of becoming aware of the violation.

(j) A person requesting to be a temporary licensee shall apply to the board pursuant to an application that shall be in substantially the following form, and may include any other information the board deems appropriate to safeguard the public from substandard optometric care, fraud, or other violation of this chapter:

“Application for Temporary License

Pursuant to Section 3046.1 of the Business and Professions Code, the board shall issue a temporary license to practice optometry to any person who applies for and is eligible for licensure pursuant to Section 3046 of the Business and Professions Code, but who is unable to immediately take the Section III - Clinical Skills Examination developed by the National Board of Examiners in Optometry (NBEO), required for licensure under this chapter, due to the state of emergency, proclaimed by the Governor on March 4, 2020, in response to the COVID-19 pandemic. If eligible, you must also meet and maintain the following requirements to be a temporary licensee:

(1) Never been previously licensed to practice optometry in any state in the United States; and

(2) Receive confirmation via transcript or other correspondence from your accredited school of optometry that you meet the educational requirements to practice optometry.

To apply to be a temporary licensee, provide documentation for item (2) above with your application. All documentation must be provided, or the application will be rejected.

First, Middle, and Last Name:

Address (City, State, Zip Code):

Phone Number:

Email Address:

Social Security or ITIN number:

Date of Birth:

Name of School of Optometry:

Address of School of Optometry (City, State, Zip Code, Country):

Date Degree Conferred:

Name and License Number of Supervising Optometrist:

Date you completed the CLRE:

Regulations require the submission of fingerprints prior to issuance of the temporary license. Due to a change in the regulations, fingerprints are now checked by the Department of Justice (DOJ) and the Federal Bureau of Investigation (FBI). Live Scan is required for California residents and a Manual Fingerprint Card is required for non-California residents.

I declare under penalty of perjury under the laws of the State of California that the information provided on this form and the attached documents or other requested proof of completion is true and accurate. I understand and agree that any misstatements of material facts may be cause for denial of the Application for Temporary License and disciplinary action by the State Board of Optometry.

Applicant Signature:

Date: ”

(k) A person requesting to be a supervising optometrist shall apply to the board pursuant to an application that shall be in substantially the following form, and may include any other information the board deems appropriate to safeguard the public from substandard optometric care, fraud, or other violation of this chapter:

“Application to be a Supervising Optometrist

Pursuant to Section 3046.1 of the Business and Professions Code, an individual may act as supervising optometrist to a temporary licensee, as defined in that section, if they meet the following conditions:

(1) Has been licensed for a minimum of five years; and

(2) Has been certified for the treatment of glaucoma pursuant to subdivision (e) of Section 3041.

To apply to be a supervising optometrist, provide documentation for items (1) and (2) above with your application. All documentation must be provided, or the application will be rejected.

First, Middle, and Last Name:

Address of Record:

Phone Number:

Email Address:

License Number:

Name of temporary licensee whom you will be supervising:

1. I declare under penalty of perjury under the laws of the State of California that the information provided on this form and the attached documents or other requested proof of completion is true and accurate. I understand and agree that any misstatements of material facts may be cause for denial of the application to be a Supervising Optometrist and disciplinary action by the State Board of Optometry.

AND

2. I declare under penalty of perjury under the laws of the State of California that I will comply with all duties as a supervising optometrist set forth in Section 3046.1 of the Business and Professions Code, and that pursuant to that section, I am legally and professionally responsible for the actions of the temporary licensee which may result in action being taken against my license in cases of temporary licensee misconduct.

Applicant Signature:

Date: ”

(l) The board shall not be required to adopt regulations pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) to carry out this section.

SEC. 5. Section 4126.10 of the Business and Professions Code is amended to read:

4126.10. (a) A pharmacy located in California may distribute compounded human drug preparations interstate only if all of the following conditions are met:

(1) Between January 1 and March 31 of each year, the pharmacy reports all required data for the previous calendar year into the Information Sharing Network established by the National Association of Boards of Pharmacy in conjunction with the United States Food and Drug Administration (FDA) to implement the Memorandum of Understanding Addressing Certain Distributions of Compounded Human Drug Products.

(2) On an annual basis, in connection with and as a condition of renewal of the pharmacy’s license, the pharmacist-in-charge of the pharmacy certifies that the reporting requirements of paragraph (1) have been satisfied.

(3) The pharmacy reports any adverse drug experience and product quality issue for any compounded product to the board within 12 hours after the pharmacy receives notice of the adverse drug experience or product quality issue.

(b) Information reported by the board to the FDA directly or through the Information Sharing Network established by the National Association of Boards of Pharmacy in conjunction with the FDA to implement the Memorandum of Understanding Addressing Certain Distributions of Compounded Human Drug Products shall not be subject to public disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

SEC. 6. Section 4842.7 of the Business and Professions Code is amended to read:

4842.7. Every person registered by the board under this article who changes their mailing address shall notify the board of their new mailing address within 30 days of the change. The board shall not renew the registration of any person who fails to comply with this section unless the person pays the penalty fee prescribed in Section 4905. An applicant for the renewal of a registration shall specify in their application whether they have changed their mailing address and the board may accept that statement as evidence of the fact.

SEC. 7. Section 4999.46.2 of the Business and Professions Code is amended to read:

4999.46.2. (a) Except for experience gained by attending workshops, seminars, training sessions, or conferences, as described in paragraph (4) of subdivision (c) of Section 4999.46, direct supervisor contact shall occur as follows:

(1) Supervision shall include at least one hour of direct supervisor contact in each week for which experience is credited in each work setting.

(2) A trainee shall receive an average of at least one hour of direct supervisor contact for every five hours of direct clinical counseling performed each week in each setting. For experience gained after January 1, 2009, no more than six hours of supervision, whether individual, triadic, or group, shall be credited during any single week.

(3) An associate gaining experience who performs more than 10 hours of direct clinical counseling in a week in any setting shall receive at least one additional hour of direct supervisor contact for that setting. For experience gained after January 1, 2009, no more than six hours of supervision, whether individual supervision, triadic supervision, or group supervision, shall be credited during any single week.

(4) Of the 104 weeks of required supervision, 52 weeks shall be individual supervision, triadic supervision, or a combination of both.

(b) For purposes of this chapter, “one hour of direct supervisor contact” means any of the following:

(1) Individual supervision, which means one hour of face-to-face contact between one supervisor and one supervisee.

(2) Triadic supervision, which means one hour of face-to-face contact between one supervisor and two supervisees.

(3) Group supervision, which means two hours of face-to-face contact between one supervisor and no more than eight supervisees. Segments of group supervision may be split into no less than one continuous hour. The supervisor shall ensure that the amount and degree of supervision is appropriate for each supervisee.

(c) Direct supervisor contact shall occur within the same week as the hours claimed.

(d) Alternative supervision may be arranged during a supervisor's vacation or sick leave if the alternative supervision meets the requirements in this chapter.

(e) Notwithstanding subdivision (b), a supervisee working in an exempt setting described in Section 4999.22 may obtain the required weekly direct supervisor contact via two-way, real-time videoconferencing. The supervisor shall be responsible for ensuring compliance with federal and state laws relating to confidentiality of patient health information.

(f) Notwithstanding any other law, once the required number of experience hours are gained, associates and applicants for licensure shall receive a minimum of one hour of direct supervisor contact per week for each practice setting in which direct clinical counseling is performed. Once the required number of experience hours are gained, further supervision for nonclinical practice, as defined in paragraph (4) of subdivision (c) of Section 4999.46, shall be at the supervisor's discretion.

SEC. 8. Section 5009.5 of the Business and Professions Code is amended to read:

5009.5. In the interest of protecting the privacy of applicants and licensees, an email address provided by applicants or licensees to the board pursuant to this chapter shall not be considered a public record and shall not be disclosed pursuant to Section 27 or pursuant to a request under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), unless required pursuant to a court order by a court of competent jurisdiction.

SEC. 9. Section 6056 of the Business and Professions Code is amended to read:

6056. (a) The State Bar, acting pursuant to Section 6001, shall assist the Sections of the State Bar to incorporate as a private, nonprofit corporation organized under Section 501(c)(6) of the Internal Revenue Code and shall transfer the functions and activities of the 16 State Bar Sections and the California Young Lawyers Association to the new private, nonprofit corporation, to be called the California Lawyers Association. The California Lawyers Association shall be a voluntary association, shall not be a part of the State Bar, and shall not be funded in any way through mandatory fees collected by the State Bar. The California Lawyers Association shall have independent contracting authority and full control of its resources. The California Lawyers Association shall not be considered a state, local, or other public body for any purpose, including, but not limited to, the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) and the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(b) The California Lawyers Association shall establish the criteria for membership in the California Young Lawyers Association. The California Lawyers Association may change the name of the California Young Lawyers Association to another name consistent with the criteria for membership and its mission.

(c) The State Bar may assist the California Lawyers Association in gaining appointment to the American Bar Association (ABA) House of Delegates, consistent with the California Lawyers Association's mission and subject to the consent of the ABA.

(d) The State Bar shall support the California Lawyers Association's efforts to partner with the Continuing Education of the Bar (CEB), subject to agreement by the University of California.

(e) The State Bar of California shall ensure that State Bar staff who support the Sections, as of September 15, 2017, are reassigned to other comparable positions within the State Bar.

(f) The Sections of the State Bar or the California Lawyers Association and the State Bar shall enter into a memorandum of understanding regarding the terms of separation of the Sections of the State Bar from the State Bar and mandatory duties of the California Lawyers Association, including a requirement to provide all of the following:

(1) Low- and no-cost mandatory continuing legal education (MCLE).

(2) Expertise and information to the State Bar, as requested.

(3) Educational programs and materials to the licensees of the State Bar and the public.

(g) The State Bar of California shall assist the California Lawyers Association in meeting the association's requirement to provide low- and no-cost MCLE by the inclusion on the State Bar's internet website of easily accessible links to the low- and no-cost MCLE provided by the California Lawyers Association.

SEC. 10. Section 6210.5 of the Business and Professions Code is amended to read:

6210.5. (a) There shall be created, within the State Bar, a Legal Services Trust Fund Commission to administer IOLTA accounts, Equal Access Funds, or similar funds or grant moneys intended for the support of qualified legal services projects and qualified support centers, as those terms are defined in Section 6213.

(b) (1) The Legal Services Trust Fund Commission shall be comprised of 24 commissioners as follows:

(A) Six commissioners shall be appointed by the State Bar Board of Trustees.

(B) Two commissioners shall be appointed by the Senate Committee on Rules.

(C) Two commissioners shall be appointed by the Speaker of the Assembly.

(D) Ten commissioners shall be appointed by the Chair of the Judicial Council, of which three shall be nonvoting judicial advisors. The three nonvoting judicial advisors shall be comprised of two superior court judges and one appellate justice.

(E) Four commissioners shall be appointed by the Legal Services Trust Fund Commission, of which at least two shall be, or have been within five years of appointment, indigent persons as defined by Section 6213.

(2) No employee or independent contractor acting as a consultant to a potential recipient of Legal Services Trust Fund grants shall be appointed to the Legal Services Trust Fund Commission. All commissioners shall be designated employees under the Conflict of Interest Code of the State Bar.

(3) Except as provided in paragraph (4), each commissioner shall serve for a term of four years that begins upon appointment. Upon completion of an initial term, a commissioner may be reappointed for a second four-year term. An initial or second term may be extended by one or two years, for a maximum of 10 years, to allow a commissioner to serve as chair or vice chair. A commissioner currently serving as of January 1, 2022, may be reappointed to two additional full terms following the completion of their current term pursuant to paragraph (5).

(4) A commissioner appointed by the chair of the Judicial Council shall have no term limits.

(5) Each commissioner shall serve at the pleasure of the appointing entity. Each appointing entity may stagger their appointments so one-half of the commissioners are appointed in 2022 and the other one-half are appointed in 2023. A commissioner serving as of January 1, 2022, may continue to serve until replaced by the appointing entity or January 1, 2024, whichever occurs first.

(6) Commissioners who are not currently and have never been attorneys licensed in California or another jurisdiction and who submit a form designated by the commission to request a per diem shall be entitled to receive fifty dollars ($50) per day for each day that they attend a commission meeting of at least one hour in length.

(c) The chair and the vice chair of the Legal Services Trust Fund Commission shall be selected by the Chair of the Judicial Council. The chair of the Legal Services Trust Fund Commission shall preside over the commission’s meetings. The Chair of the Judicial Council may select up to two chairs and two vice chairs to lead the commission.

(d) The Legal Services Trust Fund Commission shall be subject to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(e) (1) The Legal Services Trust Fund Commission shall recommend to the Board of Trustees of the State Bar rules to determine an applicant’s eligibility for grants under this article and for rules related to grant administration, including rules to monitor and evaluate a recipient’s compliance with Legal Services Trust Fund requirements and grant terms based on criteria established by the Legal Services Trust Fund Commission.

(2) The Legal Services Trust Fund Commission shall recommend to the Board of Trustees of the State Bar the amount proposed to be made available for grant distribution from IOLTA funds, along with the amount to be maintained as a fiscally responsible reserve.

(3) The Board of Trustees of the State Bar shall approve each recommendation made pursuant to paragraphs (1) and (2) unless the Board of Trustees of the State Bar makes a finding in writing that a recommendation conflicts with a statutory, fiduciary, or legal obligation of the State Bar.

(4) The decisions of the Legal Services Trust Fund Commission regarding individual grant awards shall take effect without approval by the Board of Trustees of the State Bar. However, the board may reverse or modify an individual grant award if it makes a finding in writing that the award violates Legal Services Trust Fund rules or a statutory, fiduciary, or legal obligation of the State Bar.

(f) Except as provided by subdivision (a) of Section 6033 and by Section 6140.03, the State Bar's actual administrative costs to administer the Legal Services Trust Fund Program, including IOLTA, Equal Access Funds, and similar funds and grant moneys shall be fully funded through these grant programs. The State Bar shall not provide administrative services to the Legal Services Trust Fund Commission in excess of the administrative costs allocated to the State Bar by the Legislature, or by the Legal Services Trust Fund Commission as part of any request by the Legal Services Trust Fund Commission's request for administrative support.

(g) At the conclusion of each fiscal year, the Legal Services Trust Fund Commission shall include a report of receipts of funds under this article, expenditures for administrative costs, and disbursements of the funds on a county-by-county basis, in the annual report of the State Bar's receipts and expenditures required pursuant to Section 6145. To ensure that awards made by the Legal Services Trust Fund Commission are consistent with statute, rules, and other governing authority, the State Bar shall develop a program to audit a representative sample of grant awards each year. The results of the most recent audit shall be included with the report of receipt of funds described in this subdivision.

(h) This section supersedes any conflicting State Bar rules regarding the Legal Services Trust Fund Commission or its responsibilities or oversight by the State Bar's board of trustees.

SEC. 11. Section 7596.3 of the Business and Professions Code, as added by Chapter 697 of the Statutes of 2021, is amended to read:

7596.3. The director shall issue a firearms permit when all of the following conditions exist:

(a) The applicant is a licensee, a qualified manager of a licensee, a designated branch office manager of a licensee, or a registered alarm agent. A firearms permit may only be associated with the following:

(1) A sole owner of a sole ownership licensee.

(2) A partner of a partnership licensee.

(3) A qualified manager of a licensee.

(4) A designated branch office manager of a licensee.

(5) A registered alarm agent.

(b) The applicant has filed with the bureau a classifiable fingerprint card, a completed application for a firearms permit on a form prescribed by the director, dated and signed by the applicant, certifying under penalty of perjury that the information in the application is true and correct. In lieu of a classifiable fingerprint card, the applicant may submit fingerprints into an electronic fingerprinting system administered by the Department of Justice. An applicant who submits their fingerprints by electronic means shall have their fingerprints entered into the system through a terminal operated by a law enforcement agency or other facility authorized by the Department of Justice to conduct electronic fingerprinting. The terminal operator may charge a fee sufficient to reimburse it for the costs incurred in providing this service.

(c) (1) A bureau-certified firearms training instructor certifies that the applicant has successfully completed a written examination prepared by the bureau and a training course in the carrying and use of firearms approved by the bureau.

(2) An applicant who is a bureau-certified firearms training instructor is prohibited from self-certifying as having successfully carried out the requirements of paragraph (1) and shall instead carry out the requirements under another bureau-certified firearms training instructor.

(d) The applicant has provided the bureau with evidence that the applicant has completed a course in the exercise of the power to arrest and the appropriate use of force.

(e) The applicant is at least 21 years of age and the bureau has determined, after investigation, that the carrying and use of a firearm by the applicant, in the course of their duties, presents no apparent threat to the public safety, or the carrying and use of a firearm by the applicant is not in violation of the Penal Code.

(f) The applicant has produced evidence to the firearm training facility that the applicant is a citizen of the United States or has permanent legal immigration status in the United States. Evidence of citizenship or permanent legal immigration status shall be that deemed sufficient by the bureau to ensure compliance with federal laws prohibiting possession of firearms by persons unlawfully in the United States and may include, but not be limited to, Department of Justice, Immigration and Naturalization Service Form I-151 or United States Citizenship and Immigration Services Form I-551 (Permanent Resident Card), naturalization documents, or birth certificates evidencing lawful residence or status in the United States.

(g) The application is accompanied by the fee prescribed in this chapter.

(h) This section shall become operative on January 1, 2023.

SEC. 12. Section 10083.2 of the Business and Professions Code is amended to read:

10083.2. (a) (1) The commissioner shall provide information on the internet regarding the status of every license issued by the department in accordance with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code).

(2) The public information to be provided on the internet shall include information on suspensions and revocations of licenses issued by the department and accusations filed pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) relative to persons or businesses subject to licensure or regulation by the department.

(3) The public information shall not include personal information, including home telephone number, date of birth, or social security number. The commissioner shall disclose a licensee's address of record. However, the commissioner shall allow a licensee to provide a post office box number or other alternate address, instead of the licensee's home address, as the address of record. This section shall not preclude the commissioner from also requiring a licensee who has provided a post office box number or other alternative mailing address as the licensee's address of record to provide a physical business address or residence address only for the department's internal administrative use and not for disclosure as the licensee's address of record or disclosure on the internet.

(4) The public information shall also include whether a licensee is an associate licensee within the meaning of subdivision (a) of Section 2079.13 of the Civil Code and, if the associate licensee is a broker, identify each responsible broker with whom the licensee is contractually associated as described in Section 10032 of this code or Section 2079.13 of the Civil Code.

(b) For purposes of this section, "internet" has the meaning set forth in paragraph (6) of subdivision (f) of Section 17538.

(c) Upon petition by a licensee accompanied by a fee sufficient to defray costs associated with consideration of a petition, as described in Section 10223, the commissioner may remove from the posting of discipline described in subdivision (a) an item that has been posted on the department's internet website for no less than 10 years and for which the licensee provides evidence of rehabilitation indicating that the notice is no longer required in order to prevent a credible risk to members of the public utilizing licensed activity of the licensee. In evaluating a petition, the commissioner shall take into consideration other violations that present a credible risk to the members of the public since the posting of discipline requested for removal.

(d) The department may develop, through regulations, the amount of the fee and the minimum information to be included in a licensee's petition, including, but not limited to, a written justification and evidence of rehabilitation pursuant to Section 482.

(e) "Posted" for purposes of this section is defined as the date of disciplinary action taken by the department.

(f) The department shall maintain a list of all licensees whose disciplinary records are altered as a result of a petition approved under subdivision (c). The department shall make the list accessible to other licensing bodies. The department shall update and provide the list to other licensing bodies as often as it modifies the records displayed on its internet website in response to petitions approved under subdivision (c).

SEC. 13. Section 10166.07 of the Business and Professions Code is amended to read:

10166.07. (a) A real estate broker who acts pursuant to Section 10131.1 or subdivision (d) or (e) of Section 10131, and who makes, arranges, or services one or more loans in a calendar year that are secured by real property containing one to four residential units, shall annually file a business activities report, within 90 days after the end of the broker's fiscal year or within any additional time as the commissioner may allow for filing for good cause. The report shall contain within its scope all of the following information for the fiscal year, relative to the business activities of the broker and those of any other brokers and real estate salespersons acting under that broker's supervision:

(1) Name and license number of the supervising broker and names and license numbers of the real estate brokers and salespersons under that broker's supervision. The report shall include brokers and salespersons who were under the supervising broker's supervision for all or part of the year.

(2) A list of the real estate-related activities in which the supervising broker and the brokers and salespersons under the supervising broker's supervision engaged during the prior year. This listing shall identify all of the following:

(A) Activities relating to mortgages, including arranging, making, or servicing.

(B) Other activities performed under the real estate broker's or salesperson's license.

(C) Activities performed under related licenses, including, but not limited to, a license to engage as a finance lender or a finance broker under the California Financing Law (Division 9 (commencing with Section 22000) of the Financial Code), or a license to engage as a residential mortgage lender or residential mortgage loan servicer under the California Residential Mortgage Lending Act (Division 20 (commencing with Section 50000) of the Financial Code).

(3) A list of the forms of media used by the broker and those under the broker's supervision to advertise to the public, including print, radio, television, the internet, or other means.

(4) For fixed rate loans made, brokered, or serviced, all of the following:

(A) The total number, aggregate principal amount, lowest interest rate, highest interest rate, and a list of the institutional lenders of record. If the loan was funded by any lender other than an institutional lender, the broker shall categorize the loan as privately funded.

(B) The total number and aggregate principal amount of covered loans, as defined in Section 4970 of the Financial Code.

(C) The total number and aggregate principal amount of loans for which Department of Real Estate form RE Form 885 or an equivalent is required.

(5) For adjustable rate loans made, brokered, or serviced, all of the following:

(A) The total number, aggregate principal amount, lowest beginning interest rate, highest beginning interest rate, highest margin, and a list of the institutional lenders of record. If the loan was funded by any lender other than an institutional lender, the broker shall categorize the loan as privately funded.

(B) The total number and aggregate principal amount of covered loans, as defined in Section 4970 of the Financial Code.

(C) The total number and aggregate principal amount of loans for which Department of Real Estate form RE Form 885 or an equivalent is required.

(6) For all loans made, brokered, or serviced, the total number and aggregate principal amount of loans funded by institutional lenders, and the total number and aggregate principal amount of loans funded by private lenders.

(7) For all loans made, brokered, or serviced, the total number and aggregate principal amount of loans that included a prepayment penalty, the minimum prepayment penalty length, the maximum prepayment penalty length, and the number of loans with prepayment penalties whose length exceeded the length of time before the borrower's loan payment amount could increase.

(8) For all loans brokered, the total compensation received by the broker, including yield spread premiums, commissions, and rebates, but excluding compensation used to pay fees for third-party services on behalf of the borrower.

(9) For all mortgage loans made or brokered, the total number of loans for which a mortgage loan disclosure statement was provided in a language other than English, and the number of forms provided per language other than English.

(10) For all mortgage loans serviced, the total amount of funds advanced to be applied toward a payment to protect the security of the note being serviced.

(11) For purposes of this section, an institutional lender has the meaning specified in paragraph (1) of subdivision (c) of Section 10232.

(b) A broker subject to this section and Section 10232.2 may file consolidated reports that include all of the information required under this section and Section 10232.2. Those consolidated reports shall clearly indicate that they are intended to satisfy the requirements of both sections.

(c) If a broker subject to this section fails to timely file the report required under this section, the commissioner may cause an examination and report to be made and may charge the broker one and one-half times the cost of making the examination and report. In determining the hourly cost incurred by the commissioner for conducting an examination and preparing the report, the commissioner may use the estimated average hourly cost for all department audit staff performing audits of real estate brokers. If a broker fails to pay the commissioner's cost within 60 days of the mailing of a notice of billing, the commissioner may suspend the broker's license or deny renewal of that license. The suspension or denial shall remain in effect until the billed amount is paid or the broker's right to renew a license has expired. The commissioner may maintain an action for the recovery of the billed amount in any court of competent jurisdiction.

(d) The report described in this section is exempted from any requirement of public disclosure by subdivision (b) of Section 7929.000 of the Government Code.

(e) The commissioner may waive the requirement to submit certain information described in paragraphs (1) to (10), inclusive, of subdivision (a) if the commissioner determines that this information is duplicative of information required by the Nationwide Mortgage Licensing System and Registry, pursuant to Section 10166.08.

SEC. 14. Section 10232.2 of the Business and Professions Code is amended to read:

10232.2. A real estate broker who meets the criteria of subdivision (a) of Section 10232 shall annually file the reports referred to in subdivisions (a) and (c) with the Department of Real Estate within 90 days after the end of the broker's fiscal year or within any additional time as the Real Estate Commissioner may allow for filing for good cause:

(a) The report of a review by a licensed California independent public accountant of trust fund financial statements, conducted in accordance with generally accepted accounting practices, which shall include within its scope the following information for the fiscal year relative to the business activities of the broker described in subdivisions (d) and (e) of Section 10131:

(1) The receipt and disposition of all funds of others to be applied to the making of loans and the purchasing of promissory notes or real property sales contracts.

(2) The receipt and disposition of all funds of others in connection with the servicing by the broker of the accounts of owners of promissory notes and real property sales contracts including installment payments and loan or contract payoffs by obligors.

(3) A statement as of the end of the fiscal year, that shall include an itemized trust fund accounting of the broker and confirmation that the trust funds are on deposit in an account or accounts maintained by the broker in a financial institution.

(b) A broker who meets the criteria of Section 10232, but who, in carrying on the activities described in subdivisions (d) and (e) of Section 10131, has not during a fiscal year, accepted for the benefit of a person to whom the broker is a trustee, any payment or remittance in a form convertible to cash by the broker, need not comply with the provisions of subdivision (a). In lieu thereof, the broker shall submit to the commissioner within 30 days after the end of the broker's fiscal year or, within any additional time as the commissioner may allow for a filing for good cause, a notarized statement under penalty of perjury on a form provided by the department attesting to the fact that the broker did not receive any trust funds in cash or convertible to cash during the fiscal year.

(c) A report of all of the following aspects of the business conducted by the broker while engaging in activities described in subdivisions (d) and (e) of Section 10131 and in Section 10131.1:

(1) Number and aggregate dollar amount of loan, trust deed sales, and real property sales contract transactions negotiated.

(2) Number and aggregate dollar amount of promissory notes and contracts serviced by the broker or an affiliate of the broker.

(3) Number and aggregate dollar amount of late payment charges, prepayment penalties, and other fees or charges collected and retained by the broker under servicing agreements with beneficiaries and obligees.

(4) Default and foreclosure experience in connection with promissory notes and contracts subject to servicing agreements between the broker and beneficiaries or obligees.

(5) Commissions received by the broker for services performed as agent in negotiating loans and sales of promissory notes and real property sales contracts.

(6) Aggregate costs and expenses as referred to in Section 10241 paid by borrowers to the broker.

(d) The commissioner shall adopt regulations prescribing the form and content of the report referred to in subdivision (c) with appropriate categories to afford a better understanding of the business conducted by the broker.

(e) If the broker fails to file either of the reports required under subdivisions (a) and (c) within the time permitted herein, the commissioner may cause an examination and report to be made and may charge the broker one and one-half times the cost of making the examination and report. In determining the hourly cost incurred by the commissioner for conducting an examination and preparing the report, the commissioner may use the estimated average hourly cost for all department audit staff performing audits of real estate brokers. If a broker fails to pay the above amount within 60 days of the mailing of a notice of billing, the commissioner may suspend the broker's license or deny renewal of the broker's license. The suspension or denial shall remain in effect until the above amount is paid or the broker's right to renew a license has expired. The commissioner may maintain an action for the recovery of the above amount in any court of competent jurisdiction.

(f) The reports referred to in subdivisions (a) and (c) are exempted from any requirement of public disclosure by subdivision (b) of Section 7929.000 of the Government Code. The commissioner shall annually make and file as a public record, a composite of the annual reports and any comments thereon that are deemed to be in the public interest.

SEC. 15. Section 18975 of the Business and Professions Code is amended to read:

18975. (a) An administrator, employee, or regular volunteer of a youth service organization shall complete training in child abuse and neglect identification and training in child abuse and neglect reporting. The training requirements may be met by completing the online mandated reporter training provided by the Office of Child Abuse Prevention in the State Department of Social Services.

(b) An administrator, employee, or regular volunteer of a youth service organization shall undergo a background check pursuant to Section 11105.3 of the Penal Code to identify and exclude any persons with a history of child abuse.

(c) A youth service organization shall develop and implement child abuse prevention policies and procedures, including, but not limited to, both of the following:

(1) Policies to ensure the reporting of suspected incidents of child abuse to persons or entities outside of the organization, including the reporting required pursuant to Section 11165.9 of the Penal Code.

(2) Policies requiring, to the greatest extent possible, the presence of at least two mandated reporters whenever administrators, employees, or volunteers are in contact with, or supervising, children.

(d) Before writing liability insurance for a youth service organization in this state, an insurer may request information demonstrating compliance with this section from the youth service organization as a part of the insurer's loss control program.

(e) For purposes of this section:

(1) "Regular volunteer" means a volunteer with the youth service organization who is 18 years of age or older and who has direct contact with, or supervision of, children for more than 16 hours per month or 32 hours per year.

(2) "Youth service organization" means an organization that employs or utilizes the services of persons who, due to their relationship with the organization, are mandated reporters pursuant to paragraph (7) of subdivision (a) of Section 11165.7 of the Penal Code.

SEC. 16. Section 22979.24 of the Business and Professions Code is amended to read:

22979.24. (a) Every manufacturer or importer holding a license pursuant to Section 22979.21 shall file, using electronic media in a manner specified by the department, a monthly report to the department. The monthly report shall include, but is not limited to, the following:

(1) A list of all distributors licensed pursuant to Section 22975 to which the manufacturer or importer shipped its tobacco products or caused its tobacco products to be shipped.

(2) The total wholesale cost of the products.

(b) The department may suspend the license or revoke the license, pursuant to the provisions applicable to the revocation of a license set forth in Section 30148 of the Revenue and Taxation Code, of any importer or any manufacturer that has failed to comply with the requirements of this section.

(c) All information and records provided to the department pursuant to subdivision (a) are confidential in nature and shall not be disclosed by the department. Information required under subdivision (a) are not public records under the California Public Records Act, as described in Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code and shall not be open to public inspection.

(d) The amendments made to this section by the act adding this subdivision shall become operative May 1, 2007.

SEC. 17. Section 26012.5 of the Business and Professions Code is amended to read:

26012.5. (a) The department shall provide on its internet website information regarding the status of every license issued by the department in accordance with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code).

(b) Beginning January 1, 2022, the information provided on the department's internet website pursuant to subdivision (a) shall include information on suspensions and revocations of licenses and final decisions adopted by the department pursuant to the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) relating to persons or businesses licensed or regulated by the department.

(c) The information provided shall not include personal information, including home addresses, home telephone numbers, dates of birth, or social security numbers. The department shall disclose the county of a licensee's address of record.

SEC. 18. Section 26067 of the Business and Professions Code is amended to read:

26067. (a) The department shall establish a track and trace program for reporting the movement of cannabis and cannabis products throughout the distribution chain that utilizes a unique identifier and is capable of providing information that captures, at a minimum, all of the following:

(1) The licensee from which the product originates and the licensee receiving the product.

(2) The transaction date.

(3) The unique identifier or identifiers for the cannabis or cannabis product.

(b) (1) The department, in consultation with the California Department of Tax and Fee Administration, shall create an electronic database containing the electronic shipping manifests to facilitate the administration of the track and trace program, which shall include, but not be limited to, the following information:

(A) The variety and quantity or weight of cannabis or cannabis products shipped.

(B) The estimated times of departure and arrival.

(C) The variety and quantity or weight of cannabis or cannabis products received.

(D) The actual time of departure and arrival.

(E) A categorization and the unique identifier of the cannabis or cannabis product.

(F) The license number issued by the department for all licensees involved in the shipping process, including, but not limited to, cultivators, manufacturers, distributors, and retailers.

(2) The database shall be designed to flag irregularities for the department to investigate.

(3) The department and state and local agencies may, at any time, inspect shipments and request documentation for current inventory.

(4) The California Department of Tax and Fee Administration shall have read access to the electronic database for the purpose of taxation and regulation of cannabis and cannabis products.

(5) Information received and contained in records kept by the department for the purposes of administering this chapter are confidential and shall not be disclosed pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), except as necessary for authorized employees of the State of California or any city, county, or city and county to perform official duties pursuant to this division or a local ordinance.

(6) Upon the request of a state or local law enforcement agency, the department shall allow access to or provide information contained within the database to assist law enforcement in their duties and responsibilities pursuant to this division.

SEC. 19. Section 26162 of the Business and Professions Code is amended to read:

26162. (a) Information identifying the names of patients, their medical conditions, or the names of their primary caregivers received and contained in records kept by the office or the department for the purposes of administering this chapter are confidential and shall not be disclosed pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), except as necessary for authorized employees of the State of California or any city, county, or city and county to perform official duties pursuant to this chapter, or a local ordinance.

(b) Information identifying the names of patients, their medical conditions, or the names of their primary caregivers received and contained in records kept by the department for the purposes of administering this chapter shall be maintained in accordance with Chapter 1 (commencing with Section 123100) of Part 1 of Division 106 of the Health and Safety Code, Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code, and other state and federal laws relating to confidential patient information.

(c) Nothing in this section precludes the following:

(1) Employees of the department notifying state or local agencies about information submitted to the agency that the employee suspects is falsified or fraudulent.

(2) Notifications from the department to state or local agencies about apparent violations of this division or applicable local ordinance.

(3) Verification of requests by state or local agencies to confirm licenses and certificates issued by the department or other state agency.

(4) Provision of information requested pursuant to a court order or subpoena issued by a court or an administrative agency or local governing body authorized by law to issue subpoenas.

(d) Information shall not be disclosed by any state or local agency beyond what is necessary to achieve the goals of a specific investigation, notification, or the parameters of a specific court order or subpoena.

SEC. 20. Section 714.6 of the Civil Code is amended to read:

714.6. (a) Recorded covenants, conditions, restrictions, or private limits on the use of private or publicly owned land contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in real property that restrict the number, size, or location of the residences that may be built on the property, or that restrict the number of persons or families who may reside on the property, shall not be enforceable against the owner of an affordable housing development, if an approved restrictive covenant affordable housing modification document has been recorded in the public record as provided for in this section, except as explicitly provided in this section.

(b) (1) The owner of an affordable housing development shall be entitled to establish that an existing restrictive covenant is unenforceable under subdivision (a) by submitting a restrictive covenant modification document pursuant to Section 12956.2 of the Government Code that modifies or removes any existing restrictive covenant language that restricts the number, size, or location of the residences that may be built on the property, or that restricts the number of persons or families that may reside on the property, to the extent necessary to allow the affordable housing development to proceed under the existing declaration of restrictive covenants.

(2) (A) The owner shall submit to the county recorder a copy of the original restrictive covenant, a copy of any notice the owner believes is required pursuant to paragraph (3) of subdivision (g), and any documents the owner believes necessary to establish that the property qualifies as an affordable housing development under this section prior to, or simultaneously with, the submission of the request for recordation of the restrictive covenant modification document.

(B) Before recording the restrictive covenant modification document, pursuant to subdivision (b) of Section 12956.2 of the Government Code, the county recorder shall, within five business days of receipt, submit the documentation provided to the county recorder by the owner pursuant to subparagraph (A) and the modification document to the county counsel for review. The county counsel shall determine whether the original restrictive covenant document restricts the property in a manner prohibited by subdivision (a), whether the owner has submitted documents sufficient to establish that the property qualifies as an affordable housing development under this section, whether any notice required under this section has been provided, whether any exemption provided in subdivision (g) or (h) applies, and whether the restriction may no longer be enforced against the owner of the affordable housing development and that the owner may record a modification document pursuant to this section.

(C) Pursuant to Section 12956.2 of the Government Code, the county counsel shall return the documents and inform the county recorder of the county counsel's determination within 15 days of submission to the county counsel. If the county counsel is unable to make a determination, the county counsel shall specify the documentation that is needed in order to make the determination. If the county counsel has authorized the county recorder to record the modification document, that authorization shall be noted on the face of the modification or on a cover sheet affixed thereto.

(D) The county recorder shall not record the modification document if the county counsel finds that the original restrictive covenant document does not contain a restriction prohibited by this section or if the county counsel finds that the property does not qualify as an affordable housing development.

(E) A modification document shall be indexed in the same manner as the original restrictive covenant document being modified. It shall contain a recording reference to the original restrictive covenant document, in the form of a book and page or instrument number, and date of the recording. The effective date of the terms and conditions of the modification document shall be the same as the effective date of the original restrictive covenant document, subject to any intervening amendments or modifications, except to the extent modified by the recorded modification document.

(3) If the holder of an ownership interest of record in property causes to be recorded a modification document pursuant to this section that modifies or removes a restrictive covenant that is not authorized by this section, the county shall not incur liability for recording the document. The liability that may result from the unauthorized recordation shall be the sole responsibility of the holder of the ownership interest of record who caused the unauthorized recordation.

(4) A restrictive covenant that was originally invalidated by this section shall become and remain enforceable while the property subject to the restrictive covenant modification is utilized in any manner that violates the terms of the affordability restrictions

required by this section.

(5) If the property is utilized in any manner that violates the terms of the affordability restrictions required by this section, the city or county may, after notice and an opportunity to be heard, record a notice of that violation. If the owner complies with the applicable affordability restrictions, the owner may apply to the agency of the city or county that recorded the notice of violation for a release of the notice of violation, and if approved by the city or county, a release of the notice of violation may be recorded.

(6) The county recorder shall charge a standard recording fee to an owner who submits a modification document for recordation pursuant to this section.

(c) (1) Subject to paragraph (2), this section shall only apply to restrictive covenants that restrict the number, size, or location of the residences that may be built on a property or that restrict the number of persons or families who may reside on a property. This section does not apply to any other covenant, including, but not limited to, covenants that:

(A) Relate to purely aesthetic objective design standards, as long as the objective design standards are not applied in a manner that renders the affordable housing development infeasible.

(B) Provide for fees or assessments for the maintenance of common areas.

(C) Provide for limits on the amount of rent that may be charged to tenants.

(2) Paragraph (1) shall not apply to restrictive covenants, fees, and assessments that have not been consistently enforced or assessed prior to the construction of the affordable housing development.

(d) In any suit filed to enforce the rights provided in this section or defend against a suit filed against them, a prevailing owner of an affordable housing development, and any successors or assigns, or a holder of a conservation easement, shall be entitled to recover, as part of any judgment, litigation costs and reasonable attorney's fees, provided that any judgment entered shall be limited to those costs incurred after the modification document was recorded as provided by subdivision (b). This subdivision shall not prevent the court from awarding any prevailing party litigation costs and reasonable attorney's fees otherwise authorized by applicable law, including, but not limited to, subdivision (d) of Section 815.7 of the Civil Code.

(e) Nothing herein shall be interpreted to modify, weaken, or invalidate existing laws protecting affordable and fair housing and prohibiting unlawful discrimination in the provision of housing, including, but not limited to, prohibitions on discrimination in, or resulting from, the enforcement of restrictive covenants.

(f) (1) Provided that the restrictions are otherwise compliant with all applicable laws, this section does not invalidate local building codes or other rules regulating either of the following:

(A) The number of persons who may reside in a dwelling.

(B) The size of a dwelling.

(2) This section shall not be interpreted to authorize any development that is not otherwise consistent with the local general plan, zoning ordinances, and any applicable specific plan that apply to the affordable housing development, including any requirements regarding the number of residential units, the size of residential units, and any other zoning restriction relevant to the affordable housing development.

(3) This section does not prevent an affordable housing development from receiving any bonus or incentive pursuant to any statute listed in Section 65582.1 of the Government Code or any related local ordinance.

(g) (1) Subject to paragraph (2), this section does not apply to:

(A) Any conservation easement, as defined in Section 815.1, that is recorded as required by Section 815.5, and held by any of the entities or organizations set forth in Section 815.3.

(B) Any interest in land comparable to a conservation easement that is held by any political subdivision and recorded in the office of the county recorder of the county where the land is situated.

(2) The exclusion from this section of conservation easements held by tax-exempt nonprofit organizations, as provided in subparagraph (A) of paragraph (1), applies only if the conservation easement satisfies one or more of the following:

(A) It was recorded in the office of the county recorder where the property is located before January 1, 2022.

(B) It is, as of the date of recordation of the conservation easement, held by a land trust or other entity that is accredited by the Land Trust Accreditation Commission, or any successor organization, or is a member of the California Council of Land

Trusts, or any successor organization, and notice of that ownership is provided in the text of the recorded conservation easement document, or if that notice is not provided in the text of the recorded conservation easement document, the land trust or other entity provides documentation of that accreditation or membership within 30 days of receipt of either of the following:

(i) A written request for that documentation.

(ii) Any written notice of the intended modification of the conservation easement provided pursuant to paragraph (3).

(C) It was funded in whole or in part by a local, state, federal, or tribal government or was required by a local, state, federal, or tribal government as mitigation for, or as a condition of approval of, a project, and notice of that funding or mitigation requirement is provided in the text of the recorded conservation easement document.

(D) It is held by a land trust or other entity whose purpose is to conserve or protect indigenous cultural resources, and that purpose of the land trust or other entity is provided in the text of the recorded conservation easement document.

(E) It, as of the date of recordation of the conservation easement, burdens property that is located entirely outside the boundaries of any urbanized area or urban cluster, as designated by the United States Census Bureau.

(3) (A) At least 60 days before submission of a modification document modifying a conservation easement to a county recorder pursuant to subdivision (b), the owner of an affordable housing development shall provide written notice of the intended modification of any conservation easement to the parties to that conservation easement and any third-party beneficiaries or other entities that are entitled to receive notice of changes to or termination of the conservation easement with the notice being sent to the notice address of those parties as specified in the recorded conservation easement. The notice shall include a return mailing address of the owner of the affordable housing development, the approximate number, size, and location of intended structures to be built on the property for the purposes of affordable housing, and a copy of the intended modification document, and shall specify that it is being provided pursuant to this section.

(B) The county recorder shall not record any restrictive covenant modification document unless the county recorder has received confirmation from the county counsel that any notice required pursuant to subparagraph (A) was provided in accordance with subparagraph (A).

(h) This section shall not apply to any settlement, conservation agreement, or conservation easement, notice of which has been recorded, for which either of the following apply:

(1) It was entered into before January 1, 2022, and limits the density of or precludes development in order to mitigate for the environmental impacts of a proposed project or to resolve a dispute about the level of permitted development on the property.

(2) It was entered into after January 1, 2022, and limits the density of or precludes development where the settlement is approved by a court of competent jurisdiction and the court finds that the density limitation is for the express purpose of protecting the natural resource or open-space value of the property.

(i) The provisions of this section shall not apply to any recorded deed restriction, public access easement, or other similar covenant that was required by a state agency for the purpose of compliance with a state or federal law, provided that the recorded deed restriction, public access easement, or similar covenant contains notice within the recorded document, inclusive of its recorded exhibits, that it was recorded to satisfy a state agency requirement.

(j) For purposes of this section:

(1) “Affordable housing development” means a development located on the property that is the subject of the recorded restrictive covenant and that meets one of the following requirements:

(A) The property is subject to a recorded affordability restriction requiring 100 percent of the units, exclusive of a manager’s unit or units, be made available at affordable rent to, and be occupied by, lower income households for 55 years for rental housing, unless a local ordinance or the terms of a federal, state, or local grant, tax credit, or other project financing requires, as a condition of the development of residential units, that the development include a certain percentage of units that are affordable to, and occupied by, low-income, lower income, very low income, or extremely low income households for a term that exceeds 55 years for rental housing units.

(B) The property is owned or controlled by an entity or individual that has submitted a permit application to the relevant jurisdiction to develop a project that complies with subparagraph (A).

(2) “Affordable rent” shall have the same meaning as defined in Section 50053 of the Health and Safety Code.

(3) “Lower income households” shall have the same meaning as defined in Section 50079.5 of the Health and Safety Code.

(4) “Modification document” means a restrictive covenant modification document described in paragraph (1) of subdivision (b).

(5) “Restrictive covenant” means any recorded covenant, condition, restriction, or limit on the use of private or publicly owned land contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest that restricts the number, size, or location of the residences that may be built on the property or that restricts the number of persons or families who may reside on the property, as described in subdivision (a).

SEC. 21. Section 1798.24 of the Civil Code is amended to read:

1798.24. An agency shall not disclose any personal information in a manner that would link the information disclosed to the individual to whom it pertains unless the information is disclosed, as follows:

(a) To the individual to whom the information pertains.

(b) With the prior written voluntary consent of the individual to whom the information pertains, but only if that consent has been obtained not more than 30 days before the disclosure, or in the time limit agreed to by the individual in the written consent.

(c) To the duly appointed guardian or conservator of the individual or a person representing the individual if it can be proven with reasonable certainty through the possession of agency forms, documents, or correspondence that this person is the authorized representative of the individual to whom the information pertains.

(d) To those officers, employees, attorneys, agents, or volunteers of the agency that have custody of the information if the disclosure is relevant and necessary in the ordinary course of the performance of their official duties and is related to the purpose for which the information was acquired.

(e) To a person, or to another agency if the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and the use is compatible with a purpose for which the information was collected and the use or transfer is in accordance with Section 1798.25. With respect to information transferred from a law enforcement or regulatory agency, or information transferred to another law enforcement or regulatory agency, a use is compatible if the use of the information requested is needed in an investigation of unlawful activity under the jurisdiction of the requesting agency or for licensing, certification, or regulatory purposes by that agency.

(f) To a governmental entity if required by state or federal law.

(g) Pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(h) To a person who has provided the agency with advance, adequate written assurance that the information will be used solely for statistical research or reporting purposes, but only if the information to be disclosed is in a form that will not identify any individual.

(i) Pursuant to a determination by the agency that maintains information that compelling circumstances exist that affect the health or safety of an individual, if upon the disclosure notification is transmitted to the individual to whom the information pertains at the individual’s last known address. Disclosure shall not be made if it is in conflict with other state or federal laws.

(j) To the State Archives as a record that has sufficient historical or other value to warrant its continued preservation by the California state government, or for evaluation by the Director of General Services or the director’s designee to determine whether the record has further administrative, legal, or fiscal value.

(k) To any person pursuant to a subpoena, court order, or other compulsory legal process if, before the disclosure, the agency reasonably attempts to notify the individual to whom the record pertains, and if the notification is not prohibited by law.

(l) To any person pursuant to a search warrant.

(m) Pursuant to Article 3 (commencing with Section 1800) of Chapter 1 of Division 2 of the Vehicle Code.

(n) For the sole purpose of verifying and paying government health care service claims made pursuant to Division 9 (commencing with Section 10000) of the Welfare and Institutions Code.

(o) To a law enforcement or regulatory agency when required for an investigation of unlawful activity or for licensing, certification, or regulatory purposes, unless the disclosure is otherwise prohibited by law.

(p) To another person or governmental organization to the extent necessary to obtain information from the person or governmental organization for an investigation by the agency of a failure to comply with a specific state law that the agency is responsible for enforcing.

(q) To an adopted person and disclosure is limited to general background information pertaining to the adopted person's biological parents, if the information does not include or reveal the identity of the biological parents.

(r) To a child or a grandchild of an adopted person and disclosure is limited to medically necessary information pertaining to the adopted person's biological parents. However, the information, or the process for obtaining the information, shall not include or reveal the identity of the biological parents. The State Department of Social Services shall adopt regulations governing the release of information pursuant to this subdivision. The regulations shall require licensed adoption agencies to provide the same services provided by the department as established by this subdivision.

(s) To a committee of the Legislature or to a Member of the Legislature, or the member's staff if authorized in writing by the member, if the member has permission to obtain the information from the individual to whom it pertains or if the member provides reasonable assurance that the member is acting on behalf of the individual.

(t) (1) To the University of California, a nonprofit educational institution, an established nonprofit research institution performing health or social services research, the Cradle-to-Career Data System, for purposes consistent with the creation and execution of the Cradle-to-Career Data System Act pursuant to Article 2 (commencing with Section 10860) of Chapter 8.5 of Part 7 of Division 1 of Title 1 of the Education Code, or, in the case of education-related data, another nonprofit entity, conducting scientific research, if the request for information is approved by the Committee for the Protection of Human Subjects (CPHS) for the California Health and Human Services Agency (CHHSA) or an institutional review board, as authorized in paragraphs (5) and (6). The approval shall include a review and determination that all the following criteria have been satisfied:

(A) The researcher has provided a plan sufficient to protect personal information from improper use and disclosures, including sufficient administrative, physical, and technical safeguards to protect personal information from reasonable anticipated threats to the security or confidentiality of the information.

(B) The researcher has provided a sufficient plan to destroy or return all personal information as soon as it is no longer needed for the research project, unless the researcher has demonstrated an ongoing need for the personal information for the research project and has provided a long-term plan sufficient to protect the confidentiality of that information.

(C) The researcher has provided sufficient written assurances that the personal information will not be reused or disclosed to any other person or entity, or used in any manner, not approved in the research protocol, except as required by law or for authorized oversight of the research project.

(2) The CPHS shall enter into a written agreement with the Office of Cradle-to-Career Data, as defined in Section 10862 of the Education Code, to assist the managing entity of that office in its role as the institutional review board for the Cradle-to-Career Data System.

(3) The CPHS or institutional review board shall, at a minimum, accomplish all of the following as part of its review and approval of the research project for the purpose of protecting personal information held in agency databases:

(A) Determine whether the requested personal information is needed to conduct the research.

(B) Permit access to personal information only if it is needed for the research project.

(C) Permit access only to the minimum necessary personal information needed for the research project.

(D) Require the assignment of unique subject codes that are not derived from personal information in lieu of social security numbers if the research can still be conducted without social security numbers.

(E) If feasible, and if cost, time, and technical expertise permit, require the agency to conduct a portion of the data processing for the researcher to minimize the release of personal information.

(4) Reasonable costs to the agency associated with the agency's process of protecting personal information under the conditions of CPHS approval may be billed to the researcher, including, but not limited to, the agency's costs for conducting a portion of the data processing for the researcher, removing personal information, encrypting or otherwise securing personal information, or assigning subject codes.

(5) The CPHS may enter into written agreements to enable other institutional review boards to provide the data security approvals required by this subdivision, if the data security requirements set forth in this subdivision are satisfied.

(6) Pursuant to paragraph (5), the CPHS shall enter into a written agreement with the institutional review board established pursuant to former Section 49079.6 of the Education Code. The agreement shall authorize, commencing July 1, 2010, or the date upon which the written agreement is executed, whichever is later, that board to provide the data security approvals

required by this subdivision, if the data security requirements set forth in this subdivision and the act specified in subdivision (a) of Section 49079.5 of the Education Code are satisfied.

(u) To an insurer if authorized by Chapter 5 (commencing with Section 10900) of Division 4 of the Vehicle Code.

(v) Pursuant to Section 450, 452, 8009, or 18396 of the Financial Code.

(w) For the sole purpose of participation in interstate data sharing of prescription drug monitoring program information pursuant to the California Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of the Health and Safety Code), if disclosure is limited to prescription drug monitoring program information.

This article does not require the disclosure of personal information to the individual to whom the information pertains if that information may otherwise be withheld as set forth in Section 1798.40.

SEC. 22. Section 1798.29 of the Civil Code is amended to read:

1798.29. (a) Any agency that owns or licenses computerized data that includes personal information shall disclose any breach of the security of the system following discovery or notification of the breach in the security of the data to any resident of California (1) whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person, or, (2) whose encrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person and the encryption key or security credential was, or is reasonably believed to have been, acquired by an unauthorized person and the agency that owns or licenses the encrypted information has a reasonable belief that the encryption key or security credential could render that personal information readable or usable. The disclosure shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate needs of law enforcement, as provided in subdivision (c), or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the data system.

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

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

(d) Any agency that is required to issue a security breach notification pursuant to this section shall meet all of the following requirements:

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

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

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

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

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

[NAME OF INSTITUTION / LOGO] _____ _____ Date: [insert date]	
NOTICE OF DATA BREACH	
What Happened?	

What Information Was Involved?	
What We Are Doing.	
What You Can Do.	
Other Important Information. [insert other important information]	
For More Information.	Call [telephone number] or go to [internet website]

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

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

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

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

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

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

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

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

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

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

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

(e) Any agency that is required to issue a security breach notification pursuant to this section to more than 500 California residents as a result of a single breach of the security system shall electronically submit a single sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General. A single sample copy of a security breach notification shall not be deemed to be within Article 1 (commencing with Section 7923.600) of Chapter 1 of Part 5 of Division 10 of Title 1 of the Government Code.

(f) For purposes of this section, "breach of the security of the system" means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by the agency. Good faith acquisition of personal information by an employee or agent of the agency for the purposes of the agency is not a breach of the security of the system, provided that the personal information is not used or subject to further unauthorized disclosure.

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

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

(A) Social security number.

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

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

(D) Medical information.

(E) Health insurance information.

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

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

(H) Genetic data.

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

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

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

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

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

(5) For purposes of this section, “genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material. Genetic material includes, but is not limited to, deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

(i) For purposes of this section, “notice” may be provided by one of the following methods:

(1) Written notice.

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

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

(A) Email notice when the agency has an email address for the subject persons.

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

(C) Notification to major statewide media and the Office of Information Security within the Department of Technology.

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

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

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

(k) Notwithstanding the exception specified in paragraph (4) of subdivision (b) of Section 1798.3, for purposes of this section, “agency” includes a local agency, as defined in Section 7920.510 of the Government Code.

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

SEC. 23. Section 1798.82 of the Civil Code is amended to read:

1798.82. (a) A person or business that conducts business in California, and that owns or licenses computerized data that includes personal information, shall disclose a breach of the security of the system following discovery or notification of the breach in the security of the data to a resident of California (1) whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person, or, (2) whose encrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person and the encryption key or security credential was, or is reasonably believed to have been, acquired by an unauthorized person and the person or business that owns or licenses the encrypted information has a reasonable belief that the encryption key or security credential could render that personal information readable or usable. The disclosure shall be made in the most expedient time possible and without unreasonable delay, consistent with the legitimate

needs of law enforcement, as provided in subdivision (c), or any measures necessary to determine the scope of the breach and restore the reasonable integrity of the data system.

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

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

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

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

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

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

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

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

[NAME OF INSTITUTION / LOGO] _____ _____ Date: [insert date]	
NOTICE OF DATA BREACH	
What Happened?	
What Information Was Involved?	
What We Are Doing.	
What You Can Do.	

Other Important Information. [insert other important information]	
For More Information.	Call [telephone number] or go to [internet website]

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) A covered entity under the federal Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. Sec. 1320d et seq.) will be deemed to have complied with the notice requirements in subdivision (d) if it has complied completely with Section

13402(f) of the federal Health Information Technology for Economic and Clinical Health Act (Public Law 111-5). However, nothing in this subdivision shall be construed to exempt a covered entity from any other provision of this section.

(f) A person or business that is required to issue a security breach notification pursuant to this section to more than 500 California residents as a result of a single breach of the security system shall electronically submit a single sample copy of that security breach notification, excluding any personally identifiable information, to the Attorney General. A single sample copy of a security breach notification shall not be deemed to be within Article 1 (commencing with Section 7923.600) of Chapter 1 of Part 5 of Division 10 of Title 1 of the Government Code.

(g) For purposes of this section, “breach of the security of the system” means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of personal information maintained by the person or business. Good faith acquisition of personal information by an employee or agent of the person or business for the purposes of the person or business is not a breach of the security of the system, provided that the personal information is not used or subject to further unauthorized disclosure.

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

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

(A) Social security number.

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

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

(D) Medical information.

(E) Health insurance information.

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

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

(H) Genetic data.

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

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

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

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

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

(5) “Genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material. Genetic material includes, but is not limited to, deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

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

(1) Written notice.

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

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

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

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

(C) Notification to major statewide media.

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

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

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

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

SEC. 24. Section 1946.7 of the Civil Code is amended to read:

1946.7. (a) A tenant may notify the landlord that the tenant intends to terminate the tenancy if the tenant, a household member, or an immediate family member was the victim of an act that constitutes any of the following:

(1) Domestic violence as defined in Section 6211 of the Family Code.

(2) Sexual assault as defined in Section 261, 261.5, 286, 287, or 289 of the Penal Code.

(3) Stalking as defined in Section 1708.7.

(4) Human trafficking as defined in Section 236.1 of the Penal Code.

(5) Abuse of an elder or a dependent adult as defined in Section 15610.07 of the Welfare and Institutions Code.

(6) A crime that caused bodily injury or death.

(7) A crime that included the exhibition, drawing, brandishing, or use of a firearm or other deadly weapon or instrument.

(8) A crime that included the use of force against the victim or a threat of force against the victim.

(b) A notice to terminate a tenancy under this section shall be in writing, with one of the following attached to the notice:

(1) A copy of a temporary restraining order, emergency protective order, or protective order lawfully issued pursuant to Part 3 (commencing with Section 6240) or Part 4 (commencing with Section 6300) of Division 10 of the Family Code, Section 136.2 of the Penal Code, Section 527.6 of the Code of Civil Procedure, or Section 213.5 or 15657.03 of the Welfare and Institutions Code that protects the tenant, household member, or immediate family member from further domestic violence, sexual assault, stalking, human trafficking, abuse of an elder or a dependent adult, or any act or crime listed in subdivision (a).

(2) A copy of a written report by a peace officer employed by a state or local law enforcement agency acting in the peace officer's official capacity stating that the tenant, household member, or immediate family member has filed a report alleging that the tenant, the household member, or the immediate family member is a victim of an act or crime listed in subdivision (a).

(3) (A) Documentation from a qualified third party based on information received by that third party while acting in the third party's professional capacity to indicate that the tenant, household member, or immediate family member is seeking assistance for physical or mental injuries or abuse resulting from an act or crime listed in subdivision (a).

(B) The documentation shall contain, in substantially the same form, the following:

Tenant Statement and Qualified Third Party Statement
under Civil Code Section 1946.7

Part I.Statement By Tenant

I, [insert name of tenant], state as follows:

I, or a member of my household or immediate family, have been a victim of:

[insert one or more of the following: domestic violence, sexual assault, stalking, human trafficking, elder abuse, dependent adult abuse, or a crime that caused bodily injury or death, a crime that included the exhibition, drawing, brandishing, or use of a firearm or other deadly weapon or instrument, or a crime that included the use of force against the victim or a threat of force against the victim.]

The most recent incident(s) happened on or about:

[insert date or dates.]

The incident(s) was/were committed by the following person(s), with these physical description(s), if known and safe to provide:

[if known and safe to provide, insert name(s) and physical description(s).]

(signature of tenant)(date)

Part II.Qualified Third Party Statement

I, [insert name of qualified third party], state as follows:

My business address and phone number are:

[insert business address and phone number.]

Check and complete one of the following:

____I meet the requirements for a sexual assault counselor provided in Section 1035.2 of the Evidence Code and I am either engaged in an office, hospital, institution, or center commonly known as a rape crisis center described in that section or employed by an organization providing the programs specified in Section 13835.2 of the Penal Code.

____I meet the requirements for a domestic violence counselor provided in Section 1037.1 of the Evidence Code and I am employed, whether financially compensated or not, by a domestic violence victim service organization, as defined in that section.

____I meet the requirements for a human trafficking caseworker provided in Section 1038.2 of the Evidence Code and I am employed, whether financially compensated or not, by an organization that provides programs specified in Section 18294 of the Welfare and Institutions Code or in Section 13835.2 of the Penal Code.

____I meet the definition of "victim of violent crime advocate" provided in Section 1946.7 of the Civil Code and I am employed, whether financially compensated or not, by a reputable agency or organization that has a documented record of providing services to victims of violent crime or provides those services under the auspices or supervision of a court or a law enforcement or prosecution agency.

____I am licensed by the State of California as a:

[insert one of the following: physician and surgeon, osteopathic physician and surgeon, registered nurse, psychiatrist, psychologist, licensed clinical social worker, licensed marriage and family therapist, or licensed professional clinical counselor.] and I am licensed by, and my license number is:

[insert name of state licensing entity and license number.]

The person who signed the Statement By Tenant above stated to me that the person, or a member of the person's household or immediate family, is a victim of:

[insert one or more of the following: domestic violence, sexual assault, stalking, human trafficking, elder abuse, dependent adult abuse, or a crime that caused physical injury, emotional injury and the threat of physical injury, or death.]

The person further stated to me the incident(s) occurred on or about the date(s) stated above.

I understand that the person who made the Statement By Tenant may use this document as a basis for terminating a lease with the person's landlord.

(signature of qualified third party)(date)

(C) The documentation may be signed by a person who meets the requirements for a sexual assault counselor, domestic violence counselor, a human trafficking caseworker, or a victim of violent crime advocate only if the documentation displays the letterhead of the office, hospital, institution, center, or organization, as appropriate, that engages or employs, whether financially compensated or not, this counselor, caseworker, or advocate.

(4) Any other form of documentation that reasonably verifies that the crime or act listed in subdivision (a) occurred.

(c) If the tenant is terminating tenancy pursuant to subdivision (a) because an immediate family member is a victim of an eligible act or crime listed in subdivision (a) and that tenant did not live in the same household as the immediate family member at the time of the act or crime, and no part of the act or crime occurred within the dwelling unit or within 1,000 feet of the dwelling unit of the tenant, the tenant shall attach to the notice and other documentation required by subdivision (b) a written statement stating all of the following:

(1) The tenant's immediate family member was a victim of an act or crime listed in subdivision (a).

(2) The tenant intends to relocate as a result of the tenant's immediate family member being a victim of an act or crime listed in subdivision (a).

(3) The tenant is relocating to increase the safety, physical well-being, emotional well-being, psychological well-being, or financial security of the tenant or of the tenant's immediate family member as a result of the act or crime.

(d) The notice to terminate the tenancy shall be given within 180 days of the date that any order described in paragraph (1) of subdivision (b) was issued, within 180 days of the date that any written report described in paragraph (2) of subdivision (b) was made, within 180 days of the date that a crime described in paragraph (6), (7), or (8) of subdivision (a) occurred, or within the time period described in Section 1946.

(e) If notice to terminate the tenancy is provided to the landlord under this section, the tenant shall be responsible for payment of rent for no more than 14 calendar days following the giving of the notice, or for any shorter appropriate period as described in Section 1946 or the lease or rental agreement. The tenant shall be released from any rent payment obligation under the lease or rental agreement without penalty. If the premises are relet to another party prior to the end of the obligation to pay rent, the rent owed under this subdivision shall be prorated.

(f) Notwithstanding any law, a landlord shall not require a tenant who terminates a lease or rental agreement pursuant to this section to forfeit any security deposit money or advance rent paid due to that termination. A tenant who terminates a rental agreement pursuant to this section shall not be considered for any purpose, by reason of the termination, to have breached the lease or rental agreement. Existing law governing the security deposit shall apply.

(g) This section does not relieve a tenant, other than the tenant who is, or who has a household member or immediate family member who is, a victim of an act or crime listed in subdivision (a) and members of that tenant's household, from their obligations under the lease or rental agreement.

(h) For purposes of this section, the following definitions apply:

(1) "Household member" means a member of the tenant's family who lives in the same household as the tenant.

(2) “Health practitioner” means a physician and surgeon, osteopathic physician and surgeon, psychiatrist, psychologist, registered nurse, licensed clinical social worker, licensed marriage and family therapist, or licensed professional clinical counselor.

(3) “Immediate family member” means the parent, stepparent, spouse, child, child-in-law, stepchild, or sibling of the tenant, or any person living in the tenant’s household at the time the crime or act listed in subdivision (a) occurred who has a relationship with the tenant that is substantially similar to that of a family member.

(4) “Qualified third party” means a health practitioner, domestic violence counselor, as defined in Section 1037.1 of the Evidence Code, a sexual assault counselor, as defined in Section 1035.2 of the Evidence Code, or a human trafficking caseworker, as defined in Section 1038.2 of the Evidence Code.

(5) “Victim of violent crime advocate” means a person who is employed, whether financially compensated or not, for the purpose of rendering advice or assistance to victims of violent crimes for a reputable agency or organization that has a documented record of providing services to victims of violent crime or provides those services under the auspices or supervision of a court or a law enforcement or prosecution agency.

(i) (1) A landlord shall not disclose any information provided by a tenant under this section to a third party unless the disclosure satisfies any one of the following:

(A) The tenant consents in writing to the disclosure.

(B) The disclosure is required by law or order of the court.

(2) A landlord’s communication to a qualified third party who provides documentation under paragraph (3) of subdivision (b) to verify the contents of that documentation is not disclosure for purposes of this subdivision.

(j) An owner or an owner’s agent shall not refuse to rent a dwelling unit to an otherwise qualified prospective tenant or refuse to continue to rent to an existing tenant solely on the basis that the tenant has previously exercised the tenant’s rights under this section or has previously terminated a tenancy because of the circumstances described in subdivision (a).

SEC. 25. Section 704.113 of the Code of Civil Procedure is amended to read:

704.113. (a) As used in this section, “vacation credits” means vacation credits accumulated by a state employee pursuant to Section 19858.1 of the Government Code or by any other public employee pursuant to any law for the accumulation of vacation credits applicable to the employee.

(b) All vacation credits are exempt without making a claim.

(c) Amounts paid periodically or as a lump sum representing vacation credits are subject to an earnings withholding order served under Chapter 5 (commencing with Section 706.010) or an earnings assignment order for support as defined in Section 706.011 and are exempt to the same extent as earnings of a judgment debtor.

SEC. 26. Section 1001 of the Code of Civil Procedure is amended to read:

1001. (a) Notwithstanding any other law, a provision within a settlement agreement that prevents or restricts the disclosure of factual information related to a claim filed in a civil action or a complaint filed in an administrative action, regarding any of the following, is prohibited:

(1) An act of sexual assault that is not governed by subdivision (a) of Section 1002.

(2) An act of sexual harassment, as defined in Section 51.9 of the Civil Code.

(3) An act of workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination, as described in subdivisions (a), (h), (i), (j), and (k) of Section 12940 of the Government Code.

(4) An act of harassment or discrimination, or an act of retaliation against a person for reporting harassment or discrimination by the owner of a housing accommodation, as described in Section 12955 of the Government Code.

(b) Notwithstanding any other law, in a civil matter described in paragraphs (1) to (4), inclusive, of subdivision (a), a court shall not enter, by stipulation or otherwise, an order that restricts the disclosure of information in a manner that conflicts with subdivision (a).

(c) Notwithstanding subdivisions (a) and (b), a provision that shields the identity of the claimant and all facts that could lead to the discovery of the claimant's identity, including pleadings filed in court, may be included within a settlement agreement at the request of the claimant. This subdivision does not apply if a government agency or public official is a party to the settlement agreement.

(d) Except as authorized by subdivision (c), a provision within a settlement agreement that prevents or restricts the disclosure of factual information related to the claim described in subdivision (a) that is entered into on or after January 1, 2019, is void as a matter of law and against public policy.

(e) This section does not prohibit the entry or enforcement of a provision in any agreement that precludes the disclosure of the amount paid in settlement of a claim.

(f) In determining the factual foundation of a cause of action for civil damages under subdivision (a), a court may consider the pleadings and other papers in the record, or any other findings of the court.

(g) The amendments made to paragraphs (3) and (4) of subdivision (a) by Senate Bill 331 of the 2021–22 Regular Session apply only to agreements entered into on or after January 1, 2022. All other amendments made to this section by Senate Bill 331 of the 2021–22 Regular Session shall not be construed as substantive changes, but instead as merely clarifying existing law.

SEC. 27. Section 1179.04 of the Code of Civil Procedure is amended to read:

1179.04. (a) On or before September 30, 2020, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of September 1, 2020, have not paid one or more rental payments that came due during the protected time period:

"NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has enacted the COVID-19 Tenant Relief Act of 2020 which protects renters who have experienced COVID-19-related financial distress from being evicted for failing to make rental payments due between March 1, 2020, and January 31, 2021.

"COVID-19-related financial distress" means any of the following:

1. Loss of income caused by the COVID-19 pandemic.

2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

3. Increased expenses directly related to the health impact of the COVID-19 pandemic.

4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.

5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.

6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.

2. If you are unable to pay rental payments that come due between September 1, 2020, and January 31, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before January 31, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and January 31, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file which indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation which shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that

demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning February 1, 2021, if you owe rental payments due between September 1, 2020, and January 31, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

For information about legal resources that may be available to you, visit lawhelpca.org."

(b) On or before February 28, 2021, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of February 1, 2021, have not paid one or more rental payments that came due during the covered time period:

"NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has enacted the COVID-19 Tenant Relief Act which protects renters who have experienced COVID-19-related financial distress from being evicted for failing to make rental payments due between March 1, 2020, and June 30, 2021.

"COVID-19-related financial distress" means any of the following:

1. Loss of income caused by the COVID-19 pandemic.

2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

3. Increased expenses directly related to the health impact of the COVID-19 pandemic.

4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.

5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.

6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.

2. If you are unable to pay rental payments that come due between September 1, 2020, and June 30, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before June 30, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and June 30, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file which indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation which shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning July 1, 2021, if you owe rental payments due between September 1, 2020, and June 30, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

YOU MAY QUALIFY FOR RENTAL ASSISTANCE. In addition to extending these eviction protections, the State of California, in partnership with federal and local governments, has created an emergency rental assistance program to assist renters who have been unable to pay their rent and utility bills as a result of the COVID-19 pandemic. This program may be able to help you get caught up with past-due rent. Additionally, depending on the availability of funds, the program may also be able to assist you with making future rental payments.

While not everyone will qualify for this assistance, you can apply for it regardless of your citizenship or immigration status. There is no charge to apply for or receive this assistance.

Additional information about the extension of the COVID-19 Tenant Relief Act and new state or local rental assistance programs, including more information about how to qualify for assistance, can be found by visiting http://housingiskey.com or by calling 1-833-422-4255."

(c) On or before July 31, 2021, a landlord shall provide, in at least 12-point type, the following notice to tenants who, as of July 1, 2021, have not paid one or more rental payments that came due during the covered time period:

"NOTICE FROM THE STATE OF CALIFORNIA: The California Legislature has extended the COVID-19 Tenant Relief Act. The law now protects renters who have experienced COVID-19-related financial distress from being evicted for failing to make rental payments due between March 1, 2020, and September 30, 2021.

"COVID-19-related financial distress" means any of the following:

1. Loss of income caused by the COVID-19 pandemic.

2. Increased out-of-pocket expenses directly related to performing essential work during the COVID-19 pandemic.

3. Increased expenses directly related to the health impact of the COVID-19 pandemic.

4. Childcare responsibilities or responsibilities to care for an elderly, disabled, or sick family member directly related to the COVID-19 pandemic that limit your ability to earn income.

5. Increased costs for childcare or attending to an elderly, disabled, or sick family member directly related to the COVID-19 pandemic.

6. Other circumstances related to the COVID-19 pandemic that have reduced your income or increased your expenses.

This law gives you the following protections:

1. If you failed to make rental payments due between March 1, 2020, and August 31, 2020, because you had decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted based on this nonpayment.

2. If you are unable to pay rental payments that come due between September 1, 2020, and September 30, 2021, because of decreased income or increased expenses due to the COVID-19 pandemic, as described above, you cannot be evicted if you pay 25 percent of the rental payments missed during that time period on or before September 30, 2021.

You must provide, to your landlord, a declaration under penalty of perjury of your COVID-19-related financial distress attesting to the decreased income or increased expenses due to the COVID-19 pandemic to be protected by the eviction limitations described above. Before your landlord can seek to evict you for failing to make a payment that came due between March 1, 2020, and September 30, 2021, your landlord will be required to give you a 15-day notice that informs you of the amounts owed and includes a blank declaration form you can use to comply with this requirement.

If your landlord has proof of income on file that indicates that your household makes at least 130 percent of the median income for the county where the rental property is located, as published by the Department of Housing and Community Development in the Official State Income Limits for 2020, your landlord may also require you to provide documentation that shows that you have experienced a decrease in income or increase in expenses due to the COVID-19 pandemic. Your landlord must tell you in the 15-day notice whether your landlord is requiring that documentation. Any form of objectively verifiable documentation that demonstrates the financial impact you have experienced is sufficient, including a letter from your employer, an unemployment insurance record, or medical bills, and may be provided to satisfy the documentation requirement.

It is very important you do not ignore a 15-day notice to pay rent or quit or a notice to perform covenants or quit from your landlord. If you are served with a 15-day notice and do not provide the declaration form to your landlord before the 15-day notice expires, you could be evicted. You could also be evicted beginning October 1, 2021, if you owe rental payments due between

September 1, 2020, and September 30, 2021, and you do not pay an amount equal to at least 25 percent of the payments missed for that time period.

YOU MAY QUALIFY FOR RENTAL ASSISTANCE. In addition to extending these eviction protections, the State of California, in partnership with federal and local governments, has created an emergency rental assistance program to assist renters who have been unable to pay their rent and utility bills as a result of the COVID-19 pandemic. This program may be able to help you get caught up with past-due rent. Additionally, depending on the availability of funds, the program may also be able to assist you with making future rental payments.

While not everyone will qualify for this assistance, you can apply for it regardless of your citizenship or immigration status. There is no charge to apply for or receive this assistance.

Additional information about the extension of the COVID-19 Tenant Relief Act and new state or local rental assistance programs, including more information about how to qualify for assistance, can be found by visiting http://housingiskey.com or by calling 1-833-430-2122."

(d) The landlord may provide the notice required by subdivisions (a) to (c), inclusive, as applicable, in the manner prescribed by Section 1162 or by mail.

(e) (1) A landlord may not serve a notice pursuant to subdivision (b) or (c) of Section 1179.03 before the landlord has provided the notice required by subdivisions (a) to (c), inclusive, as applicable.

(2) The notice required by subdivision (a) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before September 30, 2020.

(3) The notice required by subdivision (b) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before February 28, 2021.

(4) The notice required by subdivision (c) may be provided to a tenant concurrently with a notice pursuant to subdivision (b) or (c) of Section 1179.03 that is served on or before September 30, 2021.

SEC. 28. Section 1179.12 of the Code of Civil Procedure is amended to read:

1179.12. (a) Each government rental assistance program shall, by no later than September 15, 2021, develop mechanisms, including, but not limited to, telephone or online access, through which landlords, tenants, and the court may do both of the following:

(1) Verify the status of an application for rental assistance based upon the property address and a unique application number.

(2) Obtain copies of any determination on an application for rental assistance. A determination shall indicate all of the following:

(A) The name of the tenant that is the subject of the application.

(B) The address of the property that is the subject of the application.

(C) Whether the application has been approved or denied.

(D) If the application has been approved, then the amount of the payment that has been approved and the period and type of rental debt to which the amount corresponds.

(E) If the application has been denied, the reason for the denial, which shall be any of the following:

(i) The tenant is ineligible for government rental assistance.

(ii) The government rental assistance program no longer has sufficient funds to approve the application.

(iii) The application remained incomplete 15 days, excluding Saturdays, Sundays, and other judicial holidays, after it was initially submitted because of failure on the part of the tenant to provide required information.

(b) A government rental assistance program that does not comply with this section shall be deemed ineligible to receive further block grant allocations pursuant to Section 50897.2 or 50897.2.1 of the Health and Safety Code.

(c) It shall be unlawful for a person to access or use any information available pursuant to subdivision (a) for any purpose other than to determine the status of an application for assistance.

SEC. 29. Section 1733.1 of the Code of Civil Procedure is amended to read:

1733.1. (a) Where the parties to the underlying tribal court proceeding agree, the parties may file a joint application for the recognition of a tribal court order that establishes a right to child support, spousal support payments, or marital property rights to such spouse, former spouse, child, or other dependent of a participant in a retirement plan or other plan of deferred compensation, which order assigns all or a portion of the benefits payable with respect to such participant to an alternate payee.

(1) The application shall be on a form adopted by the Judicial Council, executed under penalty of perjury by both parties to the proceeding.

(2) The application shall include the name, current address, telephone number and email address of each party, the name and mailing address of the issuing tribal court, and a certified copy of the order to be recognized.

(b) The filing fee for a joint application filed under this section is one hundred dollars ($100).

(c) An application filed pursuant to this section may be filed in the county in which either one of the parties resides.

(d) Entry of the tribal court order under this section does not confer any jurisdiction on a court of this state to modify or enforce the tribal court order.

(e) Where one of the parties to a tribal court order described in subdivision (a) does not agree to join in the application, the other party may proceed by having the tribal court execute a certificate in lieu of the signature of the other party. The Judicial Council shall adopt a format for the certificate.

SEC. 30. Section 8281.5 of the Education Code is amended and renumbered to read:

8322. (a) The California Prekindergarten Planning and Implementation Grant Program is hereby established as a state early learning initiative with the goal of expanding access to classroom-based prekindergarten programs at local educational agencies.

(b) For the 2021–22 fiscal year, the sum of three hundred million dollars ($300,000,000) is hereby appropriated from the General Fund to the department for allocation to local educational agencies for the California Prekindergarten Planning and Implementation Grant Program pursuant to this section. These funds shall be available for encumbrance until June 30, 2024.

(c) (1) Of the total amount appropriated under subdivision (b), the Superintendent shall allocate two hundred million dollars ($200,000,000) in the 2021–22 fiscal year to local educational agencies as follows:

(A) A minimum base grant to all local educational agencies that operate kindergarten programs as determined using California Longitudinal Pupil Achievement Data System Fall 1 kindergarten enrollment from the 2020–21 certification, as follows:

(i) For local educational agencies with an enrollment of 1 to 23 pupils, inclusive, the minimum base grant shall be twenty-five thousand dollars ($25,000).

(ii) For local educational agencies with an enrollment of 24 to 99 pupils, inclusive, the minimum base grant shall be fifty thousand dollars ($50,000).

(iii) For local educational agencies with an enrollment of 100 or more pupils, the minimum base grant shall be one hundred thousand dollars ($100,000).

(B) A minimum base grant for each county office of education of fifteen thousand dollars ($15,000) for each local educational agency in their county that operates kindergarten programs to support countywide planning and capacity building.

(C) Of the remaining funds after allocations under subparagraphs (A) and (B):

(i) Sixty percent shall be available as enrollment grants. These grants shall be allocated based on the local educational agency's proportional share of total California Longitudinal Pupil Achievement Data System Fall 1 kindergarten enrollment for the 2019–20 fiscal year, as applied to the total amount of program funds available for the enrollment grant. For purposes of this clause, the total statewide kindergarten enrollment shall be calculated using the California Longitudinal Pupil Achievement Data System Fall 1 kindergarten enrollment minus the transitional kindergarten program enrollment for the 2019–20 fiscal year for each local educational agency.

(ii) Forty percent shall be available as supplemental grants. These grants shall be allocated based on the local educational agency's California Longitudinal Pupil Achievement Data System Fall 1 kindergarten enrollment minus the transitional kindergarten program enrollment for the 2019–20 fiscal year, multiplied by the local educational agency's unduplicated pupil percentage, as calculated pursuant to subdivision (b) of Section 42238.02 or subdivision (b) of

Section 2574 certified as of the second principal apportionment. Funds for this purpose shall be distributed percent-to-total from funds available for the supplemental grant.

(2) Grant funds may be used for costs associated with creating or expanding California state preschool programs or transitional kindergarten programs, or to establish or strengthen partnerships with other providers of prekindergarten education within the local educational agency, including Head Start programs, to ensure that high-quality options for prekindergarten education are available for four-year-old children. Allowable costs include, but are not necessarily limited to, planning costs, hiring and recruitment costs, staff training and professional development, classroom materials, and supplies.

(3) Local educational agencies receiving grants pursuant to this subdivision shall do both of the following:

(A) Commit to providing program data to the department, as specified by the Superintendent, including, but not limited to, recipient information and participating in overall program evaluation.

(B) Develop a plan for consideration by the governing board or body at a public meeting on or before June 30, 2022, for how all children in the attendance area of the local educational agency will have access to full-day learning programs the year before kindergarten that meet the needs of parents, including through partnerships with the local educational agency's expanding learning offerings, the After School Education and Safety Program, the California state preschool program, Head Start programs, and other community-based early learning and care programs.

(d) (1) Of the total amount appropriated under subdivision (b), the Superintendent shall award one hundred million dollars ($100,000,000) in competitive grants to local educational agencies to increase the number of highly qualified teachers available to serve California state preschool programs and transitional kindergarten pupils, and to provide California state preschool program, transitional kindergarten, and kindergarten teachers with training in providing instruction in inclusive classrooms, culturally responsive instruction, supporting dual language learners, enhancing social-emotional learning, implementing trauma-informed practices and restorative practices, and mitigating implicit biases to eliminate exclusionary discipline, pursuant to this section. These funds shall be available for encumbrance until June 30, 2024.

(2) The Superintendent shall develop and administer a process to award grants under paragraph (1), subject to approval of the executive director of the state board, on a competitive basis to local educational agencies. To apply for a grant, a local educational agency shall submit an application to the department describing how it will allocate funds and increase either the number of credentialed teachers meeting the requirements of subdivision (g) of Section 48000, or the competencies of California state preschool programs, transitional kindergarten, and kindergarten teachers to enhance their ability to provide instruction in inclusive classrooms, provide culturally responsive instruction, support dual language learners, enhance social-emotional learning, implement trauma-informed and restorative practices, and mitigate implicit biases to eliminate exclusionary discipline.

(3) A local educational agency may apply on behalf of a consortium of providers within the local educational agency's program area, including California state preschool programs and Head Start programs operated by community-based organizations.

(4) An applicant shall demonstrate all of the following to be considered for a grant award:

(A) A need for preschool and transitional kindergarten or kindergarten professional development in a region.

(B) A need for preschool and transitional kindergarten teachers in a region.

(C) The presence of, or plan to create, inclusive classroom settings.

(D) The ability to connect the preschool, transitional kindergarten, or kindergarten program to before and after school programs and extended day services.

(E) A plan to integrate preschool, transitional kindergarten, and kindergarten professional development opportunities.

(F) A plan for recruiting new preschool, transitional kindergarten, or kindergarten teachers with experience in early learning and care settings and collaborating with institutions of higher education to ensure a qualified prekindergarten teacher pipeline.

(G) A plan for how principals and administrators overseeing the transitional kindergarten program, or other prekindergarten program, will receive training and professional development on the value and tenets of effective instruction for young children.

(5) In awarding grants under paragraph (1), the Superintendent shall establish a methodology that accounts for all of the following:

(A) The percentage of transitional kindergarten and kindergarten pupils eligible for free and reduced-price meals.

(B) The percentage of dual language learners that the local educational agency is serving or is planning to serve in a California state preschool program or transitional kindergarten program.

(C) The percentage of pupils with disabilities the local educational agency is serving or planning to serve in an inclusive California state preschool program or transitional kindergarten program.

(D) The percentage of pupils served, or planned to be served, in full-day California state preschool, transitional kindergarten, or kindergarten programs offered by the local educational agency or community-based organizations.

(E) The extent to which applicants operate in an attendance area where a significant disproportionality of particular races or ethnicities, as described in Section 1418(d) of Title 20 of the United States Code, has been identified in special education.

(F) The extent to which the local educational agency is located in an area that has more than three young children, three to five years of age, inclusive, for every licensed childcare slot.

(G) The extent to which applicants plan to partner with community-based California state preschool programs and Head Start programs in their program area to ensure those teachers have access to professional development along with teachers employed by the local educational agency.

(6) Grants awarded under paragraph (1) for professional development may be used for costs associated with the educational expenses of current and future California state preschool program, transitional kindergarten, and kindergarten professionals that support their attainment of required credentials, permits, or professional development in early childhood instruction or child development, including developing competencies in serving inclusive classrooms and dual language learners. Professional development grant funds shall be used for any of the following purposes:

(A) Tuition, supplies, and other related educational expenses.

(B) Transportation and childcare costs incurred as a result of attending classes.

(C) Substitute teacher pay for California state preschool program, transitional kindergarten, and kindergarten professionals that are currently working in a California state preschool program, transitional kindergarten, or kindergarten classroom.

(D) Stipends and professional development expenses, as determined by the Superintendent.

(E) Career, course, and professional development coaching, counseling, and navigation services.

(F) Linked courses, cohorts, or apprenticeship models.

(G) Training and professional development for principals and other administrators of transitional kindergarten, kindergarten, and grades 1 to 12, inclusive, on the value and tenets of effective instruction for young children.

(H) Other educational expenses, as determined by the Superintendent.

(7) Local educational agencies awarded funding pursuant to paragraph (1) may partner with local or online accredited institutions of higher education or local agencies that provide high-quality or credit-bearing trainings, or apprenticeship programs that integrate and embed higher education coursework with on-the-job training of professionals.

(8) Professional learning provided pursuant to this subdivision shall, as applicable, be aligned to the preschool learning foundations and academic standards pursuant to Sections 51226, 60605, 60605.1, 60605.2, 60605.3, 60605.4, 60605.8, and 60605.11, as those sections read on June 30, 2020, and former Section 60605.85, as that section read on June 30, 2014.

(9) Local educational agencies receiving grants under this subdivision shall commit to providing program data to the department, as specified by the Superintendent, including, but not necessarily limited to, recipient information, including demographic information, educational progress, and the type of courses taken, and participating in overall program evaluation.

(10) The Superintendent shall provide a report to the Department of Finance and the appropriate policy and fiscal committees of the Legislature on or before October 1, 2024, on the expenditure of funds and relevant outcome data in order to evaluate the impact of the grants awarded under this subdivision.

(11) Notwithstanding any other law, on June 30, 2027, any unexpended funds of the amount awarded for purposes of this subdivision shall revert to the General Fund.

(e) For purposes of this section, “local educational agency” means a school district, county office of education, or charter school.

(f) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (b) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in

subdivision (c) of Section 41202, for the 2020–21 fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202, for the 2020–21 fiscal year.

SEC. 31. Section 10872 of the Education Code is amended to read:

10872. Notwithstanding any other law, records or source data contained in the data system shall not be subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

SEC. 32. Section 22228 of the Education Code is amended to read:

22228. (a) Commencing March 1, 2023, and annually thereafter, the board shall submit a report to the Legislature on the status of achieving appropriate objectives and initiatives, as defined by the board, regarding participation of emerging or diverse managers responsible for asset management within its portfolio of investments. The report shall be based on contracts that the system enters into on and after January 1, 2022.

(b) The report shall also identify and include both of the following:

(1) The name of each emerging or diverse manager providing investment portfolio or asset management services at the end of the prior fiscal year, including, but not limited to, fund of funds contracts, for all asset classes, as applicable. The board shall also report the year the emerging or diverse manager was first engaged or contracted to provide investment portfolio or asset management services.

(2) The amount managed by each emerging or diverse manager by asset class at the end of the prior fiscal year, as well as the total amount allocated by the system in the applicable asset class during the year and the total amount of the asset class in the system's investment portfolio.

(c) The board shall define the term "emerging manager" and "diverse manager" for purposes of this section.

(d) The report required by this section shall be submitted in compliance with Section 9795 of the Government Code.

(e) Nothing in this section shall require the board to take action unless the board determines in good faith that the action described in this section is consistent with the fiduciary responsibilities of the board as described in Section 17 of Article XVI of the California Constitution.

(f) This section shall not require the board to disclose information that is excepted from disclosure under Section 7928.710 of the Government Code.

(g) This section shall remain in effect only until January 1, 2028, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2028, deletes or extends that date.

SEC. 33. Section 60900 of the Education Code is amended to read:

60900. (a) The department shall contract for the development of proposals that will provide for the retention and analysis of longitudinal pupil achievement data on the tests administered pursuant to Chapter 5 (commencing with Section 60600) and Chapter 7 (commencing with Section 60810). The longitudinal data shall be known as the California Longitudinal Pupil Achievement Data System.

(b) The proposals developed pursuant to subdivision (a) shall evaluate and determine whether it would be most effective, from both a fiscal and a technological perspective, for the state to own the system. The proposals shall additionally evaluate and determine the most effective means of housing the system.

(c) The California Longitudinal Pupil Achievement Data System shall be developed and implemented in accordance with all state rules and regulations governing information technology projects.

(d) The system or systems developed pursuant to this section shall be used to accomplish all of the following goals:

(1) To provide school districts and the department access to data necessary to comply with federal reporting requirements delineated in the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).

(2) To provide a better means of evaluating educational progress and investments over time.

(3) To provide local educational agencies with the data needed to improve pupil achievement, including college and career readiness.

(4) To provide an efficient, flexible, and secure means of maintaining longitudinal statewide pupil level data between and among the state's educational segments and operational tools, as defined in Section 10861, including, but not limited to, all of the following:

(A) Pupil level data from all elementary and secondary schools, including, but not limited to, juvenile court schools, alternative schools, continuation schools, special education schools, and adult educational programs offering a high school diploma or equivalency.

(B) Pupil level data collected in both detention and nondetention settings.

(C) Pupil level data to postsecondary educational institutions and the Student Aid Commission.

(5) To facilitate the ability of the state to publicly report data, as specified in Section 6401(e)(2)(D) of the federal America COMPETES Act (20 U.S.C. Sec. 9871) and as required by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5).

(6) To ensure that any data access provided to researchers, as required pursuant to the federal Race to the Top regulations and guidelines is provided, only to the extent that the data access is in compliance with the federal Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Sec. 1232g).

(e) In order to comply with federal law as delineated in the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), the local educational agency shall retain individual pupil records for each test taker, including all of the following:

(1) All demographic data collected from the California Assessment of Student Performance and Progress (CAASPP) and English language development tests.

(2) Pupil achievement data from assessments administered pursuant to the CAASPP and English language development testing programs. To the extent feasible, data should include subscore data within each content area.

(3) A unique pupil identification number, to be identical to the pupil identifier developed pursuant to the California School Information Services, that shall be retained by each local educational agency and used to ensure the accuracy of information on the header sheets of the CAASPP tests and the English language development test.

(4) All data necessary to compile reports required by the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), including, but not limited to, dropout and graduation rates.

(5) Other data elements deemed necessary by the Superintendent, with the approval of the state board, to comply with the federal reporting requirements delineated in the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), and the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), after review and comment by the advisory board convened pursuant to subdivision (h). Before the implementation of this paragraph with respect to adding data elements to the California Longitudinal Pupil Achievement Data System for the purpose of complying with the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), the department and the appropriate postsecondary educational agencies shall submit an expenditure plan to the Department of Finance detailing any administrative costs to the department and costs to any local educational agency, if applicable. The Department of Finance shall provide to the Joint Legislative Budget Committee a copy of the expenditure plan within 10 days of receipt of the expenditure plan from the department.

(6) To enable the department, the University of California, the California State University, and the Chancellor of the California Community Colleges to meet the requirements prescribed by the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5), these entities shall be authorized to obtain quarterly wage data, commencing July 1, 2010, on students who have attended their respective systems, to assess the impact of education on the employment and earnings of those students, to conduct the annual analysis of district-level and individual district or postsecondary education system performance in achieving priority educational outcomes, and to submit the required reports to the Legislature and the Governor. The information shall be provided to the extent permitted by federal statutes and regulations.

(f) The California Longitudinal Pupil Achievement Data System shall have all of the following characteristics:

(1) The ability to sort by demographic element collected from the CAASPP tests and English language development test.

(2) The capability to be expanded to include pupil achievement data from multiple years.

(3) The capability to monitor pupil achievement on the CAASPP tests and English language development test from year to year and school to school.

(4) The capacity to provide data to the state and local educational agencies upon their request.

(5) The capability to provide data to support operational tools, as defined in Section 10861.

(g) Data elements and codes included in the system shall comply with Sections 49061 to 49079, inclusive, and Sections 49602 and 56347, with Sections 430 to 438, inclusive, of Title 5 of the California Code of Regulations, with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code), and with the federal Family Educational Rights and Privacy Act of 1974 (20 U.S.C. Sec. 1232g), Section 1232h of Title 20 of the United States Code, and related federal regulations.

(h) The department shall convene an advisory board consisting of representatives or designees from the state board, the Department of Finance, the State Privacy Ombudsman, the Legislative Analyst's Office, representatives of parent groups, school districts, and local educational agencies, and education researchers to establish privacy and access protocols, provide general guidance, and make recommendations relative to data elements. The department is encouraged to seek representation broadly reflective of the general public of California.

(i) This section shall be implemented using federal funds received pursuant to the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.), which are appropriated for purposes of this section in Item 6110-113-0890 of Section 2.00 of the Budget Act of 2002 (Chapter 379 of the Statutes of 2002). The release of these funds is contingent on approval of an expenditure plan by the Department of Finance.

(j) For purposes of this chapter, a local educational agency shall include a county office of education, a school district, and a charter school.

SEC. 34. Section 69436 of the Education Code is amended to read:

69436. (a) A student who was not awarded a Cal Grant A or B award pursuant to Article 2 (commencing with Section 69434) or Article 3 (commencing with Section 69435) at the time of their high school graduation but, at the time of transfer from a California community college to a qualifying baccalaureate program or upon matriculation into the upper division coursework of a community college baccalaureate program, described in Article 3 (commencing with Section 78040) of Chapter 1 of Part 48 of Division 7, meets all of the criteria set forth in subdivision (b), shall be entitled to a Cal Grant A or B award.

(b) Any California resident transferring from a California community college to a qualifying institution that offers a baccalaureate degree or who matriculates into the upper division coursework of a community college baccalaureate program, described in Article 3 (commencing with Section 78040) of Chapter 1 of Part 48 of Division 7, is entitled to receive, and the commission, or a qualifying institution pursuant to Article 8 (commencing with Section 69450), shall award, a Cal Grant A or B award depending on the eligibility determined pursuant to subdivision (c), if all of the following criteria are met:

(1) A complete official financial aid application has been submitted or postmarked pursuant to Section 69432.9, no later than the March 2 of the year immediately preceding the award year.

(2) The student demonstrates financial need pursuant to Section 69433.

(3) The student has earned a community college grade point average of at least 2.4 on a 4.0 scale and is eligible to transfer to a qualifying institution that offers a baccalaureate degree.

(4) The student's household has an income and asset level not exceeding the limits set forth in Section 69432.7.

(5) The student is pursuing a baccalaureate degree that is offered by a qualifying institution.

(6) The student is enrolled at least part time.

(7) The student meets the general Cal Grant eligibility requirements set forth in Article 1 (commencing with Section 69430).

(8) The student will not be 28 years of age or older by December 31 of the award year.

(9) The student graduated from a California high school or its equivalent during or after the 2000–01 academic year.

(10) (A) Except as provided for in subparagraph (B), the student attended a California community college in the academic year immediately preceding the academic year for which the award will be used.

(B) A student otherwise eligible to receive an award pursuant to this section, who attended a California community college in the 2011–12 academic year, may use the award for the 2012–13 and 2013–14 academic years.

(c) The amount and type of the award pursuant to this article shall be determined as follows:

(1) For applicants with income and assets at or under the Cal Grant A limits, the award amount shall be the amount established pursuant to Article 2 (commencing with Section 69434).

(2) For applicants with income and assets at or under the Cal Grant B limits, the award amount shall be the amount established pursuant to Article 3 (commencing with Section 69435).

(d) (1) A student meeting the requirements of paragraph (9) of subdivision (b) by means of high school graduation, rather than its equivalent, shall be required to have graduated from a California high school, unless that California resident graduated from a high school outside of California due solely to orders received from a branch of the United States Armed Forces by that student or by that student's parent or guardian that required that student to be outside of California at the time of high school graduation.

(2) For the purposes of this article, all of the following are exempt from the requirements of subdivision (d) of Section 69433.9 and paragraph (9) of subdivision (b) of this section:

(A) A student for whom a claim under this article was paid prior to December 1, 2005.

(B) A student for whom a claim under this article for the 2004–05 award year or the 2005–06 award year was or is paid on or after December 1, 2005, but no later than October 15, 2006.

(C) Commencing with the 2017–18 academic year, a student who did not graduate from high school or its equivalent and was a California resident, as determined pursuant to Article 5 (commencing with Section 68060) of Chapter 1 of Part 41, on their 18th birthday.

(3) (A) The commission, or a qualifying institution pursuant to Article 8 (commencing with Section 69450), shall make preliminary awards to all applicants currently eligible for an award under this article. At the time an applicant receives a preliminary award, the commission, or a qualifying institution pursuant to Article 8 (commencing with Section 69450), shall require that applicant to affirm, in writing, under penalty of perjury, that they meet the requirements set forth in subdivision (d) of Section 69433.9, paragraph (9) of subdivision (b) of this section, and paragraph (1) of this subdivision. The commission, or a qualifying institution pursuant to Article 8 (commencing with Section 69450), shall notify each person who receives a preliminary award under this paragraph that their award is subject to an audit pursuant to subparagraph (B).

(B) The commission shall select, at random, a minimum of 10 percent of the new and renewal awards made under subparagraph (A), and shall require, prior to the disbursement of Cal Grant funds to the affected postsecondary institution, that the institution verify that the recipient meets the requirements of subdivision (d) of Section 69433.9, paragraph (9) of subdivision (b) of this section, and paragraph (1) of this subdivision. An award that is audited under this paragraph and found to be valid shall not be subject to a subsequent audit.

(C) Pursuant to Section 69517.5, the commission shall seek repayment of any and all funds found to be improperly disbursed under this article.

(D) On or before November 1 of each year, the commission shall submit a report to the Legislature and the Governor including, but not necessarily limited to, both of the following:

(i) The number of awards made under this article in the preceding 12 months.

(ii) The number of new and renewal awards selected, in the preceding 12 months, for verification under subparagraph (B), and the results of that verification with respect to students at the University of California, at the California State University, at independent nonprofit institutions, and at independent for-profit institutions.

SEC. 35. Section 69514 of the Education Code is amended to read:

69514. The commission shall do all of the following:

(a) Report, on or before April 1 of each year, statistical data examining the impact and effectiveness of state-funded programs. The commission shall utilize common criteria in determining the impact of these programs, and shall have the authority to obtain any data from postsecondary educational institutions necessary for the reports. To the extent practicable, this report shall specifically note the number and the demographic characteristics of the students who qualify for a Cal Grant award based on obtaining high school graduation or its equivalent pursuant to paragraph (2) of subdivision (d) of Section 69433.9.

(b) Collect and disseminate data concerning the financial resources and needs of students and potential students, and the scope and impact of existing state, federal, and institutional student aid programs.

(c) Report, on or before April 1 of each year, the aggregate financial need of individuals seeking access to postsecondary education and the degree to which current student aid programs meet this legitimate financial need.

(d) Develop and report annually the distribution of funds and awards among income groups, ethnic groups, grade point average levels, and postsecondary education segments.

(e) Prepare and disseminate information regarding the criteria utilized in distributing available student aid funds.

(f) Be authorized to expend funds for the purpose of disseminating information about all institutional, state, and federal student aid programs to potential applicants. This distribution of information shall primarily focus on potential applicants with the greatest financial need.

(g) In the event that the Financial Aid Shopping Sheet developed by the United States Department of Education is no longer available, develop, in consultation with the Bureau for Private Postsecondary Education, a similar form that a postsecondary educational institution subject to the requirements of either Section 66021.3 or 94912.5 shall use. The form shall provide students and their families with information including, but not necessarily limited to, grant and scholarship opportunities and net costs associated with attendance at an institution.

SEC. 36. Section 69996.9 of the Education Code is amended to read:

69996.9. (a) (1) For the 2021–22 fiscal year, through the program, all of the following shall occur:

(A) Each pupil entering grades 1 to 12, inclusive, in the 2021–22 fiscal year who meets the requirements to be considered an unduplicated pupil for purposes of paragraph (1) of subdivision (b) of Section 2574 or paragraph (1) of subdivision (b) of Section 42238.02 and who is enrolled at a school district, public charter school, state special school, or other local educational agency, shall have a KIDS Account established on the pupil's behalf, unless the pupil's KIDS Account has already been established pursuant to Section 69996.3, and shall receive an enhanced deposit into the pupil's KIDS Account in the amount of five hundred dollars ($500).

(B) In addition to the amount allocated pursuant to subparagraph (A), the KIDS Account of each eligible pupil who is also a foster youth, as defined under subdivision (b) of Section 42238.01, shall receive an enhanced deposit of an additional five hundred dollars ($500).

(C) In addition to the amount allocated pursuant to subparagraphs (A) and (B), the KIDS Account of each eligible pupil who is also a homeless pupil meeting the definition of "homeless children and youths" in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)) shall receive an enhanced deposit of an additional five hundred dollars ($500).

(2) Commencing with the 2022–23 fiscal year, through the program, all of the following shall occur:

(A) Each pupil who meets all of the following conditions shall have a KIDS Account opened on their behalf, unless their account has already been established pursuant to Section 69996.3, and shall receive an enhanced deposit into their KIDS Account in the amount of five hundred dollars ($500):

(i) The pupil is entering first grade in the applicable fiscal year.

(ii) The pupil meets the requirements to be considered an unduplicated pupil for purposes of paragraph (1) of subdivision (b) of Section 2574 or paragraph (1) of subdivision (b) of Section 42238.02.

(iii) The pupil is enrolled at a school district, public charter school, state special school, or other local educational agency.

(B) In addition to the amount allocated pursuant to subparagraph (A), the KIDS Account of each pupil who meets the requirements of subparagraph (A) and is also a foster youth, as defined under subdivision (b) of Section 42238.01, shall receive an enhanced deposit of an additional five hundred dollars ($500).

(C) In addition to the amount allocated pursuant to subparagraphs (A) and (B), the KIDS Account of each pupil who meets the requirements of subparagraph (A) and is also a homeless pupil under the definition of "homeless children and youths" in subsection (2) of Section 725 of the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a(2)) shall receive an enhanced deposit of an additional five hundred dollars ($500).

(D) For pupils for whom a KIDS Account has already been established pursuant to Section 69996.3 and who are also eligible for an enhanced deposit pursuant to this paragraph, the enhanced deposit shall be deposited in the KIDS Account in which funding for that pupil is currently held.

(3) A pupil who receives an enhanced deposit into their KIDS Account pursuant to paragraph (1) or (2) may only have one enhanced deposit made into their existing or newly established KIDS Account pursuant to this article. A pupil shall not have more than one KIDS Account established for them pursuant to this article.

(b) (1) The board shall collaborate with the State Department of Education, or other relevant governmental agencies, to identify eligible pupils for the purpose of establishing KIDS Accounts or making an enhanced deposit into existing KIDS Accounts pursuant to this section. To the extent feasible, the State Department of Education shall annually provide necessary data using

census day data in a secure manner for the board to fulfill its obligations pursuant to this article, including, but not necessarily limited to, eligible pupils' names, pupil identification, birth dates, grade levels, contact information of parents or legal guardians, and eligibility information. For purposes of this subdivision, the information received by the board shall be considered necessary to facilitate the establishment or enhancement of KIDS Accounts, or the establishment of a notification process for parents or legal guardians of eligible pupils.

(2) The board shall comply with federal and state laws to protect individual privacy, including, but not limited to, the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code) and all of the following federal statutes:

(A) The Family Educational Rights and Privacy Act of 1974 (Public Law 93-380, as amended).

(B) The Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191, as amended).

(C) The Higher Education Act of 1965 (Public Law 89-329, as amended).

(3) Notwithstanding any other law, individual records or source data associated with the establishment of a KIDS Account pursuant to this article shall not be subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(c) The Legislature finds and declares that undocumented persons are eligible for KIDS Accounts within the meaning of subsection (d) of Section 1621 of Title 8 of the United States Code.

(d) It is the intent of the Legislature to appropriate state funding in the annual Budget Act to support the establishment of a KIDS Account for any eligible pupil who meets, or could meet in a future year, the requirements to be exempt from nonresident tuition pursuant to subdivision (a) of Section 68130.5.

SEC. 37. Section 78071 of the Education Code is amended to read:

78071. (a) The office of the Chancellor of the California Community Colleges may establish a program to enter into agreements with up to 50 community colleges to provide additional funds for services in support of postsecondary education for justice-involved students. This program shall be known as the Rising Scholars Network, and shall expand the number of justice-involved students participating and succeeding in the community colleges and shall not displace other students.

(b) A community college district that wishes to participate in the Rising Scholars Network shall apply to the board of governors for funding pursuant to this article. The application of each participating community college district shall identify the Rising Scholars college or colleges in the district, and shall include, but not be limited to, the number of justice-involved students who will be served. The application shall also describe the extent of cooperation between the college and local criminal justice stakeholders including, as applicable, wardens, county sheriffs, juvenile facilities, and probation departments.

(c) To the maximum extent feasible, funds received by a community college under this article shall be used for, but not be limited to, any of the following supports and services:

(1) Providing any of the following for programs serving all justice-involved students, whether on campus or in custody:

(A) Academic counseling or advising that provides clear pathways.

(B) Academic tutoring.

(C) Financial aid information and application assistance.

(D) Frequent in-person contact.

(E) Professional development for faculty and staff.

(2) Providing any of the following for programs serving formerly incarcerated students on campus:

(A) Peer-to-peer support or mentoring.

(B) Assistance with accessing campus resources, including admissions, financial aid, and student services.

(C) Career counseling and, as feasible, placement services.

(D) Assistance with accessing community resources, including record clearance, housing assistance, mental health support, and social services.

(3) Providing either of the following for programs serving currently incarcerated or detained students:

(A) Transitional materials and services to support students in enrollment and persistence in higher education upon release.

(B) Parity of academic supports and services as provided on campus.

SEC. 38. Section 2194 of the Elections Code is amended to read:

2194. (a) Except as provided in Section 2194.1, the affidavit of voter registration information identified in Section 7924.000 of the Government Code:

(1) Shall be confidential and shall not appear on any computer terminal, list, affidavit, duplicate affidavit, or other medium routinely available to the public at the county elections official's office.

(2) Shall not be used for any personal, private, or commercial purpose, including, but not limited to:

(A) The harassment of any voter or voter's household.

(B) The advertising, solicitation, sale, or marketing of products or services to any voter or voter's household.

(C) Reproduction in print, broadcast visual or audio, or display on the internet or any computer terminal unless pursuant to paragraph (3).

(3) Shall be provided with respect to any voter, subject to the provisions of Sections 2166, 2166.5, 2166.7, and 2188, to any candidate for federal, state, or local office, to any committee for or against any initiative or referendum measure for which legal publication is made, and to any person for election, scholarly, journalistic, or political purposes, or for governmental purposes, as determined by the Secretary of State.

(4) May be used by the Secretary of State for the purpose of educating voters pursuant to Section 12173 of the Government Code.

(b) (1) Notwithstanding any other law, the California driver's license number, the California identification card number, the social security number, and any other unique identifier used by the State of California for purposes of voter identification shown on the affidavit of voter registration of a registered voter, or added to voter registration records to comply with the requirements of the federal Help America Vote Act of 2002 (52 U.S.C. Sec. 20901 et seq.), are confidential and shall not be disclosed to any person.

(2) Notwithstanding any other law, the signature of the voter shown on the affidavit of voter registration or an image thereof is confidential and shall not be disclosed to any person, except as provided in subdivision (c).

(c) (1) The home address or signature of any voter shall be released whenever the person's vote is challenged pursuant to Sections 15105 to 15108, inclusive, or Article 3 (commencing with Section 14240) of Chapter 3 of Division 14. The address or signature shall be released only to the challenger, to elections officials, and to other persons as necessary to make, defend against, or adjudicate the challenge.

(2) An elections official shall permit a person to view the signature of a voter for the purpose of determining whether the signature compares with a signature on an affidavit of registration or an image thereof or a petition, but shall not permit a signature to be copied.

(d) A governmental entity, or officer or employee thereof, shall not be held civilly liable as a result of disclosure of the information referred to in this section, unless by a showing of gross negligence or willfulness.

(e) For the purposes of this section, "voter's household" is defined as the voter's place of residence or mailing address or any persons who reside at the place of residence or use the mailing address as supplied on the affidavit of registration pursuant to paragraphs (3) and (4) of subdivision (a) of Section 2150.

(f) Notwithstanding any other law, information regarding voters who did not sign a vote by mail ballot identification envelope or whose signature on the vote by mail ballot identification envelope did not compare with the voter's signature on file shall be treated as confidential voter registration information pursuant to this section and Section 6254.4 of the Government Code. This information shall not be disclosed to any person except as provided in this section. Any disclosure of this information shall be accompanied by a notice to the recipient regarding Sections 18109 and 18540. Voter information provided pursuant to this subdivision shall be updated daily, include the name of the voter, and be provided in a searchable electronic format.

SEC. 39. Section 2262 of the Elections Code is amended to read:

2262. For purposes of this chapter, the following terms have the following meanings:

(a) “Completed voter registration” and “completed voter registration application” mean the part of the driver’s license application containing the voter registration application for an applicant who has not affirmatively declined to register to vote, the transmittal of which is not prohibited by subdivision (f) of Section 2265, and which includes the minimum information necessary to prevent duplicate voter registrations and preregistrations, to assess the eligibility of the applicant, and to administer voter registration, preregistration, and other procedures for elections.

(b) “Department” means the Department of Motor Vehicles.

(c) “Driver’s license application” means a driver’s license or identification card application, renewal, or notification of a change of address pursuant to Section 12800, 12815, 13000, or 14600 of the Vehicle Code.

SEC. 40. Section 2265 of the Elections Code is amended to read:

2265. (a) (1) The department, in consultation with the Secretary of State, shall establish a schedule and method for the department to electronically provide to the Secretary of State the records specified in this section.

(2) The department and the Secretary of State shall develop and enter into an interagency agreement specifying how the department and the Secretary of State will cooperate to fulfill the requirements of this chapter. The agreement shall be updated as necessary, and the current version of the agreement shall be published on the internet website of the Secretary of State, except those parts of the agreement for which publication would compromise security.

(b) (1) The department shall provide to the Secretary of State, in a manner and method to be determined by the department in consultation with the Secretary of State, the following information associated with each person who submits a driver’s license application:

(A) Name.

(B) Date of birth.

(C) Either or both of the following, as contained in the department’s records:

(i) Residence address.

(ii) Mailing address.

(D) Digitized signature, as described in Section 12950.5 of the Vehicle Code.

(E) Telephone number, if available.

(F) Email address, if available.

(G) Language preference, if available.

(H) Political party preference, if available.

(I) Whether the person chooses to become a permanent vote by mail voter, if available.

(J) Whether the person affirmatively declined to become registered or preregistered to vote during a transaction with the department.

(K) A notation that the applicant has attested that the person meets all voter eligibility requirements, including United States citizenship, specified in Section 2101 and, as applicable, the preregistration eligibility requirements in subdivision (d) of Section 2102.

(L) Other information specified in regulations implementing this chapter.

(2) (A) A completed voter registration application included with a driver’s license application and accepted at the department shall be transmitted to the Secretary of State no later than 10 days after the department accepts it.

(B) A completed voter registration application accepted within five days of the last day to register to vote for a federal or statewide election shall be transmitted to the Secretary of State no later than five days after the date of acceptance.

(C) (i) For purposes of establishing the department’s transmittal deadlines required by this paragraph and by Section 20504(e) of Title 52 of the United States Code, the completed voter registration application included with the driver’s license application shall be deemed accepted on the date the completed voter registration application arrives at the department, whether by mail, in person, electronically, or in another manner, the application contains all of the information in paragraph (1) except to the extent paragraph (1) requires certain information to be provided only if available, and the department

approves the documentation of identity submitted by the applicant that is required by the Vehicle Code for the type of license or identification card for which the applicant has applied.

(ii) This subparagraph shall become operative upon the completion of the Digital eXperience Platform project described in Item 2740-001-0044 of the Budget Act of 2021 (Chs. 21 and 69, Stats. 2021), or on July 1, 2025, whichever is earlier.

(3) (A) The department shall accept and transmit a completed voter registration application included with a driver's license application as described in paragraph (2) even if, pursuant to the Vehicle Code, the driver's license application is incomplete or the driver's license or identification card associated with the voter who submitted the voter registration application is inactive due to a failure to pay fees, or any other reason that is unrelated to either of the following:

(i) The department's approval of an applicant's identity documentation pursuant to the Vehicle Code.

(ii) An elections official's ability to prevent duplicate voter registrations or preregistrations, to assess the eligibility of the applicant, or to administer voter registration, preregistration, and other elections procedures.

(B) This paragraph shall become operative upon the completion of the Digital eXperience Platform project described in Item 2740-001-0044 of the Budget Act of 2021 (Chs. 21 and 69, Stats. 2021), or on July 1, 2025, whichever is earlier.

(4) (A) The department may provide the records described in paragraph (1) to the Secretary of State before the Secretary of State certifies that all of the conditions set forth in subdivision (e) of this section have been satisfied. Records provided pursuant to this paragraph shall only be used for purposes of outreach and education to eligible voters conducted by the Secretary of State.

(B) The Secretary of State shall provide materials created for purposes of outreach and education as described in this paragraph in languages other than English, as required by the federal Voting Rights Act of 1965 (52 U.S.C. Sec. 10503).

(c) The Secretary of State shall not sell, transfer, or allow any third party access to the information acquired from the department pursuant to this chapter without approval of the department, except as permitted by this chapter and Section 2194.

(d) The department shall not electronically provide records of a person who applies for or is issued a driver's license pursuant to Section 12801.9 of the Vehicle Code because the person is unable to submit satisfactory proof that the person's presence in the United States is authorized under federal law.

(e) Except as provided in paragraphs (2) and (3) of subdivision (b), the department shall commence implementation of this section no later than one year after the Secretary of State certifies all of the following:

(1) The state has a statewide voter registration database that complies with the requirements of the federal Help America Vote Act of 2002 (52 U.S.C. Sec. 20901 et seq.).

(2) The Legislature has appropriated the funds necessary for the Secretary of State and the department to implement and maintain the California New Motor Voter Program.

(3) The regulations required by Section 2277 have been adopted.

(f) The department shall not electronically provide records pursuant to this section that contain a home address designated as confidential pursuant to Section 1808.2, 1808.4, or 1808.6 of the Vehicle Code.

(g) It is the intent of the Legislature that the department continue its best practice of sending notice to voters when there is a delay in processing completed voter registration applications. It is further the intent of the Legislature that the notices continue to provide information about alternative options for submitting a voter registration application.

SEC. 41. Section 2269 of the Elections Code is amended to read:

2269. This chapter does not affect the confidentiality of a person's voter registration or preregistration information, which remains confidential pursuant to Section 2194 of this code and Section 7924.000 of the Government Code and for all of the following persons:

(a) A victim of domestic violence, sexual assault, or stalking pursuant to Section 2166.5.

(b) A reproductive health care service provider, employee, volunteer, or patient pursuant to Section 2166.5.

(c) A public safety officer pursuant to Section 2166.7.

(d) A person with a life-threatening circumstance upon court order pursuant to Section 2166.

SEC. 42. Section 3026 of the Elections Code is amended to read:

3026. (a) The Secretary of State shall promulgate regulations establishing guidelines for county elections officials relating to the processing of vote by mail ballots.

(b) The Secretary of State shall evaluate the necessity for procedures that will protect voters' personally identifying information from elections observers present during the signature comparison process specified in Section 3019. These procedures may be included in the regulations promulgated pursuant to this section.

(c) (1) The Secretary of State shall evaluate the cost and necessity of requiring an elections official to use information in the county's election management system, or otherwise in the elections official's possession, for the purpose of notifying a voter of the opportunity to verify a signature pursuant to subdivision (d) of Section 3019 or to provide a signature pursuant to subdivision (e) of Section 3019. Based on this review, the Secretary of State may impose these requirements in regulations promulgated pursuant to this section.

(2) The Secretary of State shall evaluate the cost and necessity of requiring an elections official to send the additional written notices to voters specified in subparagraph (B) of paragraph (1) of subdivision (d) and clause (ii) of subparagraph (B) of paragraph (1) of subdivision (e) of Section 3019. Based on this review, the Secretary of State may impose these requirements in regulations promulgated pursuant to this section.

(d) When promulgating or amending regulations pertaining to signature comparison pursuant to Section 3019, the Secretary of State shall consult with recognized elections experts, voter access and advocacy stakeholders, and local elections officials.

SEC. 43. Section 13204 of the Elections Code is amended to read:

13204. (a) The instructions to voters shall be printed below the district designation. The instructions shall begin with the words "INSTRUCTIONS TO VOTERS:" in no smaller than 16-point capital type. Thereafter, there shall be printed in 10-point capital type all of the following directions that are applicable to the ballot:

"To vote for a candidate for Chief Justice of California; Associate Justice of the Supreme Court; Presiding Justice, Court of Appeal; or Associate Justice, Court of Appeal, mark the voting target next to the word "Yes." To vote against that candidate, mark the voting target next to the word "No."

"To vote for any other candidate of your selection, mark the voting target next to the candidate's name. [When justices of the Supreme Court or Court of Appeal do not appear on the ballot, the instructions referring to voting after the word "Yes" or the word "No" will be deleted and the above sentence shall read: "To vote for a candidate whose name appears on the ballot, mark the voting target next to the candidate's name."] Where two or more candidates for the same office are to be elected, place a mark next to the names of all candidates for the office for whom you desire to vote, not to exceed, however, the number of candidates to be elected."

"To vote for a qualified write-in candidate, write the person's name in the blank space provided for that purpose after the names of the other candidates for the same office."

"To vote on any measure, mark the voting target next to the word "Yes" or next to the word "No."

"Marking the ballot outside of the designated space to vote for a candidate or measure may compromise the secrecy of the ballot."

"If you wrongly mark, tear, or deface this ballot, return it to the precinct board member and obtain another."

"On vote by mail ballots mark with pen or pencil."

(b) The instructions to voters shall be separated from the portion of the ballot that contains the various offices and measures to be voted on.

SEC. 44. Section 13300.7 of the Elections Code is amended to read:

13300.7. Notwithstanding any other law, county and city elections officials may establish procedures designed to permit a voter to opt out of receiving the voter's county voter information guide, state voter information guide, notice of polling place, and associated materials by mail, and instead obtain them electronically via email or by accessing them on the county's or city's internet website, if all of the following conditions are met:

(a) The procedures establish a method of providing notice of and an opportunity by which a voter can notify elections officials of the voter's desire to obtain ballot materials electronically in lieu of receiving them by mail.

(b) The voter email address or any other information provided by the voter under this section remains confidential pursuant to Section 7924.000 of the Government Code and Section 2194 of this code.

(c) The procedures provide notice and opportunity for a voter who has opted out of receiving a county voter information guide and other materials by mail to opt back into receiving them by mail.

(d) The procedures establish a process by which a voter can apply electronically to become a vote by mail voter.

(e) A voter may only opt out of, or opt back into, receiving the voter's county voter information guide and other ballot materials by mail if the elections official receives the request and can process it before the statutory deadline for the mailing of those materials for the next election, pursuant to Section 13303. If a voter misses this deadline, the request shall take effect the following election.

(f) The procedures shall include a verification process to confirm the voter's identity in any of the following manners:

(1) In writing with a signature card that can be matched to the one on file with the elections official.

(2) Electronically with the electronic transmission containing the voter's California driver's license number, California identification number, or a partial social security number.

(3) By telephone or in person, upon confirmation of the voter's date of birth, residence address, and California driver's license number, California identification number, or a partial social security number.

(g) Information made available over the internet pursuant to this section shall meet or exceed the most current, ratified standards under Section 508 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794d), as amended, and the Web Content Accessibility Guidelines 2.0 adopted by the World Wide Web Consortium for accessibility. Election officials may also implement recommendations of the Voting Accessibility Advisory Committee made pursuant to paragraph (4) of subdivision (b) of Section 2053, and of any local Voting Accessibility Advisory Committee created pursuant to the guidelines promulgated by the Secretary of State related to the accessibility of polling places by the physically handicapped.

SEC. 45. Section 3011 of the Family Code is amended to read:

3011. (a) In making a determination of the best interests of the child in a proceeding described in Section 3021, the court shall, among any other factors it finds relevant and consistent with Section 3020, consider all of the following:

(1) The health, safety, and welfare of the child.

(2) (A) A history of abuse by one parent or any other person seeking custody against any of the following:

(i) A child to whom the parent or person seeking custody is related by blood or affinity or with whom the parent or person seeking custody has had a caretaking relationship, no matter how temporary.

(ii) The other parent.

(iii) A parent, current spouse, or cohabitant, of the parent or person seeking custody, or a person with whom the parent or person seeking custody has a dating or engagement relationship.

(B) As a prerequisite to considering allegations of abuse, the court may require independent corroboration, including, but not limited to, written reports by law enforcement agencies, child protective services or other social welfare agencies, courts, medical facilities, or other public agencies or private nonprofit organizations providing services to victims of sexual assault or domestic violence. As used in this paragraph, "abuse against a child" means "child abuse and neglect" as defined in Section 11165.6 of the Penal Code and abuse against any other person described in clause (ii) or (iii) of subparagraph (A) means "abuse" as defined in Section 6203.

(3) The nature and amount of contact with both parents, except as provided in Section 3046.

(4) The habitual or continual illegal use of controlled substances, the habitual or continual abuse of alcohol, or the habitual or continual abuse of prescribed controlled substances by either parent. Before considering these allegations, the court may first require independent corroboration, including, but not limited to, written reports from law enforcement agencies, courts, probation departments, social welfare agencies, medical facilities, rehabilitation facilities, or other public agencies or nonprofit organizations providing drug and alcohol abuse services. As used in this paragraph, "controlled substances" has the same meaning as defined in the California Uniform Controlled Substances Act (Division 10 (commencing with Section 11000) of the Health and Safety Code).

(5) (A) When allegations about a parent pursuant to paragraph (2) or (4) have been brought to the attention of the court in the current proceeding, and the court makes an order for sole or joint custody or unsupervised visitation to that parent, the court shall state its reasons in writing or on the record. In these circumstances, the court shall ensure that any order regarding custody or visitation is specific as to time, day, place, and manner of transfer of the child as set forth in subdivision (c) of Section 6323.

(B) This paragraph does not apply if the parties stipulate in writing or on the record regarding custody or visitation.

(b) Notwithstanding subdivision (a), the court shall not consider the sex, gender identity, gender expression, or sexual orientation of a parent, legal guardian, or relative in determining the best interests of the child.

SEC. 46. Section 2103 of the Financial Code is amended to read:

2103. (a) In the case of money received for transmission, the licensee or its agent shall give the customer a receipt at the time of the transaction.

(1) The receipt shall contain the following information, as applicable:

(A) The name of the sender.

(B) The name of the designated recipient.

(C) The date of the transaction, which is the day the customer funds the money transmission.

(D) The name of the licensee.

(E) The amount to be transferred to the designated recipient, in the currency in which the money transmission is funded, using the term “Transfer Amount” or a substantially similar term.

(F) Any fees and taxes imposed on the money transmission by the licensee or its agent that are payable or have been paid by the sender, in the currency in which the money transmission is funded, using the terms “transfer fees” for fees and “transfer taxes” for taxes, or substantially similar terms.

(G) The total amount of the transaction, which is the sum of subparagraphs (E) and (F), in the currency in which the money transmission is funded, using the term “total” or a substantially similar term.

(H) The exchange rate, if any, used by the licensee or its agent for the money transmission, rounded consistently for each currency to no fewer than two decimal places and no more than four decimal places, using the term “exchange rate” or a substantially similar term.

(I) For all transmissions, other than transmissions related to e-commerce transactions, the amount that will be received by the designated recipient, in the currency in which the funds will be received, using the term “total to recipient” or a substantially similar term. For transmissions related to e-commerce transactions, the amount that will be received by the designated recipient before any fees, taxes, or other amounts payable by the designated recipient are deducted, using the term “total to recipient” or a substantially similar term. These fees, taxes, or other amounts shall be disclosed to the designated recipient. The disclosure of fees, taxes, or other amounts payable by the designated recipient, which need not be disclosed to the sender, shall be disclosed as part of a separate written agreement between the licensee and the designated recipient.

(J) For receipts issued on or after July 1, 2022, a telephone number through which the customer may contact the licensee pursuant to Section 2107.

(2) (A) In addition to the disclosures set forth in paragraph (1), the receipt shall either include or have attached a conspicuous statement as follows:

“RIGHT TO REFUND

You, the customer, are entitled to a refund of the money to be transmitted as the result of this agreement if _____ (name of licensee) does not forward the money received from you within 10 days of the date of its receipt, or does not give instructions

committing an equivalent amount of money to the person designated by you within 10 days of the date of the receipt of the funds from you unless otherwise instructed by you.

If your instructions as to when the moneys shall be forwarded or transmitted are not complied with and the money has not yet been forwarded or transmitted, you have a right to a refund of your money.

If you want a refund, you must mail or deliver your written request to _____ (name of licensee) at _____ (mailing address of licensee). If you do not receive your refund, you may be entitled to your money back plus a penalty of up to $1,000 and attorney's fees pursuant to Section 2102 of the California Financial Code."

(B) The right to refund statement set forth in subparagraph (A) is not required to be included on receipts involving e-commerce transactions where the customer sends a payment for goods or services.

(3) The receipt required by this section shall be made in English and in the language principally used by that licensee or that agent to advertise, solicit, or negotiate, either orally or in writing, at that branch office, if other than English. For transactions that do not occur in a branch office, the receipt shall be made in English and in the language principally used by that licensee or that agent to advertise, solicit, or negotiate money transmission, either orally or in writing.

(4) The receipt required by this subdivision may be provided electronically for transactions that are initiated electronically or in which a customer agrees to receive an electronic receipt.

(5) Disclosures in the receipt required by this subdivision shall be in a minimum 8-point type, except for receipts provided via mobile phone or text message.

(b) If window and exterior signs concerning the rates of exchange for money received for transmission are used, they shall clearly state in English and in the same language principally used by the licensee or any agent of the licensee to advertise, solicit, or negotiate, either orally or in writing, at that branch office if other than English, the rate of exchange for exchanging the currency of the United States for foreign currency. If an interior sign or any advertising is used that quotes exchange rates, it shall, in addition to clearly stating the rates of exchange for exchanging the currency of the United States for foreign currency, also state all commissions and fees charged on all such transactions.

(c) At each branch office, there shall be disclosed the exchange rates, fees, and commissions charged in English and in the same language principally used by the licensee or any agent of the licensee to advertise, solicit, or negotiate, either orally or in writing, with respect to money received for transmission at that branch office. At each branch office, there shall be signage clearly identifying the name of the licensee as well as any trade names used by the licensee at that branch office. In the event that a licensee or agent conducts money transmission activity via an internet website or mobile application that is not in a branch office, the commissioner may authorize an alternative disclosure meeting the requirements of this section. Any internet website through which a licensee conducts money transmission shall clearly identify the name of the licensee as well as any trade names used by the licensee on the internet website.

(d) If the customer does not specify at the time the money is presented to the licensee or its agent the country to which the money is to be transmitted, the rate of exchange for the transaction is not required to be set forth on the receipt. If the customer does specify at the time the money is presented to the licensee or its agent the country to which the money is to be transmitted but the specified country's laws require the rate of exchange for the transaction to be determined at the time the transaction is paid out to the intended recipient, the rate of exchange for the transaction is not required to be set forth on the receipt.

SEC. 47. Section 591 of the Food and Agricultural Code is amended to read:

591. (a) The Farm to Community Food Hub Program is hereby established for the purpose of piloting investments in the capital aggregation and distribution infrastructure needed to increase purchasing of local, environmentally sustainable, climate-smart, and equitably produced food by schools and other institutions, build a better food system economy, support the local farming economy, accelerate climate adaptation and resilience, and employ food system workers with fair wages and working conditions.

(b) The program shall be administered by the Office of Farm to Fork in the department. The department may consult with outside entities who possess expertise in the operation of food hubs and the areas described in subdivision (a), including, but not limited to, the Sustainable Agriculture and Research Education Program, housed within the University of California Agriculture and Natural Resources.

(c) (1) The secretary shall establish an advisory committee, which shall be known as the Farm to Community Food Hub Advisory Committee, for the purpose of advising the secretary in their responsibilities regarding the program.

(2) The advisory committee shall advise the secretary on education, outreach, and technical assistance for the program.

(3) (A) The advisory committee shall be composed of 10 members appointed by the office, with 3 members from northern California, 3 members from central California, 3 members from southern California, and 1 member who is a farmer or rancher, as described in subparagraph (E), who may be selected from any one of the three regions. Each member may have an alternate.

(B) Four members and their alternates shall be an executive or manager of a food supply chain business, including a producer, processor, or purchaser, headquartered in California.

(C) Four members and their alternates shall be an executive or director of a civil society organization, or a representative of an academic institution, including K–12 schools, with expertise in advancing food system improvements supportive of local food systems, equitable access to healthy food, labor in the food system, or climate-adaptive and climate-resilient food systems.

(D) One member and their alternate shall be a representative of the Sustainable Agriculture and Research Education Program, housed within the University of California Agriculture and Natural Resources.

(E) One member and their alternate shall be a farmer or rancher who qualifies as one or more of the following:

(i) Socially disadvantaged.

(ii) Beginning.

(iii) Limited resource.

(iv) A veteran.

(v) Disabled.

(vi) Operates a farm or ranch that is 500 acres or less.

(4) The advisory committee may appoint officers and form subcommittees, with chairpersons appointed by the advisory committee, as needed, in order to carry out and fulfill its duties under this subdivision. The advisory committee shall determine the powers and duties of appointed officers and subcommittee chairpersons.

(5) An alternate member shall serve at an advisory committee meeting only in the absence of, and shall have the same powers and duties as, a member in the same category as the alternate member, as described in paragraph (3), except for the powers and duties as an officer of the advisory committee. The number of alternate members present who are not serving in the capacity of a member shall not be considered in determining a quorum.

(6) An alternate member may serve at an advisory committee subcommittee meeting only in the absence of, and shall have the same powers and duties as, a member in the same category as the alternate member, as described in paragraph (3), except for the powers and duties as a subcommittee chairperson.

(7) Members and their alternates shall be reimbursed for the reasonable expenses actually incurred in the performance of their duties, as determined by the advisory committee and approved by the secretary.

(8) The secretary or their representative, the State Public Health Officer or their representative, and a county agricultural commissioner may serve as ex officio members of the advisory committee, in addition to the 10 members appointed pursuant to paragraph (3).

SEC. 48. Section 9269 of the Food and Agricultural Code is amended to read:

9269. (a) Except as provided in subdivision (b), the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) shall apply to all records held by the department relating to this chapter, including, but not limited to, records relating to applications, fees, or inspections required by this chapter.

(b) (1) Except as provided in subdivisions (c) and (d), identifying personal information that is contained in records described in subdivision (a) shall be confidential and not subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(2) This subdivision does not prevent the disclosure by the department of data regarding age, race, ethnicity, national origin, or gender of individuals whose personal information is protected pursuant to this section, so long as the data does not contain individually identifiable information.

(c) Records held by the department relating to this chapter shall be accessible to law enforcement officers and state and local agencies with jurisdiction over any matter covered by this chapter.

(d) The department shall, upon request, disclose information in records relating to this chapter that is already in the public domain.

(e) (1) For purposes of this section, “identifying personal information” means the following information pertaining to the owner of an animal donor that is collected for purposes of coordinating, conducting, or documenting a donation from the animal owned by that person and is maintained by the department in relation to this chapter:

(A) Social security number.

(B) Date of birth.

(C) Physical description.

(D) Home address.

(E) Statements of personal worth or personal financial data.

(F) Personal medical history.

(G) Employment history.

(H) Email address.

(I) Information that reveals any electronic network location or identity.

(2) For purposes of this subdivision, a person who owns, operates, maintains, or oversees a commercial blood bank for animals shall not be considered the owner of an animal donor.

SEC. 49. Section 12978.7 of the Food and Agricultural Code is amended to read:

12978.7. (a) For purposes of this section, the following terms have the following meanings:

(1) “Second generation anticoagulant rodenticide” means any pesticide product containing any of the following active ingredients:

(A) Brodifacoum.

(B) Bromadiolone.

(C) Difenacoum.

(D) Difethialone.

(2) “Wildlife habitat area” means any state park, state wildlife refuge, or state conservancy.

(b) Except as provided in subdivision (e), and notwithstanding subdivision (c), the use of any second generation anticoagulant rodenticide is prohibited in a wildlife habitat area.

(c) Except as provided in subdivision (e) or (f), the use of any second generation anticoagulant rodenticide is prohibited in this state until the director makes the certification described in subdivision (g).

(d) State agencies are directed to encourage federal agencies to comply with subdivisions (b) and (c).

(e) This section does not apply to any of the following:

(1) The use of second generation anticoagulant rodenticides by any governmental agency employee who complies with Section 106925 of the Health and Safety Code, who uses second generation anticoagulant rodenticides for public health activities.

(2) The use of second generation anticoagulant rodenticides otherwise prohibited by this section when used by any governmental agency employee for the purposes of protecting water supply infrastructure and facilities in a manner that is consistent with all otherwise applicable federal and state laws and regulations.

(3) The use of second generation anticoagulant rodenticides by a mosquito or vector control district formed under Chapter 1 (commencing with Section 2000) of Division 3 or Chapter 8 (commencing with Section 2800) of Division 3 of the Health and Safety Code to protect the public health.

(4) The use of any second generation anticoagulant rodenticides for the eradication of nonnative invasive species inhabiting or found to be present on offshore islands in a manner that is consistent with all otherwise applicable federal and state laws and regulations.

(5) The use of any second generation anticoagulant rodenticide that the Department of Fish and Wildlife determines is required to control or eradicate an invasive rodent population for the protection of threatened or endangered species or their habitats.

(6) The use of any second generation anticoagulant rodenticide to control an actual or potential rodent infestation associated with a public health need, as determined by a supporting declaration from the State Public Health Officer or a local public health officer. For purposes of this section, a public health need is an urgent, nonroutine situation posing a significant risk to human health in which it is documented that other rodent control alternatives, including nonchemical alternatives, are inadequate to control the rodent infestation.

(7) The use of any second generation anticoagulant rodenticide for research purposes related to the reevaluation described in paragraph (1) of subdivision (g). Before using a second generation anticoagulant rodenticide in the manner described in this paragraph, a written authorization for research shall be obtained from the director. The director may specify the conditions in the authorization for research under which the research shall be conducted. The director may terminate, amend, or refuse to issue an authorization for research if the director determines any of the following:

(A) The research may involve a hazard to the environment.

(B) The research may be used for purposes unrelated to pesticide data development.

(C) A violation of the authorization for research, prior authorization for research, or Division 6 (commencing with Section 11401) or this division, or a regulation adopted pursuant to either or both of those divisions, has occurred in connection with the research.

(f) (1) This section does not apply to the use of second generation anticoagulant rodenticides in either of the following locations:

(A) A medical waste generator, as defined in Section 117705 of the Health and Safety Code.

(B) A facility registered annually and subject to inspection under Section 510 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 360 et seq.) and compliant with the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Sec. 136 et seq.).

(2) This section does not apply to the use of second generation anticoagulant rodenticides for agricultural activities, as defined in Section 564.

(3) For purposes of paragraph (2), “agricultural activities” include activities conducted in any of the following locations:

(A) A warehouse used to store foods for human or animal consumption.

(B) An agricultural food production site, including, but not limited to, a slaughterhouse or cannery.

(C) A factory, brewery, or winery.

(D) An agricultural production site housing water storage and conveyance facilities.

(E) An agricultural production site housing rights-of-way and other transportation infrastructure.

(g) After the director determines that both of the following conditions have occurred, the director shall certify to the Secretary of State that determination:

(1) The department has completed the reevaluation of second generation anticoagulant rodenticides, as commenced by the department on March 12, 2019, pursuant to California Notice 2019-03 “(Notice of Final Decision to Begin Reevaluation of Second-Generation Anticoagulant Rodenticides).”

(2) Consistent with the requirements of this division and regulations adopted pursuant to this division, the department has adopted any additional restrictions necessary to ensure that continued use of second generation anticoagulant rodenticides is not reasonably expected to result in significant adverse effects to nontarget wildlife and those restrictions are operative. Any restrictions described in this paragraph shall be developed in consultation with the Department of Fish and Wildlife.

SEC. 50. Section 81012 of the Food and Agricultural Code is amended to read:

81012. (a) Enforcement of the approved state plan shall comply with Section 297B(e) of the federal Agricultural Marketing Act of 1946 (added by Section 10113 of the federal Agriculture Improvement Act of 2018 (Public Law 115-334)).

(b) A grower of industrial hemp, established agricultural research institution, or hemp breeder that the secretary determines has violated a provision of this division listed in the approved state plan or an additional requirement listed pursuant to subdivision (b) of Section 81015, including, but not limited to, by failing to provide a legal description of the land on which industrial hemp is grown, failing to register as required, or exceeding the 0.3 percent THC limit established in this division, shall be subject to the following consequences:

(1) For a negligent violation, as determined by the secretary, the consequences under state laws for a violation of this division shall be as follows:

(A) If the violation is not a repeat violation subject to subparagraph (B), the grower of industrial hemp, established agricultural research institution, or hemp breeder shall comply with a corrective action plan, to be established by the secretary, that includes both of the following:

(i) A reasonable date by which the grower of industrial hemp, established agricultural research institution, or hemp breeder shall correct the negligent violation.

(ii) A requirement that the grower of industrial hemp, established agricultural research institution, or hemp breeder shall periodically report to the secretary, for a period of at least the next two calendar years, on its compliance with this division or the approved state plan.

(B) A grower of industrial hemp, established agricultural research institution, or hemp breeder that commits a negligent violation three times in a five-year period shall be ineligible to participate in the industrial hemp program for a period of five years beginning on the date of the finding of the third violation.

(C) A grower of industrial hemp, established agricultural research institution, or hemp breeder shall not, as a result of a negligent violation, be subject to any criminal enforcement action by the state or a local government.

(2) For a violation committed intentionally, or with recklessness or gross negligence, the secretary shall immediately report the grower of industrial hemp, established agricultural research institution, or hemp breeder to the Attorney General of the United States and the Attorney General of this state, as applicable.

(c) This section shall become operative as of the date on which a state plan for California is approved pursuant to Section 297B of the federal Agricultural Marketing Act of 1946 (added by Section 10113 of the federal Agriculture Improvement Act of 2018 (Public Law 115-334)).

SEC. 51. Section 925.6 of the Government Code is amended to read:

925.6. (a) Except as otherwise provided in subdivisions (b) and (e), the Controller shall not draw their warrant for any claim until the Controller has audited that claim in conformity with law and the general rules and regulations adopted by the department, governing the presentation and audit of claims. If the Controller is directed by law to draw their warrant for any purpose, the direction is subject to this section.

(b) Notwithstanding subdivision (a), the Assembly Committee on Rules, the Senate Committee on Rules, and the Joint Rules Committee, in cooperation with the Controller, shall adopt rules and regulations to govern the presentation of claims of the committees to the Controller. The Controller, in cooperation with the committees, shall adopt rules and regulations governing the audit and recordkeeping of claims of the committees. All rules and regulations shall be adopted by January 31, 1990, shall be published in the Assembly and Senate Journals, and shall be made available to the public.

(c) Rules and regulations adopted pursuant to subdivision (b) shall not be subject to the review by or approval of the Office of Administrative Law.

(d) Records of claims kept by the Controller pursuant to subdivision (b) shall be open to public inspection as permitted by the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(e) (1) Notwithstanding subdivision (a), the Controller shall draw their warrant for any claim submitted by the Department of Housing and Community Development to advance the payment of funds to a vendor selected pursuant to Section 50897.3 of the Health and Safety Code, based on approved applicants associated with Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code. Funds made available for advance payment pursuant to this subdivision shall not exceed 25 percent of the original amount allocated for the program described in Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code at any given time.

(2) The vendor described in paragraph (1) shall be the fiscal agent on behalf of the Department of Housing and Community Development and shall be responsible for maintaining all records of claims for audit purposes.

(3) Unless otherwise expressly provided, this subdivision shall remain operative so long as funds are made available pursuant to Chapter 17 (commencing with Section 50897) of Part 2 of Division 31 of the Health and Safety Code or as otherwise provided under federal law.

SEC. 52. Section 1029 of the Government Code is amended to read:

1029. (a) Except as provided in subdivision (b), (c), (d), or (e), each of the following persons is disqualified from holding office as a peace officer or being employed as a peace officer of the state, county, city, city and county, or other political subdivision, whether with or without compensation, and is disqualified from any office or employment by the state, county, city, city and county, or other political subdivision, whether with or without compensation, which confers upon the holder or employee the powers and duties of a peace officer:

(1) Any person who has been convicted of a felony.

(2) Any person who has been convicted of any offense in any other jurisdiction which would have been a felony if committed in this state.

(3) Any person who has been discharged from the military for committing an offense, as adjudicated by a military tribunal, which would have been a felony if committed in this state.

(4) (A) Any person who, after January 1, 2004, has been convicted of a crime based upon a verdict or finding of guilt of a felony by the trier of fact, or upon the entry of a plea of guilty or nolo contendere to a felony. This paragraph applies regardless of whether, pursuant to subdivision (b) of Section 17 of the Penal Code, the court declares the offense to be a misdemeanor or the offense becomes a misdemeanor by operation of law.

(B) For purposes of this paragraph, a person has been “convicted of a crime” immediately upon entry of a plea of guilty or nolo contendere to, or upon being found guilty by a trier of fact of, a felony offense, including an offense that may be charged as a misdemeanor or felony and that was charged as a felony at the time of the conviction.

(C) Effective January 1, 2022, any person who has been convicted of a crime in accordance with this paragraph shall not regain eligibility for peace officer employment based upon the nature of any sentence ordered or imposed. In addition, no such person shall regain eligibility for peace officer employment based upon any later order of the court setting aside, vacating, withdrawing, expunging or otherwise dismissing or reversing the conviction, unless the court finds the person to be factually innocent of the crime for which they were convicted at the time of entry of the order.

(5) Any person who has been charged with a felony and adjudged by a superior court to be mentally incompetent under Chapter 6 (commencing with Section 1367) of Title 10 of Part 2 of the Penal Code.

(6) Any person who has been found not guilty by reason of insanity of any felony.

(7) Any person who has been determined to be a mentally disordered sex offender pursuant to Article 1 (commencing with Section 6300) of Chapter 2 of Part 2 of Division 6 of the Welfare and Institutions Code.

(8) Any person adjudged addicted or in danger of becoming addicted to narcotics, convicted, and committed to a state institution as provided in Section 3051 of the Welfare and Institutions Code.

(9) Any person who, following exhaustion of all available appeals, has been convicted of, or adjudicated through an administrative, military, or civil judicial process requiring not less than clear and convincing evidence, including a hearing that meets the requirements of the administrative adjudication provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2), as having committed, any act that is a violation of Section 115, 115.3, 116, 116.5, or 117 of, or of any offense described in Chapter 1 (commencing with Section 92), Chapter 5 (commencing with Section 118), Chapter 6 (commencing with Section 132), or Chapter 7 (commencing with Section 142) of

Title 7 of Part 1 of the Penal Code, including any act committed in another jurisdiction that would have been a violation of any of those sections if committed in this state.

(10) Any person who has been issued the certification described in Section 13510.1 of the Penal Code, and has had that certification revoked by the Commission on Peace Officer Standards and Training, has voluntarily surrendered that certification pursuant to subdivision (f) of Section 13510.8, or having met the minimum requirement for issuance of certification, has been denied issuance of certification.

(11) Any person previously employed in law enforcement in any state or United States territory or by the federal government, whose name is listed in the National Decertification Index of the International Association of Directors of Law Enforcement Standards and Training or any other database designated by the federal government whose certification as a law enforcement officer in that jurisdiction was revoked for misconduct, or who, while employed as a law enforcement officer, engaged in serious misconduct that would have resulted in their certification being revoked by the commission if employed as a peace officer in this state.

(b) (1) A plea of guilty to a felony pursuant to a deferred entry of judgment program as set forth in Sections 1000 to 1000.4, inclusive, of the Penal Code shall not alone disqualify a person from being a peace officer unless a judgment of guilty is entered pursuant to Section 1000.3 of the Penal Code.

(2) A person who pleads guilty or nolo contendere to, or who is found guilty by a trier of fact of, an alternate felony-misdemeanor drug possession offense and successfully completes a program of probation pursuant to Section 1210.1 of the Penal Code shall not be disqualified from being a peace officer solely on the basis of the plea or finding if the court deems the offense to be a misdemeanor or reduces the offense to a misdemeanor.

(c) Any person who has been convicted of a felony, other than a felony punishable by death, in this state or any other state, or who has been convicted of any offense in any other state which would have been a felony, other than a felony punishable by death, if committed in this state, and who demonstrates the ability to assist persons in programs of rehabilitation may hold office and be employed as a parole officer of the Department of Corrections and Rehabilitation or the Division of Juvenile Justice, or as a probation officer in a county probation department, if the person has been granted a full and unconditional pardon for the felony or offense of which they were convicted. Notwithstanding any other provision of law, the Department of Corrections and Rehabilitation or the Division of Juvenile Justice, or a county probation department, may refuse to employ that person regardless of their qualifications.

(d) This section does not limit or curtail the power or authority of any board of police commissioners, chief of police, sheriff, mayor, or other appointing authority to appoint, employ, or deputize any person as a peace officer in time of disaster caused by flood, fire, pestilence or similar public calamity, or to exercise any power conferred by law to summon assistance in making arrests or preventing the commission of any criminal offense.

(e) This section does not prohibit any person from holding office or being employed as a superintendent, supervisor, or employee having custodial responsibilities in an institution operated by a probation department, if at the time of the person's hire a prior conviction of a felony was known to the person's employer, and the class of office for which the person was hired was not declared by law to be a class prohibited to persons convicted of a felony, but as a result of a change in classification, as provided by law, the new classification would prohibit employment of a person convicted of a felony.

(f) The Department of Justice shall supply the commission with necessary disqualifying felony and misdemeanor conviction data for all persons known by the department to be current or former peace officers. The commission shall be permitted to use the information for decertification purposes. The data, once received by the commission, shall be made available for public inspection pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), including documentation of the person's appointment, promotion, and demotion dates, as well as certification or licensing status and the reason or disposition for the person leaving service.

SEC. 53. Section 3558 of the Government Code, as amended by Section 1 of Chapter 330 of the Statutes of 2021, is amended to read:

3558. (a) Subject to the exceptions provided here, the public employer shall provide the exclusive representative with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the employer, and home address of any newly hired employee within 30 days of the date of hire or by the first pay period of the month following hire, and the public employer shall also provide the exclusive representative with a list of that information for all employees in the bargaining unit at least every 120 days unless more frequent or more detailed lists are required by an agreement with the exclusive representative. The information identified in this section shall be provided to the exclusive representative regardless of whether the newly hired public employee was previously employed by the public employer. The information under this section shall be provided in a manner consistent with Section 7928.300 and in a manner consistent with Section 6207 for a participant in the address confidentiality program established pursuant to Chapter 3.1 (commencing with

Section 6205) of Division 7. The provision of information under this section shall be consistent with the employee privacy requirements described in County of Los Angeles v. Los Angeles County Employee Relations Com. (2013) 56 Cal.4th 905. This section does not preclude a public employer and exclusive representative from agreeing to a different interval within which the public employer provides the exclusive representative with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses, and home address of any newly hired employee or member of the bargaining unit.

(b) An exclusive representative may file a charge of an unfair labor practice, pursuant to subdivision (d), alleging a violation of subdivision (a) only after the following requirements have been met:

(1) The aggrieved exclusive representative gives written notice to the public employer, or a designated representative of the public employer, of an alleged violation of subdivision (a), including the facts and theories to support the alleged violation. The designated representative to receive written notice of an alleged violation of subdivision (a) shall be the proper recipient under Public Employment Relations Board regulations for filing or service of Public Employment Relations Board matters.

(2) The public employer fails to comply with the requirements prescribed in subdivision (c), if applicable.

(c) (1) If the alleged violation is that a public employer has provided an inaccurate or incomplete list of employees to the exclusive representative, the public employer has 20 calendar days to cure the alleged violation by complying with the requirements of this subdivision. For purposes of this subdivision, a cure is the provision of an accurate and complete list to the exclusive representative. The opportunity to cure does not apply to any other violation of subdivision (a), including, but not limited to, the failure to submit a list of newly hired employees or a list of bargaining unit members within the time periods prescribed by subdivision (a). The public employer shall give written notice by either certified mail or electronically within the 20-calendar day period to the applicable exclusive representative of the actions taken. The aggrieved exclusive representative may file an unfair practice charge with the board if the alleged violation is not cured.

(2) A public employer may avail itself of the opportunity to cure pursuant to this subdivision not more than three times in any 12-month period.

(d) (1) Subject to the limit described in paragraph (2) of subdivision (c) of Section 3555.5, the exclusive representative may file an unfair practice charge with the Public Employment Relations Board for violations of subdivision (a), as described in subdivisions (b) and (c).

(2) In addition to any other remedy provided by law, a public employer found to have violated subdivision (a) shall be subject to a civil penalty not to exceed ten thousand dollars ($10,000), which shall be determined by the Public Employment Relations Board through application of the following criteria:

(A) The public employer’s annual budget.

(B) The severity of the violation.

(C) Any prior history of violations by the public employer.

(3) This penalty shall be paid to the General Fund.

(4) The Public Employment Relations Board shall award to a prevailing party attorney’s fees and costs that accrue from the inception of proceedings before the board’s Division of Administrative Law until final disposition of the charge by the board. The board, however, shall not award attorney’s fees and costs under this section for any proceedings before the board itself that challenge the dismissal of an unfair practice charge by the board’s Office of the General Counsel. If the board initiates proceedings with a superior court to enforce or achieve compliance with a board order, or is required to defend a decision of the board involving this section after a party seeks judicial review, the court shall award the board attorney’s fees and costs if the board is the prevailing party.

(e) The amendments made to this section by the act adding this subdivision shall be operative on July 1, 2022.

SEC. 54. Section 3579 of the Government Code is amended to read:

3579. (a) In each case where the appropriateness of a unit is an issue, in determining an appropriate unit, the board shall take into consideration all of the following criteria:

(1) The internal and occupational community of interest among the employees, including, but not limited to, the extent to which they perform functionally related services or work toward established common goals, the history of employee representation with the employer, the extent to which the employees belong to the same employee organization, the extent to which the employees have common skills, working conditions, job duties, or similar educational or training requirements, and the extent to which the employees have common supervision.

(2) The effect that the projected unit will have on the meet and confer relationships, emphasizing the availability and authority of employer representatives to deal effectively with employee organizations representing the unit, and taking into account factors such as work location, the numerical size of the unit, the relationship of the unit to organizational patterns of the higher education employer, and the effect on the existing classification structure or existing classification schematic of dividing a single class or single classification schematic among two or more units.

(3) The effect of the proposed unit on efficient operations of the employer and the compatibility of the unit with the responsibility of the higher education employer and its employees to serve students and the public.

(4) The number of employees and classifications in a proposed unit, and its effect on the operations of the employer, on the objectives of providing the employees the right to effective representation, and on the meet and confer relationship.

(5) The impact on the meet and confer relationship created by fragmentation of employee groups or any proliferation of units among the employees of the employer.

(b) There shall be a presumption that professional employees and nonprofessional employees shall not be included in the same representation unit. However, the presumption shall be rebuttable, depending upon what the evidence pertinent to the criteria set forth in subdivision (a) establishes.

(c) There shall be a presumption that all employees within an occupational group or groups located principally within the State of California shall be included within a single representation unit. However, the presumption shall be rebutted if there is a preponderance of evidence that a single representation unit is inconsistent with the criteria set forth in subdivision (a) or with the purposes of this chapter.

(d) Notwithstanding the foregoing provisions of this section, or any other law, an appropriate group of skilled crafts employees shall have the right to be a single, separate unit of representation. Skilled crafts employees shall include, but not necessarily be limited to, employment categories such as carpenters, plumbers, electricians, painters, and operating engineers. The single unit of representation shall include not less than all skilled crafts employees at a campus or at a Lawrence Laboratory.

(e) (1) (A) Notwithstanding the foregoing provisions of this section, the only appropriate representation units including members of the Academic Senate of the University of California shall be either a single statewide unit consisting of all eligible members of the senate, or divisional units consisting of all eligible members of a division of the senate.

(B) Notwithstanding subparagraph (A), if the University of California adds to the academic senate an existing job classification that was previously outside of the academic senate, and employees in that job classification were represented by an exclusive representative, that job classification and those employees shall continue to be represented by that exclusive representative.

(2) In addition to the limitations of subdivision (q) of Section 3562, the scope of representation of any divisional unit shall be limited to those matters that have customarily been determined on a division basis, but the employer shall consult with the exclusive representative of a division on matters that would be within the scope of representation or consultation of a statewide representative.

(3) When 35 percent of the eligible members of the academic senate are represented by an exclusive representative or representatives in divisional units, the board, on petition of a representative or of an organization composed of those representatives, shall conduct an election to determine if the eligible members of the entire senate wish thereafter to be represented by a representative or organization in a single unit on all matters within the scope of representation. Any other exclusive representative or organization of representatives or any employee organization meeting the requirements of subdivision (a) of Section 3577 shall be entitled, on petition, to appear on the ballot, and in the event no choice receives a majority of the votes cast, the runoff provisions of subdivision (a) of Section 3577 shall be applicable.

(f) The board shall not determine that any unit is appropriate if it includes, together with other employees, employees who are defined as peace officers pursuant to subdivisions (b) and (c) of Section 830.2 of the Penal Code.

SEC. 55. Section 4533 of the Government Code is amended to read:

4533. (a) Whenever the state prepares a solicitation for a contract for goods in excess of one hundred thousand dollars ($100,000), except a contract in which the worksite is fixed by the provisions of the contract, the state shall award the following preferences:

(1) A workplace preference of 5 percent to California-based companies who demonstrate and certify under penalty of perjury that of the total labor hours required to manufacture the goods and perform the contract, at least 50 percent of the hours shall be accomplished at an identified worksite or worksites located in a distressed area.

(2) A workforce preference of between 1 percent and 5 percent, as specified in Section 4533.1, to California-based companies that demonstrate and certify under penalty of perjury that the workforce completing those labor hours are persons with a high risk of unemployment, as defined in Section 4532.

(b) The combined cost of preferences granted under this section shall not exceed one hundred thousand dollars ($100,000) in total, pursuant to Section 4535.2.

SEC. 56. Section 4534 of the Government Code is amended to read:

4534. (a) In evaluating proposals for contracts for services in excess of one hundred thousand dollars ($100,000), except a contract in which the worksite is fixed by the provisions of the contract, the state shall award the following preferences:

(1) A workplace preference of 5 percent on the price submitted by California-based companies that demonstrate and certify under penalty of perjury that not less than 90 percent of the total labor hours required to perform the contract shall be accomplished at an identified worksite or worksites.

(2) A workforce preference of between 1 percent and 5 percent, as specified in Section 4533.1, to California-based companies that demonstrate and certify under penalty of perjury that the workforce completing those labor hours are persons with a high risk of unemployment, as defined in Section 4532.

(b) The combined cost of preferences granted under this section shall not exceed one hundred thousand dollars ($100,000) in total, pursuant to Section 4535.2.

SEC. 57. Section 8593.7 of the Government Code is amended to read:

8593.7. (a) On or before July 1, 2022, the Office of Emergency Services, in consultation with, at minimum, telecommunications carriers, the California cable and broadband industry, radio and television broadcasters, the California State Association of Counties, the League of California Cities, the access and functional needs community, including people with disabilities, as described in paragraphs (1) through (3) of subdivision (a) of Section 8588.15, appropriate federal agencies, and the Standardized Emergency Management System Alert and Warning Specialist Committee, shall develop guidelines for alerting and warning the public of an emergency. Those guidelines shall include, at minimum, the following:

(1) Timelines for sending alerts during an emergency.

(2) Practices for sending advance warnings of an impending threat.

(3) Practices for testing, training on, and exercising a city's, county's, or city and county's alert and warning system.

(4) Consideration for coordinating alerts with neighboring jurisdictions.

(5) Guidelines and protocols for redundancy and utilizing multiple forms of alerts.

(6) Guidelines and protocols for chain of command communications and accounting for staffing patterns to ensure a trained operator is always on call.

(7) Practices for effective notifications to the access and functional needs population as defined in subdivision (f) of Section 8593.3.

(8) Message templates.

(9) Common terminology.

(b) (1) The Office of Emergency Services shall provide each city, county, and city and county with a copy of the guidelines developed according to subdivision (a).

(2) Six months after the Office of Emergency Services provides the guidelines to each city, county, and city and county, the office may impose conditions upon a city's, county's, or city and county's application for any voluntary grant funds that have a nexus to emergency management performance that the office administers, requiring that city, county, or city and county to operate its alert and warning activities in a manner that is consistent with the guidelines developed pursuant to subdivision (a).

(c) (1) Within six months of making the guidelines available pursuant to subdivision (b) and at least annually, the Office of Emergency Services, through its California Specialized Training Institute and with involvement of representatives from the access and functional needs community, including people with disabilities, as described in paragraphs (1) through (3) of subdivision (a) of Section 8588.15, shall develop an alert and warning training.

(2) The training developed pursuant to this subdivision shall include, at minimum, information regarding the following:

(A) The evaluation, purchase, and operation of Wireless Emergency Alert system (WEA) and the Emergency Alert System (EAS) equipment and software, including capabilities that address communications for the access and functional needs community.

(B) The technical capabilities of the WEA and EAS function within an alert system, pursuant to current Federal Emergency Management Agency (FEMA) and Federal Communications Commission regulations, as amended from time to time.

(C) The alert and warning guidelines developed in subdivision (a).

(d) The safety of local communities requires designated alerting authorities to ensure that they have multiple operators, adequate testing and training, and functional equipment and software. To the extent designated alerting authorities have difficulty acquiring or maintaining adequate alert and warning resources, they may consult with the Office of Emergency Services on best practices to achieve those goals.

(e) “Operator” means those personnel required by the designated alerting authority to transmit alert and warning messages.

(f) The Office of Emergency Services (OES) may adopt emergency regulations to implement this section. The adoption, amendment, repeal, or readoption of a regulation authorized by this section is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6, and OES is hereby exempted for this purpose from the requirements of subdivision (b) of Section 11346.1.

SEC. 58. Section 8607 of the Government Code is amended to read:

8607. (a) The Office of Emergency Services, in coordination with all interested state agencies with designated response roles in the state emergency plan and interested local emergency management agencies, shall jointly establish by regulation a standardized emergency management system for use by all emergency response agencies. The public water systems identified in Section 8607.2 may review and comment on these regulations before adoption. This system shall be applicable, but not limited to, those emergencies or disasters referenced in the state emergency plan. The standardized emergency management system shall include all of the following systems as a framework for responding to and managing emergencies and disasters involving multiple jurisdictions or multiple agency responses:

(1) The Incident Command Systems adapted from the systems originally developed by the FIRESCOPE Program, including those currently in use by state agencies.

(2) The multiagency coordination system as developed by the FIRESCOPE Program.

(3) The mutual aid agreement, as defined in Section 8561, and related mutual aid systems such as those used in law enforcement, fire service, and coroners operations.

(4) The operational area concept, as defined in Section 8559.

(b) Individual agencies’ roles and responsibilities agreed upon and contained in existing laws or the state emergency plan are not superseded by this article.

(c) The Office of Emergency Services, in coordination with the State Fire Marshal’s office, the Department of the California Highway Patrol, the Commission on Peace Officer Standards and Training, the Emergency Medical Services Authority, and all other interested state agencies with designated response roles in the state emergency plan, shall jointly develop an approved course of instruction for use in training all emergency response personnel, consisting of the concepts and procedures associated with the standardized emergency management system described in subdivision (a).

(d) All state agencies shall use the standardized emergency management system as adopted pursuant to subdivision (a) to coordinate multiple jurisdiction or multiple agency emergency and disaster operations.

(e) (1) Each local agency, in order to be eligible for any funding of response-related costs under disaster assistance programs, shall use the standardized emergency management system as adopted pursuant to subdivision (a) to coordinate multiple jurisdiction or multiple agency operations.

(2) Notwithstanding paragraph (1), local agencies shall be eligible for repair, renovation, or any other nonpersonnel costs resulting from an emergency.

(f) Within 180 days after each declared disaster, the Office of Emergency Services shall, in cooperation with involved state and local agencies, complete an after-action report that includes a review of the public safety response and disaster recovery activities and conclusions and recommendations based on findings. The office shall make the report available to all interested public safety and emergency management organizations.

SEC. 59. Section 9605 of the Government Code is amended to read:

9605. (a) (1) When a section or part of a statute is amended, it is not to be considered as having been repealed and reenacted in the amended form. The unaltered provisions are to be considered as having been the law from the time when those provisions were enacted. The new provisions are to be considered as having been enacted at the time of the amendment. The omitted provisions are to be considered as having been repealed at the time of the amendment.

(2) When the same section or part of a statute is amended by two or more acts enacted at the same session, any portion of provisions from an earlier one of those successive acts that are omitted by a subsequent act shall be deemed to have been omitted deliberately and any provisions omitted by an earlier act that are restored by a subsequent act shall be deemed to have been restored deliberately.

(b) When the same section or part of a statute is amended by two or more statutes enacted at the same session:

(1) In the absence of any express provision to the contrary in the statute that is enacted last, it shall be conclusively presumed that the statute that is enacted last is intended to prevail over statutes that are enacted earlier at the same session.

(2) In the absence of any express provision to the contrary in the statute with a higher chapter number, it shall be presumed that the statute with a higher chapter number is intended by the Legislature to prevail over a statute that is enacted at the same session with a lower chapter number. For the purposes of this paragraph, every statute enacted in the even-numbered year of a two-year regular session of the Legislature is deemed to bear a higher chapter number than any statute enacted in the odd-numbered year of that session.

SEC. 60. Section 11019.7 of the Government Code is amended to read:

11019.7. (a) A state agency shall not send any outgoing United States mail to an individual that contains personal information about that individual, including, but not limited to, the individual's social security number, telephone number, driver's license number, or credit card account number, unless that personal information is contained within sealed correspondence and cannot be viewed from the outside of that sealed correspondence.

(b) (1) Notwithstanding any other law, commencing on or before January 1, 2023, a state agency shall not send any outgoing United States mail to an individual that contains the individual's social security number unless the number is truncated to its last four digits, except in the following circumstances:

(A) Federal law requires inclusion of the social security number.

(B) The documents are mailed to a current or prospective state employee.

(C) An individual erroneously mailed a document containing a social security number to a state agency, and the state agency is returning the original document by certified or registered United States mail.

(D) The Controller is returning documents to an individual previously submitted by the individual pursuant to Chapter 7 (commencing with Section 1500) of Title 10 of Part 3 of the Code of Civil Procedure.

(E) The document is sent in response to a valid request for access to personal information, pursuant to Section 1798.34 of the Civil Code.

(2) (A) On or before September 1, 2021, each state agency that mails an individual's full or truncated part of a social security number to that individual, other than as permitted by paragraph (1), shall report to the Legislature regarding when and why it does so.

(B) A state agency that is unable to comply with the requirements of paragraph (1) of this subdivision shall submit an annual corrective action plan to the Legislature by December 15 of each year until it is in compliance with that paragraph. The annual corrective action plan shall include, at a minimum, all of the following:

(i) The steps the agency has taken to stop including full social security numbers on outgoing United States mail.

(ii) The number of documents sent as outgoing United States mail from which the agency has successfully removed full social security numbers and the approximate mailing volume corresponding with those documents.

(iii) The remaining steps that the agency plans to take to remove or replace full social security numbers it includes on documents sent as outgoing United States mail.

(iv) The number of documents and approximate mailing volume associated with those documents that the agency has yet to address.

(v) The expected date by which the agency will stop sending documents that contain full social security numbers as outgoing United States mail to individuals.

(C) A report required by subparagraph (A) of this paragraph or corrective action plan required by subparagraph (B) of this paragraph and communications made in connection with these documents that bear on what mailings do and do not contain an individual's social security number, are confidential and shall not be disclosed to the public pursuant to any state law, including, but not limited to, the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(3) (A) The requirement for submitting a report imposed under subparagraph (A) of paragraph (2) is inoperative on January 1, 2024, pursuant to Section 10231.5.

(B) A report to be submitted pursuant to subparagraph (A) or (B) of paragraph (2) shall be submitted in compliance with Section 9795.

(c) Upon appropriation by the Legislature, if the Employment Development Department fails to comply with paragraph (1) of subdivision (b) by January 1, 2023, the department shall provide access to and pay for identity theft monitoring for any individual who receives outgoing United States mail from the department that contains the individual's social security number in violation of paragraph (1) of subdivision (b).

(d) "Outgoing United States mail" for the purposes of this section includes correspondence sent via a common carrier, including, but not limited to, a package express service and a courier service.

(e) Notwithstanding subdivision (a) of Section 11000, "state agency" includes the California State University.

SEC. 61. Section 11546.45 of the Government Code is amended to read:

11546.45. (a) (1) The Department of Technology shall identify, assess, and prioritize high-risk, critical information technology services and systems across state government, as determined by the Department of Technology, for modernization, stabilization, or remediation.

(2) The Department of Technology shall submit an annual report to the Legislature that includes all of the following:

(A) An explanation of how the Department of Technology is prioritizing these efforts across state government.

(B) The impediments and risks that could, or issues that already have, led to changes in how the Department of Technology identifies, assesses, and prioritizes these efforts.

(3) In accordance with Section 7929.210, this section shall not be construed to require the disclosure of information relating to high-risk, critical information technology services and systems by the Department of Technology, if, on the facts of the particular case, disclosure of that record would reveal vulnerabilities to, or otherwise increase the potential for an attack on, an information technology system of a public agency.

(b) (1) Notwithstanding any other law, all state agencies and state entities shall submit information relating to their information technology service contracts, as defined, to the Department of Technology before February 1, 2022, and annually thereafter, in a manner determined by the Department of Technology.

(2) The Department of Technology shall analyze the information submitted pursuant to subparagraph (1).

(3) After completing the analysis, the Department of Technology shall submit a report to the Legislature, as part of its annual information technology report submitted pursuant to subdivision (e) of Section 11545, that does all of the following:

(A) Identifies each service that the Department of Technology believes would be appropriately centralized as shared services contracts.

(B) Summarizes market research the department would conduct to estimate the one-time and ongoing costs to the state of each service.

(C) Calculates potential offsetting savings to the state from reduced overlap and redundancy of services.

(4) After submitting the report, the Department of Technology shall create a plan, coordinate with, and assist state agencies and state entities in, the implementation of a plan to establish centralized contracts for identified shared services, as defined. The plan may include, but is not limited to, a list of existing service contracts of state agencies and state entities that may be replaced with centralized service contracts managed by the Department of Technology and a proposed strategy and timeline

for the transition from existing service contracts to centralized service contracts. The Department of Technology shall submit the plan to the Joint Legislative Budget Committee no later than February 1, 2023.

(c) For purposes of this section, the following definitions apply:

(1) “Information technology services and systems contracts” means contracts for services and systems, including, but not limited to, cloud services, including “Software as a Service,” “Infrastructure as a Service,” and “Platform as a Service,” on-premises services and systems, information technology personal services, and information technology consulting services for not less than five hundred thousand dollars ($500,000) annually, or such amounts determined by the Department of Technology pursuant to its policy.

(2) “Shared services” means information technology services commonly used across state agencies that may be consolidated under a single contract to achieve cost savings and process efficiencies.

SEC. 62. Section 11549.3 of the Government Code is amended to read:

11549.3. (a) The chief shall establish an information security program. The program responsibilities include, but are not limited to, all of the following:

(1) The creation, updating, and publishing of information security and privacy policies, standards, and procedures for state agencies in the State Administrative Manual.

(2) The creation, issuance, and maintenance of policies, standards, and procedures directing state agencies to effectively manage security and risk for both of the following:

(A) Information technology, which includes, but is not limited to, all electronic technology systems and services, automated information handling, system design and analysis, conversion of data, computer programming, information storage and retrieval, telecommunications, requisite system controls, simulation, electronic commerce, and all related interactions between people and machines.

(B) Information that is identified as mission critical, confidential, sensitive, or personal, as defined and published by the office.

(3) The creation, issuance, and maintenance of policies, standards, and procedures directing state agencies for the collection, tracking, and reporting of information regarding security and privacy incidents.

(4) The creation, issuance, and maintenance of policies, standards, and procedures directing state agencies in the development, maintenance, testing, and filing of each state agency’s disaster recovery plan.

(5) Coordination of the activities of state agency information security officers, for purposes of integrating statewide security initiatives and ensuring compliance with information security and privacy policies and standards.

(6) Promotion and enhancement of the state agencies’ risk management and privacy programs through education, awareness, collaboration, and consultation.

(7) Representing the state before the federal government, other state agencies, local government entities, and private industry on issues that have statewide impact on information security and privacy.

(b) All state entities defined in Section 11546.1 shall implement the policies and procedures issued by the office, including, but not limited to, performing both of the following duties:

(1) Comply with the information security and privacy policies, standards, and procedures issued pursuant to this chapter by the office.

(2) Comply with filing requirements and incident notification by providing timely information and reports as required by the office.

(c) (1) The office may conduct, or require to be conducted, an independent security assessment of every state agency, department, or office. The cost of the independent security assessment shall be funded by the state agency, department, or office being assessed.

(2) In addition to the independent security assessments authorized by paragraph (1), the office, in consultation with the Office of Emergency Services, shall perform all the following duties:

(A) Annually require no fewer than 35 state entities to perform an independent security assessment, the cost of which shall be funded by the state agency, department, or office being assessed.

(B) Determine criteria and rank state entities based on an information security risk index that may include, but not be limited to, analysis of the relative amount of the following factors within state agencies:

(i) Personally identifiable information protected by law.

(ii) Health information protected by law.

(iii) Confidential financial data.

(iv) Self-certification of compliance and indicators of unreported noncompliance with security provisions in the following areas:

(I) Information asset management.

(II) Risk management.

(III) Information security program management.

(IV) Information security incident management.

(V) Technology recovery planning.

(C) Determine the basic standards of services to be performed as part of independent security assessments required by this subdivision.

(3) The Military Department may perform an independent security assessment of any state agency, department, or office, the cost of which shall be funded by the state agency, department, or office being assessed.

(d) State agencies and entities required to conduct or receive an independent security assessment pursuant to subdivision (c) shall transmit the complete results of that assessment and recommendations for mitigating system vulnerabilities, if any, to the office and the Office of Emergency Services.

(e) The office shall report to the Department of Technology and the Office of Emergency Services any state entity found to be noncompliant with information security program requirements.

(f) (1) Notwithstanding any other law, during the process of conducting an independent security assessment pursuant to subdivision (c), information and records concerning the independent security assessment are confidential and shall not be disclosed, except that the information and records may be transmitted to state employees and state contractors who have been approved as necessary to receive the information and records to perform that independent security assessment, subsequent remediation activity, or monitoring of remediation activity.

(2) The results of a completed independent security assessment performed pursuant to subdivision (c) or (i), and any related information shall be subject to all disclosure and confidentiality provisions pursuant to any state law, including, but not limited to, the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), including, but not limited to, Section 7929.210.

(g) The office may conduct or require to be conducted an audit of information security to ensure program compliance.

(h) The office shall notify the Office of Emergency Services, Department of the California Highway Patrol, and the Department of Justice regarding any criminal or alleged criminal cyber activity affecting any state entity or critical infrastructure of state government.

(i) (1) At the request of a local educational agency, and in consultation with the California Cybersecurity Integration Center, the Military Department may perform an independent security assessment of the local educational agency, or an individual schoolsite under its jurisdiction, the cost of which shall be funded by the local educational agency.

(2) The criteria for the independent security assessment shall be established by the Military Department in coordination with the local educational agency.

(3) The Military Department shall disclose the results of an independent security assessment only to the local educational agency and the California Cybersecurity Integration Center.

(4) For purposes of this subdivision, “local educational agency” means a school district, county office of education, charter school, or state special school.

SEC. 63. Section 12019.60 of the Government Code is amended to read:

12019.60. (a) There is in state government the Tribal Nation Grant Panel.

(b) (1) The panel shall be composed of nine total members, of which seven are voting members and two are alternate nonvoting members.

(2) Four members who are authorized to vote are required to establish a quorum for the transaction of business of the panel. The panel may take an action by a majority vote of a quorum, except that the panel shall only award a grant or approve a distribution from the fund by an approval vote of four or more members who are authorized to vote.

(3) A member may voluntarily recuse the member's own self from the consideration of a grant application or a particular agenda item.

(4) If one or two of the seven voting members recuse themselves from the consideration of or voting on a grant application or a particular agenda item, or do not attend a meeting of the panel, the adviser may select an alternate nonvoting member to act in the place of the recused or absent voting member for the consideration of and voting on the grant application or agenda item, or for that meeting.

(c) (1) Before January 1, 2020, all members shall be appointed by the adviser for a term of one year. The adviser may extend the term of a member for up to one year or fill a vacancy by appointing a new member. Applicable to an appointment made pursuant to this paragraph, the adviser shall only appoint an individual who is an elected tribal leader from a federally recognized tribe in California and shall endeavor to establish a panel that represents the diversity of tribes in California. No member appointed pursuant to this paragraph shall serve on the panel on or after January 1, 2020, unless separately appointed pursuant to a process authorized in paragraph (2).

(2) The adviser and panel, as comprised before January 1, 2020, in consultation with federally recognized tribes in California, shall determine how members of the panel are appointed on and after January 1, 2020. The adviser and panel, as comprised on and after January 1, 2020, in consultation with federally recognized tribes in California, may, from time to time, amend how members of the panel are appointed as they jointly determine is necessary to fairly and equitably achieve the purposes for which the fund was created.

(d) The adviser is not a member of the panel but shall preside over the meetings of the panel in an administrative capacity. The adviser shall advise the panel on procedures for the business of the panel and encourage the use of procedures that allow for a fair process to evaluate grant applications and consider other distributions from the fund that best serves all eligible tribes.

(e) A member of the panel who attends a meeting, regardless of whether the member votes, shall be compensated a one-hundred-dollar ($100) per diem for each day a meeting is held and the actual, reasonable travel expenses to attend that meeting.

SEC. 64. Section 12100.63 of the Government Code is amended to read:

12100.63. (a) The California Small Business Technical Assistance Expansion Program is hereby created within the California Office of the Small Business Advocate.

(b) The program shall be under the direct authority of the Small Business Advocate.

(c) The purpose of the program is to assist small businesses through free or low-cost one-on-one consulting and low-cost training by entering into grant agreements with one or more small business technical assistance centers.

(d) In implementing the program, the office shall consult with local, regional, federal, and other state public and private entities that share a similar mission to support the needs of small businesses in California.

(e) An applicant pursuant to this article shall be a small business technical assistance center operating as a group, including a regional or statewide network, or as an individual center.

(1) A small business technical assistance center operating as a group consisting of centers organized under a coordinating administrative or fiscal entity shall apply by submitting a single consolidated application to the office.

(2) A small business technical assistance center operating as an individual center shall apply by submitting a single application for that center to the office.

(f) The office shall administer the program to provide grants to expand the capacity of small business development technical assistance centers in California, administered by and primarily funded by federal agencies, but may also include other nonprofit small business technical assistance centers, that provide one-on-one confidential consulting and training to small businesses and entrepreneurs in this state. An applicant shall be eligible to participate in the program if the office determines that the applicant meets all of the following criteria:

(1) At the time of applying for funds, the applicant has an active contract with a federal funding partner to administer a program in this state, or has received a letter of intent from a federal funding partner to administer a federal small business technical assistance center program in this state within the next fiscal year. Alternatively, if the applicant is not a federally contracted small business technical assistance center, the applicant shall document a private funding source with similar intent and meet the criteria defined in subdivision (s) of Section 12100.62.

(2) (A) The applicant provided a plan of action and commitment to fully draw down all of the federal funds available using local cash match and state funds not described in Section 12100.65 during the duration of the award period. Alternatively, if the applicant is not a federally contracted small business technical assistance center, the applicant shall present a plan of action for drawing down any match required by those private funding sources using local cash match outside of state funds not described in Section 12100.65 during the award period. The office may request that the applicant provide details relating to the source and amount of these nonstate local match funds.

(B) If the applicant is a new small business technical assistance center, the applicant has demonstrated the ability to fully draw down substantially all federal funds available to it.

(3) The requested funding amount does not exceed the total federal award specified in the contract with the federal funding partner contract, or the private funding sources specified, but in any event is no less than twenty-five thousand dollars ($25,000).

(4) The applicant seeks funding for one or more years, but no more than five years in duration.

(5) The grant agreements authorized by this article are not subject to the model contract provisions developed pursuant to Chapter 14.27 (commencing with Section 67325) of Part 40 of Division 5 of Title 3 of the Education Code.

(6) The applicant has a fiscal agent that is able to receive nonfederal funds.

(g) The office shall issue a request for proposal for grants under the program, which may contain the following information:

(1) The eligibility requirements described in subdivision (e).

(2) The available funding range.

(3) Funding instruments.

(4) The local cash match requirement described in subdivision (f).

(5) Operational capacity.

(6) The duration of the program.

(7) The start date of the program.

(8) Narrative requirements.

(9) Reporting requirements.

(10) Required attachments.

(11) Submission requirements.

(12) Application evaluation criteria.

(13) An announcement of an awards timeline.

(h) (1) The office shall evaluate applications received based on the following factors:

(A) The proposed use of the requested funding, including the specificity, measurability, and ability of the applicant to document and achieve the goals and objectives identified in its application.

(B) The proposed management strategy of the applicant to achieve its goals and objectives identified in its application.

(C) The applicant’s ability to complement and leverage the work of other local, state, federal, nonprofit, or private business technical assistance resource providers.

(D) The applicant’s historical performance with federal funding partner contracts or private funding sources and the strength of its fiscal controls.

(2) The office shall prioritize funding for applications that best meet the factors listed in paragraph (1) and give preference to applications that propose new or enhanced services to underserved business groups, including women, minority, and veteran-owned businesses, and businesses in low-wealth, rural, and disaster-impacted communities included in a state or federal emergency declaration or proclamation.

(i) State funds provided pursuant to the program shall be used to expand consulting and training services through existing and new centers, including satellite offices. State funds provided pursuant to the program shall not supplant nonstate local cash match dollars included in a federal small business technical assistance center's plan described in subparagraph (A) of paragraph (2) of subdivision (f) or in any nonfederal small business technical assistance center's plan.

(j) Subject to appropriation of necessary funds by the Legislature, a supplemental grant program designated as the California Dream Fund Program shall be established by the office to provide microgrants as described in this subdivision. The microgrants shall be disbursed through California Small Business Technical Assistance Expansion Program grantees. California Small Business Technical Assistance Expansion Program applicants, as prescribed by the office, may also request state funds designated as the California Dream Fund Program moneys to provide microgrants up to ten thousand dollars ($10,000) to seed entrepreneurship and small business creation in underserved small business groups that are facing capital and opportunity gaps. These microgrants shall be made available to startup clients participating in intensive startup training and consulting with the center networks.

(k) For purposes of implementing the California Dream Fund Program, a person or entity shall not seek information that is unnecessary to determine eligibility, including whether the individual is undocumented. Information that may be collected from individuals participating in the California Dream Fund Program shall not constitute a record subject to disclosure under Division 10 (commencing with Section 7920.000) of Title 1.

SEC. 65. Section 12100.93 of the Government Code is amended to read:

12100.93. (a) Subject to appropriation by the Legislature, a grantmaking entity that receives an allocation shall administer a county program that includes all of the following:

(1) The development and implementation of an outreach and marketing plan to identify and engage eligible microbusiness that face systemic barriers to accessing capital, including, but not limited to, businesses owned by women, minorities, veterans, individuals without documentation, individuals with limited English proficiency, and business owners located in low-wealth and rural communities. The office shall review the plan and may make recommendations for additional measures or modifications to the plan.

(2) Individual grant awards to qualified microbusinesses shall be two thousand five hundred dollars ($2,500).

(3) The grantmaking entity shall accept applications for a period of at least four weeks.

(4) The grantmaking entity shall prioritize outreach efforts to qualified microbusinesses which meet one or both of the following criteria:

(A) The owner of the microbusiness is a member of a group that has faced historic barriers in accessing capital, and is defined as business majority owned and operated on a daily basis by women, minorities or persons of color, veterans, undocumented individuals, and individuals living in low-wealth or rural areas on low incomes.

(B) The microbusiness has suffered economic impacts or revenue losses due to the COVID-19 pandemic, as determined by the fiscal agent.

(5) A grantmaking entity may, in addition to the priorities in paragraph (4), prioritize applications from qualified microbusinesses that are sidewalk vendors.

(6) The grantmaking entity shall request, but shall not mandate, each microbusiness applying for a grant to self-identify the race, gender, and ethnicity of its owner.

(7) The grantmaking entity shall require a microbusiness owner who is a recipient of a grant pursuant to this article to self-certify that grant funds will be used for one or more of the following eligible uses:

(A) The purchase of new certified equipment including, but not limited to, a cart.

(B) Investment in working capital.

(C) Application for, or renewal of, a local permit including, but not limited to, a permit to operate as a sidewalk vendor.

(D) Payment of business debt accrued due to the COVID-19 pandemic.

(E) Costs resulting from the COVID-19 pandemic and related health and safety restrictions, or business interruptions or closures incurred as a result of the COVID-19 pandemic, as defined in subdivision (l) of Section 12100.83.

(b) For purposes of implementing the program, a person or entity shall not seek information that is unnecessary to determine eligibility, including whether the individual is an undocumented immigrant. Information, including documents, collected from a microbusiness applying to or participating in the program shall not constitute a record subject to disclosure under Division 10 (commencing with Section 7920.000) of Title 1.

(c) The fiscal agent and grantmaking entity shall separately track and report funding used for the administration and marketing of the county program pursuant to subdivision (d) of Section 12100.92.

(d) The grantmaking entity shall provide the office with aggregate-level data necessary to meet the reporting requirements of this article, as the requirements relate to the county designated in the grantmaking agreement.

(e) The fiscal agent and grantmaking entity shall provide the office, at minimum, two narrative reports during and after the awards process.

(f) The office shall provide a periodic update on the use of the funds awarded pursuant to Section 12100.92, in accordance with the following:

(1) The first report shall be made within 15 days of the funds being awarded and shall identify the fiscal agents who were awarded funding, how much each fiscal agent received, key outreach activities committed to in each grantmaking agreement, and the county served.

(2) The second report shall be made within 120 days of the funds being awarded. The office shall report every 60 days following the second report until all funds allocated to each county have been awarded.

(3) The office shall post each report on its internet website and provide an electronic copy of the information to the relevant fiscal and policy committees of the Legislature.

(4) The second and subsequent reports shall identify by county, the number of applications received, the number of grant awards made, the outreach and technical assistance provided, and other information determined by the office as appropriate and necessary. The second and subsequent reports shall, to the extent that the information is available, include the number of applications, grant awards, and the dollar amounts awarded for each county in each of the following categories:

(A) Race and ethnicity.

(B) Women owned.

(C) Veteran owned.

(D) Located in a rural area.

(E) County.

(g) It is the intent of the Legislature to allow persons who are undocumented to receive grants pursuant to this article. The Legislature finds and declares that this article is a state law that provides payments or assistance for persons who are undocumented within the meaning of Section 1621(d) of Title 8 of the United States Code.

SEC. 66. Section 12271 of the Government Code is amended to read:

12271. For the purposes of this article, the following terms shall have the following meanings:

(a) “Acquire” includes acquisition by gift, purchase, lease, eminent domain, or otherwise.

(b) “Archival value” means the ongoing usefulness or significance of a record based on the administrative, legal, fiscal, evidential, or historical information it contains, justifying its permanent preservation.

(c) “Public record plant” means the plant, or any part thereof, or a record therein, of a person engaged in the business of searching or publishing public records or insuring or guaranteeing titles to real property, including copies of public records or abstracts and memoranda taken from public records that are owned by or in possession of that person or that are used by that person in that person’s business.

(d) “Public use form” means a form used by the state to obtain or to solicit facts, opinions, or other information from the public or a private citizen, partnership, corporation, organization, business trust, or nongovernmental entity or legal representative thereof.

(e) “Record” has the same meaning as “public records” as defined in Section 7920.530 and includes, but is not limited to, a writing containing information relating to the conduct of the public’s business prepared, owned, used, or retained by a state or local agency regardless of physical form or characteristics. Library and museum materials made or acquired and preserved solely for reference or exhibition purposes and stocks of publications and of processed documents are not included within the definition of the term “record” as used in this article.

SEC. 67. Section 12926.1 of the Government Code is amended to read:

12926.1. The Legislature finds and declares as follows:

(a) The law of this state in the area of disabilities provides protections independent from those in the federal Americans with Disabilities Act of 1990 (Public Law 101-336). Although the federal act provides a floor of protection, this state’s law has always, even prior to passage of the federal act, afforded additional protections.

(b) The law of this state contains broad definitions of physical disability, mental disability, and medical condition. It is the intent of the Legislature that the definitions of physical disability and mental disability be construed so that applicants and employees are protected from discrimination due to an actual or perceived physical or mental impairment that is disabling, potentially disabling, or perceived as disabling or potentially disabling.

(c) Physical and mental disabilities include, but are not limited to, chronic or episodic conditions such as HIV/AIDS, hepatitis, epilepsy, seizure disorder, diabetes, clinical depression, bipolar disorder, multiple sclerosis, and heart disease. In addition, the Legislature has determined that the definitions of “physical disability” and “mental disability” under the law of this state require a “limitation” upon a major life activity, but do not require, as does the federal Americans with Disabilities Act of 1990, a “substantial limitation.” This distinction is intended to result in broader coverage under the law of this state than under that federal act. Under the law of this state, whether a condition limits a major life activity shall be determined without respect to any mitigating measures, unless the mitigating measure itself limits a major life activity, regardless of federal law under the Americans with Disabilities Act of 1990. Further, under the law of this state, “working” is a major life activity, regardless of whether the actual or perceived working limitation implicates a particular employment or a class or broad range of employments.

(d) Notwithstanding any interpretation of law in Cassista v. Community Foods (1993) 5 Cal.4th 1050, the Legislature intends (1) for state law to be independent of the federal Americans with Disabilities Act of 1990, (2) to require a “limitation” rather than a “substantial limitation” of a major life activity, and (3) by enacting paragraph (4) of subdivision (j) and paragraph (4) of subdivision (m) of Section 12926, to provide protection when an individual is erroneously or mistakenly believed to have any physical or mental condition that limits a major life activity.

(e) The Legislature affirms the importance of the interactive process between the applicant or employee and the employer in determining a reasonable accommodation, as this requirement has been articulated by the Equal Employment Opportunity Commission in its interpretive guidance of the federal Americans with Disabilities Act of 1990.

SEC. 68. Section 12956.1 of the Government Code is amended to read:

12956.1. (a) As used in this section:

(1) “Association,” “governing documents,” and “declaration” have the same meanings as set forth in Sections 4080, 4135, and 4150 or Sections 6528, 6546, and 6552 of the Civil Code.

(2) “Redaction” means the process of rerecording of a document that originally contained unlawful restrictive language, and when presented to the county recorder for rerecording, no longer contains the unlawful language or the unlawful language is masked so that it is not readable or visible.

(3) “Redacted” means the result of the rerecording of a document that originally contained unlawful restrictive language, and when presented to the county recorder for rerecording, no longer contains the unlawful language or the unlawful language is masked so that it is not readable or visible.

(b) (1) A county recorder, title company, escrow company, real estate broker, real estate agent, or association that provides a copy of a declaration, governing document, or deed to any person shall place a cover page or stamp on the first page of the previously recorded document or documents stating, in at least 14-point boldface type, the following:

“If this document contains any restriction based on age, race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, familial status, marital status, disability, veteran or military status, genetic information, national origin, source of income as defined in subdivision (p) of Section 12955, or ancestry, that restriction violates state and federal fair housing laws and is void, and may be removed pursuant to Section 12956.2 of the Government Code by submitting a “Restrictive Covenant

Modification" form, together with a copy of the attached document with the unlawful provision redacted to the county recorder's office. The "Restrictive Covenant Modification" form can be obtained from the county recorder's office and may be available on its internet website. The form may also be available from the party that provided you with this document. Lawful restrictions under state and federal law on the age of occupants in senior housing or housing for older persons shall not be construed as restrictions based on familial status."

(2) The requirements of paragraph (1) shall not apply to documents being submitted for recordation to a county recorder.

(3) A title company, escrow company, or association that delivers a copy of a declaration, governing document, or deed directly to a person who holds an ownership interest of record in property shall also provide a Restrictive Covenant Modification form with procedural information for appropriate processing along with the document.

(c) Any person who records a document for the express purpose of adding a racially restrictive covenant is guilty of a misdemeanor. The county recorder shall not incur any liability for recording the document. Notwithstanding any other provision of law, a prosecution for a violation of this subdivision shall commence within three years after the discovery of the recording of the document.

SEC. 69. Section 16429.5 of the Government Code is amended to read:

16429.5. (a) The California Arrearage Payment Program (CAPP) is established in the Department of Community Services and Development.

(b) For purposes of this section, the following definitions apply:

(1) "COVID-19 pandemic bill relief period" means the period starting March 4, 2020, and ending June 15, 2021.

(2) "Department" means the Department of Community Services and Development.

(3) "Past due bills" means customer utility bills that are 60 days or more past due and includes both active and inactive accounts, as well as customer accounts that have payment plans or payment arrangements.

(4) "Program notice" means official guidance issued by the department regarding CAPP implementation and administration.

(5) "Utility applicant" means any of the following:

(A) A local publicly owned electric utility, as defined in Section 224.3 of the Public Utilities Code.

(B) An electrical corporation or a gas corporation utility, as defined in Section 218 or 222 of the Public Utilities Code, respectively.

(C) An electrical cooperative, as defined in Section 2776 of the Public Utilities Code.

(c) All residential and commercial energy utility customers are considered eligible for CAPP assistance and shall be included in a utility applicant's request for CAPP funding. Within 90 days of receiving funds pursuant to an appropriation in the annual budget for this purpose, the department shall survey utility applicants to obtain data pertaining to the total number of residential and commercial customer accounts in arrears to determine the total statewide energy utility arrearage and shall develop an allocation formula for determining an individual utility applicant's share of CAPP funds. In order to receive CAPP funding a utility applicant must complete both the utility survey and CAPP application including submitting all necessary data and information to support the utility applicant's request for CAPP funding. A utility applicant's CAPP allocation shall be based on the proportional share of the total statewide energy utility arrearages of the applicable category identified in subdivision (d) and as established from all survey responses received by the department. The department shall release a program notice informing utility applicants of CAPP allocation determinations.

(1) The department shall release program notices that detail CAPP application, participation, and reporting requirements for energy utilities to receive CAPP funds and issue CAPP assistance to eligible customer accounts. There shall be a 60-day application timeframe in which a utility applicant may apply to the department for CAPP funds. The department shall contact any utility company that does not respond during the initial application period to inquire as to the status of the utility's CAPP application.

(2) In applying for funds on behalf of its customers, a utility applicant shall provide a calculation of the total amount of outstanding customer arrearages that were incurred during the COVID-19 pandemic bill relief period and shall include documentation, which shall include an account number, to support the amount of outstanding customer arrearages that were incurred during that period. In addition, the utility application shall identify for each utility account the corresponding past due bill balance accumulated during the COVID-19 pandemic bill relief period for which the utility applicant is seeking CAPP financial

assistance, as defined by the department in a program notice. The general manager, utility director, or a designee shall certify that the application is true and accurate, and offer agreement on CAPP application benefit delivery, reporting, and post audit review requirements.

(d) Of the nine hundred ninety-three million five hundred thousand dollars ($993,500,000) appropriated in Item 4700-162-8506 of the Budget Act of 2021 (Chs. 21 and 69, Stats. 2021), the following specified amounts shall be allocated for each category of utility. Funding allocated to one of the categories that is not necessary for assistance for that category may be reallocated to another category. The allocations within the categories may be adjusted for the purposes of administrative costs.

(1) Two hundred ninety-eight million five hundred forty-six thousand seven hundred fifty dollars ($298,546,750) shall be allocated for financial assistance to customers of local publicly owned electric utilities and electrical cooperatives.

(2) Six hundred ninety-four million nine hundred fifty-three thousand two hundred fifty dollars ($694,953,250) shall be allocated for financial assistance to all distribution customers of investor-owned utilities, including customers served by a community choice aggregator.

(e) The department shall review the application for completeness and confirm that the utility applicant's submission supports the total amount of financial assistance requested by the utility applicant on behalf of its customers. The department shall confirm the total amount of CAPP assistance does not exceed the utility applicant's CAPP allocation amount. The department shall disburse funds within 30 days after completing review and approval of the utility applicant's CAPP application. Incomplete CAPP applications shall be returned to the utility applicant for corrections or amendments consistent with department notes or directives. The department shall disburse funds as expeditiously as possible to utility applicants, but no later than January 31, 2022.

(f) (1) Within 60 days of receiving CAPP funds, a utility applicant shall issue CAPP assistance benefits to customers as bill credits to help address the eligible past due balance and shall include a statement that the credits are a result of California's CAPP funding. Utility applicants shall ensure all available active and inactive residential and commercial accounts are included in CAPP applications. If CAPP funding is not sufficient to meet utility applicant requests, utility applicants shall prioritize the issuance of CAPP assistance in the following order: (A) active residential customers who are past due and who, absent the CAPP assistance might be subject to service disconnection, consistent with current law, due to nonpayment of balances incurred during the COVID-19 pandemic bill relief period, (B) active residential customers with delinquent balances incurred during the COVID-19 pandemic bill relief period, (C) inactive residential accounts with delinquent balances incurred during the COVID-19 pandemic bill relief period, and (D) commercial customers with delinquent balances incurred during the COVID-19 pandemic bill relief period. An energy utility shall not disconnect a CAPP recipient's utility service, regardless of balance owed after applying a CAPP benefit, for 90 days after a CAPP benefit is applied.

(2) If a customer has a remaining balance after a CAPP benefit is applied, the utility applicant shall notify the customer of the option to enter into an extended payment plan with late fees and penalties waived. The utility applicant shall not discontinue service to the customer while the customer remains current on the repayment plan.

(3) Service shall not be discontinued due to nonpayment for those customers with arrearages accrued during the COVID-19 pandemic bill relief period while the department reviews and approves all pending CAPP applications, and the utility applicant shall waive any associated late fees and accrued interest for customers that are awarded CAPP benefits.

(4) An electrical corporation, as defined in Section 218 of the Public Utilities Code, shall use existing proportional payment processes adopted by the Public Utilities Commission in response to the COVID-19 pandemic to allocate any partial payments made by customers to the utility and other load serving entities in proportion to their respective shares of the outstanding customer charges.

(g) An electrical corporation, as defined in Section 218 of the Public Utilities Code, shall credit funding received through CAPP against customer charges owing the utility and other load-serving entities serving the customer in proportion to their respective shares of customer arrearages.

(h) Customer information shall be subject to the provisions of Section 7927.410.

(i) Within six months of a utility applicant's receipt of its CAPP allocation, the utility applicant shall submit all reporting required by the department detailed in a program notice. The utility applicant shall remit payment to the department in the total amount of any unapplied CAPP benefits as part of its final reporting to the department.

(j) Within 60 days of receiving final reporting from utility applicants pursuant to subdivision (i), the department shall provide to the Legislature, and make available on its public-facing internet website, a report that includes all of the following:

(1) Total arrearage amount applied for statewide.

(2) Total residential customers in arrears applied for statewide.

(3) Total CAPP funds applied for, by utility applicant.

(4) Total CAPP funds approved by the department and disbursed to utility applicants statewide.

(5) Total CAPP funds distributed, by utility applicant.

(6) Total CAPP funds not expended and returned to the department, by utility applicant.

(7) Total residential customers, statewide, included in CAPP applications received by the department.

(8) Total residential customers, by utility applicant, included in CAPP applications received by the department.

(9) Total active and inactive residential customers, statewide, that received a CAPP benefit.

(10) Total commercial customers, statewide, that received a CAPP benefit.

(11) Total commercial customers, by utility applicant, that received a CAPP benefit.

(12) Average CAPP benefit, statewide, received by residential and commercial customers.

(13) Total residential customers, by utility applicant, that received a CAPP benefit.

(14) Average CAPP benefit, by utility applicant, received by residential customers.

(15) Total expenditures by the department for the administration of CAPP.

(k) Utility applicants shall provide all documents and data necessary for the department to complete its review and audit. The department shall provide 30 days' notice to utility applicants of any document requests to support departmental review and audit.

(l) The department shall coordinate with the State Water Resources Control Board to allocate funding to publicly owned utilities that provide both electric and water services.

(m) All actions to implement this section, including entering into contracts for services or equipment, shall be exempt from Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code. The department may award contracts under this section on a noncompetitive bid basis as necessary to implement the purposes of CAPP.

(n) (1) All actions to implement CAPP and expend an appropriation for this purpose, including the adoption or development of a plan, requirements, guidelines, subgrantee contract provisions, or reporting requirements, shall be exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3). The department shall release program notices that detail CAPP application, participation, and reporting requirements by utility applicants in order to receive CAPP funds and issue CAPP assistance to eligible residential customer accounts.

(2) The department shall post all program notices related to CAPP administration on its public-facing internet website.

SEC. 70. Section 20136 of the Government Code is amended to read:

20136. (a) Commencing March 1, 2023, and annually thereafter, the board shall submit a report to the Legislature on the status of achieving appropriate objectives and initiatives, as defined by the board, regarding participation of emerging and diverse managers responsible for asset management within its portfolio of investments. The report shall be based on contracts that the system enters into on and after January 1, 2022.

(b) The report shall also identify and include both of the following:

(1) The name of each emerging and diverse manager providing investment portfolio or asset management services at the end of the prior fiscal year, including, but not limited to, fund of funds contracts, for all asset classes, as applicable. The board shall also report the year the emerging or diverse manager was first engaged or contracted to provide investment portfolio or asset management services.

(2) The amount managed by each emerging and diverse manager by asset class at the end of the prior fiscal year, as well as the total amount allocated by the system in the applicable asset class during the year and the total amount of the asset class in the system's investment portfolio.

(c) The board shall define the term "emerging and diverse manager" for purposes of this section.

(d) The report required by this section shall be submitted in compliance with Section 9795.

(e) Nothing in this section shall require the board to take action unless the board determines in good faith that the action described in this section is consistent with the fiduciary responsibilities of the board as described in Section 17 of Article XVI of

the California Constitution.

(f) This section shall not require the board to disclose information that is excepted from disclosure under Section 7928.710.

(g) This section shall remain in effect only until January 1, 2028, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2028, deletes or extends that date.

SEC. 71. Section 25300 of the Government Code is amended to read:

25300. The board of supervisors shall prescribe the compensation of all county officers, including the board of supervisors, and shall provide for the number, compensation, tenure, appointment, and conditions of employment of county employees. Except as otherwise required by Section 1 or 4 of Article XI of the California Constitution, such action may be taken by resolution of the board of supervisors as well as by ordinance.

SEC. 72. Section 53398.51.1 of the Government Code is amended to read:

53398.51.1. (a) The public financing authority shall have a membership consisting of one of the following, as appropriate:

(1) If a district has only one participating affected taxing entity, the public financing authority's membership shall consist of three members of the legislative body of the participating entity, and two members of the public chosen by the legislative body. The legislative body may appoint one of its members to be an alternate member of the legislative body who may serve and vote in place of a member who is absent or disqualifies themselves from participating in a meeting of the authority. The appointment of the public members shall be subject to the provisions of Sections 54970 and 54972.

(2) If a district has two or more participating affected taxing entities, the public financing authority's membership shall consist of a majority of members from the legislative bodies of the participating entities, and a minimum of two members of the public chosen by the legislative bodies of the participating entities. A legislative body of a participating affected taxing entity may appoint one of its members to be an alternate member of the legislative body who may serve and vote in place of a member who is absent or disqualifies themselves from participating in a meeting of the authority. The appointment of the public members shall be subject to the provisions of Sections 54970 and 54972.

(3) If a district has more than three participating affected taxing entities, the legislative bodies of the taxing entities may, upon agreement by all participating affected taxing entities, appoint only one member and one alternate member of their respective legislative bodies to the public financing authority, and a minimum of two members of the public chosen by the legislative bodies of the participating entities. The appointment of the public members shall be subject to the provisions of Sections 54970 and 54972.

(4) For purposes of this subdivision, "legislative body" may include a directly elected mayor of a charter city who is not a member of the city's legislative body under the city's adopted charter.

(b) The legislative body shall ensure the public financing authority is established at the same time that it adopts a resolution of intention pursuant to Section 53398.59.

(c) Members of the public financing authority established pursuant to this chapter shall not receive compensation but may receive reimbursement for actual and necessary expenses incurred in the performance of official duties pursuant to Article 2.3 (commencing with Section 53232) of Chapter 2.

(d) Members of the public financing authority are subject to Article 2.4 (commencing with Section 53234) of Chapter 2.

(e) The public financing authority created pursuant to this chapter shall be a local public agency subject to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950)), the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), and the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)).

(f) Notwithstanding any other law, any member of the legislative body of a participating affected taxing entity who serves as a member of the public financing authority pursuant to this section may also serve as a member of the governing body of an agency or entity formed pursuant to an agreement for the joint exercise of power that the participating affected taxing entity has entered into in accordance with the Joint Exercise of Powers Act (Chapter 5 (commencing with Section 6500) of Division 7 of Title 1).

SEC. 73. Section 54953 of the Government Code, as amended by Section 3 of Chapter 165 of the Statutes of 2021, is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all otherwise applicable requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(B) The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

(C) The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, pursuant to subparagraph (B), that, as a result of the emergency, meeting in person would present imminent risks to the

health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3. In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. The agenda shall identify and include an opportunity for all persons to attend via a call-in option or an internet-based service option. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(D) In the event of a disruption which prevents the public agency from broadcasting the meeting to members of the public using the call-in option or internet-based service option, or in the event of a disruption within the local agency's control which prevents members of the public from offering public comments using the call-in option or internet-based service option, the body shall take no further action on items appearing on the meeting agenda until public access to the meeting via the call-in option or internet-based service option is restored. Actions taken on agenda items during a disruption which prevents the public agency from broadcasting the meeting may be challenged pursuant to Section 54960.1.

(E) The legislative body shall not require public comments to be submitted in advance of the meeting and must provide an opportunity for the public to address the legislative body and offer comment in real time. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(F) Notwithstanding Section 54953.3, an individual desiring to provide public comment through the use of an internet website, or other online platform, not under the control of the local legislative body, that requires registration to log in to a teleconference may be required to register as required by the third-party internet website or online platform to participate.

(G) (i) A legislative body that provides a timed public comment period for each agenda item shall not close the public comment period for the agenda item, or the opportunity to register, pursuant to subparagraph (F), to provide public comment until that timed public comment period has elapsed.

(ii) A legislative body that does not provide a timed public comment period, but takes public comment separately on each agenda item, shall allow a reasonable amount of time per agenda item to allow public members the opportunity to provide public comment, including time for members of the public to register pursuant to subparagraph (F), or otherwise be recognized for the purpose of providing public comment.

(iii) A legislative body that provides a timed general public comment period that does not correspond to a specific agenda item shall not close the public comment period or the opportunity to register, pursuant to subparagraph (F), until the timed general public comment period has elapsed.

(3) If a state of emergency remains active, or state or local officials have imposed or recommended measures to promote social distancing, in order to continue to teleconference without compliance with paragraph (3) of subdivision (b), the legislative body shall, not later than 30 days after teleconferencing for the first time pursuant to subparagraph (A), (B), or (C) of paragraph (1), and every 30 days thereafter, make the following findings by majority vote:

(A) The legislative body has reconsidered the circumstances of the state of emergency.

(B) Any of the following circumstances exist:

(i) The state of emergency continues to directly impact the ability of the members to meet safely in person.

(ii) State or local officials continue to impose or recommend measures to promote social distancing.

(4) For the purposes of this subdivision, "state of emergency" means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 1 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2).

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

SEC. 74. Section 54953 of the Government Code, as added by Section 4 of Chapter 165 of the Statutes of 2021, is amended to read:

54953. (a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in subdivision (d). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, “teleconference” means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public’s right under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county-sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) This section shall become operative January 1, 2024.

SEC. 75. Section 62001 of the Government Code is amended to read:

62001. (a) A community revitalization and investment authority is a public body, corporate and politic, with jurisdiction to carry out a community revitalization plan within a community revitalization and investment area. The authority shall be deemed to be the “agency” described in subdivision (b) of Section 16 of Article XVI of the California Constitution for purposes of receiving tax increment revenues. The authority shall have only those powers and duties specifically set forth in Section 62002.

(b) (1) An authority may be created in any one of the following ways:

(A) A city, county, or city and county may adopt a resolution creating an authority. The composition of the governing board shall be comprised as set forth in subdivision (c).

(B) A city, county, city and county, and special district, as special district is defined in subdivision (m) of Section 95 of the Revenue and Taxation Code, or any combination thereof, may create an authority by entering into a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1.

(2) (A) A school entity, as defined in subdivision (f) of Section 95 of the Revenue and Taxation Code, may not participate in an authority created pursuant to this part.

(B) A successor agency, as defined in subdivision (j) of Section 34171 of the Health and Safety Code, may not participate in an authority created pursuant to this part, and an entity created pursuant to this part shall not receive any portion of the property tax revenues or other moneys distributed pursuant to Section 34188 of the Health and Safety Code.

(3) An authority formed by a city or county that created a redevelopment agency that was dissolved pursuant to Part 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code shall not become effective until the successor agency or designated local authority for the former redevelopment agency has adopted findings of fact stating all of the following:

(A) The agency has received a finding of completion from the Department of Finance pursuant to Section 34179.7 of the Health and Safety Code.

(B) Former redevelopment agency assets that are the subject of litigation against the state, where the city or county or its successor agency or designated local authority are a named plaintiff, have not been or will not be used to benefit any efforts of an authority formed under this part unless the litigation has been resolved by entry of a final judgment by any court of competent jurisdiction and any appeals have been exhausted.

(C) The agency has complied with all orders of the Controller pursuant to Section 34167.5 of the Health and Safety Code.

(c) (1) The governing board of an authority created pursuant to subparagraph (A) of paragraph (1) of subdivision (b) shall be appointed by the legislative body of the city, county, or city and county that created the authority and shall include three members of the legislative body of the city, county, or city and county that created the authority and two public members. The legislative body may appoint one of its members to be an alternate member of the legislative body who may serve and vote in place of a member who is absent or disqualifies themselves from participating in a meeting of the authority. The appointment of the two public members shall be subject to Sections 54970 and 54972. The two public members shall live or work within the community revitalization and investment area.

(2) The governing body of the authority created pursuant to subparagraph (B) of paragraph (1) of subdivision (b) shall be comprised of a majority of members from the legislative bodies of the public agencies that created the authority, and a minimum of two public members who live or work within the community revitalization and investment area. A legislative body of a participating affected taxing entity may appoint one of its members to be an alternate member of the legislative body who may serve and vote in place of a member who is absent or disqualifies themselves from participating in a meeting of the authority. The majority of the board shall appoint the public members to the governing body. The appointment of the public members shall be subject to Sections 54970 and 54972.

(3) If an authority has more than three participating affected taxing entities, the legislative bodies of the taxing entities may, upon agreement by all participating affected taxing entities appoint only one member of their respective legislative bodies, and one alternate member, to the authority, and a minimum of two members of the public chosen by the legislative bodies of the participating entities. The appointment of the public members shall be subject to Sections 54970 and 54972.

(4) For purposes of this subdivision, “legislative body” may include a directly elected mayor of a charter city who is not a member of the city’s legislative body under the city’s adopted charter.

(d) An authority may carry out a community revitalization plan within a community revitalization and investment area. Not less than 70 percent of the land calculated by census tracts, census block groups, as defined by the United States Census Bureau, or any combination of both within the area shall be characterized by both of the following conditions:

(1) An annual median household income that is less than, at the option of the authority, 80 percent of the statewide, countywide, or citywide annual median income.

(2) Three of the following four conditions:

(A) An unemployment rate that is at least 3 percentage points higher than the statewide average annual unemployment rate, as defined by the report on labor market information published by the Employment Development Department in March

of the year in which the community revitalization plan is prepared. In determining the unemployment rate within the community revitalization and investment area, an authority may use unemployment data from the periodic American Community Survey published by the United States Census Bureau.

(B) Crime rates, as documented by records maintained by the law enforcement agency that has jurisdiction in the proposed plan area for violent or property crime offenses, that are at least 5 percent higher than the statewide average crime rate for violent or property crime offenses, as defined by the most recent annual report of the Criminal Justice Statistics Center within the Department of Justice, when data is available on the Attorney General's internet website. The crime rate shall be calculated by taking the local crime incidents for violent or property crimes, or any offense within those categories, for the most recent calendar year for which the Department of Justice maintains data, divided by the total population of the proposed plan area, multiplied by 100,000. If the local crime rate for the proposed plan area exceeds the statewide average rate for either violent or property crime, or any offense within these categories, by more than 5 percent, then the condition described in this subparagraph shall be met.

(C) Deteriorated or inadequate infrastructure, including streets, sidewalks, water supply, sewer treatment or processing, and parks.

(D) Deteriorated commercial or residential structures.

(e) As an alternative to subdivision (d), an authority may also carry out a community revitalization plan within a community revitalization and investment area if it meets any of the following conditions:

(1) The area is established within a former military base that is principally characterized by deteriorated or inadequate infrastructure and structures. Notwithstanding subdivision (c), the governing board of an authority established within a former military base shall include a member of the military base closure commission as a public member.

(2) The census tracts or census block groups, as defined by the United States Census Bureau, within the area are situated within a disadvantaged community as described in Section 39711 of the Health and Safety Code.

(3) Sites identified in the inventory of land in a city or county's housing element that are suitable for residential development pursuant to paragraph (3) or (4) of subdivision (a) of Section 65583.2, including parcels that are zoned to allow transit priority projects, as defined under Chapter 4.2 (commencing with Section 21155) of Division 13 of the Public Resources Code, consistent with the general use designation, density, building intensity, and applicable policies specified for the project area in either a sustainable communities strategy or an alternative planning strategy, for which the State Air Resources Board, pursuant to subparagraph (H) of paragraph (2) of subdivision (b) of Section 65080, has accepted a metropolitan planning organization's determination of the sustainable communities strategy or the alternative planning strategy.

(f) An authority created pursuant to this part shall be a local public agency subject to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5), the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), and the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)).

(g) (1) At any time after the authority is authorized to transact business and exercise its powers, the legislative body or bodies of the local government or governments that created the authority may appropriate the amounts the legislative body or bodies deem necessary for the administrative expenses and overhead of the authority.

(2) The money appropriated may be paid to the authority as a grant to defray the expenses and overhead, or as a loan to be repaid upon the terms and conditions as the legislative body may provide. If appropriated as a loan, the property owners and residents within the plan area shall be made third-party beneficiaries of the repayment of the loan. In addition to the common understanding and usual interpretation of the term, "administrative expense" includes, but is not limited to, expenses of planning and dissemination of information.

SEC. 76. Section 65913.4 of the Government Code is amended to read:

65913.4. (a) A development proponent may submit an application for a development that is subject to the streamlined, ministerial approval process provided by subdivision (c) and is not subject to a conditional use permit if the development complies with subdivision (b) and satisfies all of the following objective planning standards:

(1) The development is a multifamily housing development that contains two or more residential units.

(2) The development and the site on which it is located satisfy all of the following:

(A) It is a legal parcel or parcels located in a city if, and only if, the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau, or, for unincorporated areas, a legal

parcel or parcels wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(B) At least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For the purposes of this section, parcels that are only separated by a street or highway shall be considered to be adjoined.

(C) It is zoned for residential use or residential mixed-use development, or has a general plan designation that allows residential use or a mix of residential and nonresidential uses, and at least two-thirds of the square footage of the development is designated for residential use. Additional density, floor area, and units, and any other concession, incentive, or waiver of development standards granted pursuant to the Density Bonus Law in Section 65915 shall be included in the square footage calculation. The square footage of the development shall not include underground space, such as basements or underground parking garages.

(3) (A) The development proponent has committed to record, prior to the issuance of the first building permit, a land use restriction or covenant providing that any lower or moderate income housing units required pursuant to subparagraph (B) of paragraph (4) shall remain available at affordable housing costs or rent to persons and families of lower or moderate income for no less than the following periods of time:

(i) Fifty-five years for units that are rented.

(ii) Forty-five years for units that are owned.

(B) The city or county shall require the recording of covenants or restrictions implementing this paragraph for each parcel or unit of real property included in the development.

(4) The development satisfies subparagraphs (A) and (B) below:

(A) Is located in a locality that the department has determined is subject to this subparagraph on the basis that the number of units that have been issued building permits, as shown on the most recent production report received by the department, is less than the locality's share of the regional housing needs, by income category, for that reporting period. A locality shall remain eligible under this subparagraph until the department's determination for the next reporting period.

(B) The development is subject to a requirement mandating a minimum percentage of below market rate housing based on one of the following:

(i) The locality did not submit its latest production report to the department by the time period required by Section 65400, or that production report reflects that there were fewer units of above moderate-income housing issued building permits than were required for the regional housing needs assessment cycle for that reporting period. In addition, if the project contains more than 10 units of housing, the project does either of the following:

(I) The project dedicates a minimum of 10 percent of the total number of units to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 10 percent of the units be dedicated to housing affordable to households making below 80 percent of the area median income, that local ordinance applies.

(II) (ia) If the project is located within the San Francisco Bay area, the project, in lieu of complying with subclause (I), dedicates 20 percent of the total number of units to housing affordable to households making below 120 percent of the area median income with the average income of the units at or below 100 percent of the area median income. However, a local ordinance adopted by the locality applies if it requires greater than 20 percent of the units be dedicated to housing affordable to households making at or below 120 percent of the area median income, or requires that any of the units be dedicated at a level deeper than 120 percent. In order to comply with this subclause, the rent or sale price charged for units that are dedicated to housing affordable to households between 80 percent and 120 percent of the area median income shall not exceed 30 percent of the gross income of the household.

(ib) For purposes of this subclause, "San Francisco Bay area" means the entire area within the territorial boundaries of the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.

(ii) The locality's latest production report reflects that there were fewer units of housing issued building permits affordable to either very low income or low-income households by income category than were required for the regional housing needs assessment cycle for that reporting period, and the project seeking approval dedicates 50 percent of the total number of units to housing affordable to households making at or below 80 percent of the area median income. However, if the locality has adopted a local ordinance that requires that greater than 50 percent of the units be dedicated

to housing affordable to households making at or below 80 percent of the area median income, that local ordinance applies.

(iii) The locality did not submit its latest production report to the department by the time period required by Section 65400, or if the production report reflects that there were fewer units of housing affordable to both income levels described in clauses (i) and (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).

(C) (i) A development proponent that uses a unit of affordable housing to use that unit to satisfy the requirements of subparagraph (B) may also satisfy any other local or state requirement for affordable housing, including local ordinances or the Density Bonus Law in Section 65915, provided that the development proponent complies with the applicable requirements in the state or local law.

(ii) A development proponent that uses a unit of affordable housing to satisfy any other state or local affordability requirement may also use that unit to satisfy the requirements of subparagraph (B), provided that the development proponent complies with applicable requirements of subparagraph (B).

(iii) A development proponent may satisfy the affordability requirements of subparagraph (B) with a unit that is restricted to households with incomes lower than the applicable income limits required in subparagraph (B).

(5) The development, excluding any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Section 65915, is consistent with objective zoning standards, objective subdivision standards, and objective design review standards in effect at the time that the development is submitted to the local government pursuant to this section, or at the time a notice of intent is submitted pursuant to subdivision (b), whichever occurs earlier. For purposes of this paragraph, “objective zoning standards,” “objective subdivision standards,” and “objective design review standards” mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances, subject to the following:

(A) A development shall be deemed consistent with the objective zoning standards related to housing density, as applicable, if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted.

(B) In the event that objective zoning, general plan, subdivision, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning and subdivision standards pursuant to this subdivision if the development is consistent with the standards set forth in the general plan.

(C) It is the intent of the Legislature that the objective zoning standards, objective subdivision standards, and objective design review standards described in this paragraph be adopted or amended in compliance with the requirements of Chapter 905 of the Statutes of 2004.

(D) The amendments to this subdivision made by Chapter 840 of the Statutes of 2018 do not constitute a change in, but are declaratory of, existing law.

(6) The development is not located on a site that is any of the following:

(A) A coastal zone, as defined in Division 20 (commencing with Section 30000) of the Public Resources Code.

(B) Either prime farmland or farmland of statewide importance, as defined pursuant to United States Department of Agriculture land inventory and monitoring criteria, as modified for California, and designated on the maps prepared by the Farmland Mapping and Monitoring Program of the Department of Conservation, or land zoned or designated for agricultural protection or preservation by a local ballot measure that was approved by the voters of that jurisdiction.

(C) Wetlands, as defined in the United States Fish and Wildlife Service Manual, Part 660 FW 2 (June 21, 1993).

(D) Within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection pursuant to Section 51178, or within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection pursuant to Section 4202 of the Public Resources Code. This subparagraph does not apply to sites excluded from the specified hazard zones by a local agency, pursuant to subdivision (b) of Section 51179, or sites that have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development.

(E) A hazardous waste site that is listed pursuant to Section 65962.5 or a hazardous waste site designated by the Department of Toxic Substances Control pursuant to Section 25356 of the Health and Safety Code, unless the State Department of Public Health, State Water Resources Control Board, or Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses.

(F) Within a delineated earthquake fault zone as determined by the State Geologist in any official maps published by the State Geologist, unless the development complies with applicable seismic protection building code standards adopted by the California Building Standards Commission under the California Building Standards Law (Part 2.5 (commencing with Section 18901) of Division 13 of the Health and Safety Code), and by any local building department under Chapter 12.2 (commencing with Section 8875) of Division 1 of Title 2.

(G) Within a special flood hazard area subject to inundation by the 1 percent annual chance flood (100-year flood) as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency. If a development proponent is able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site. A development may be located on a site described in this subparagraph if either of the following are met:

(i) The site has been subject to a Letter of Map Revision prepared by the Federal Emergency Management Agency and issued to the local jurisdiction.

(ii) The site meets Federal Emergency Management Agency requirements necessary to meet minimum flood plain management criteria of the National Flood Insurance Program pursuant to Part 59 (commencing with Section 59.1) and Part 60 (commencing with Section 60.1) of Subchapter B of Chapter I of Title 44 of the Code of Federal Regulations.

(H) Within a regulatory floodway as determined by the Federal Emergency Management Agency in any official maps published by the Federal Emergency Management Agency, unless the development has received a no-rise certification in accordance with Section 60.3(d)(3) of Title 44 of the Code of Federal Regulations. If a development proponent is able to satisfy all applicable federal qualifying criteria in order to provide that the site satisfies this subparagraph and is otherwise eligible for streamlined approval under this section, a local government shall not deny the application on the basis that the development proponent did not comply with any additional permit requirement, standard, or action adopted by that local government that is applicable to that site.

(I) Lands identified for conservation in an adopted natural community conservation plan pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), habitat conservation plan pursuant to the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), or other adopted natural resource protection plan.

(J) Habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973 (16 U.S.C. Sec. 1531 et seq.), the California Endangered Species Act (Chapter 1.5 (commencing with Section 2050) of Division 3 of the Fish and Game Code), or the Native Plant Protection Act (Chapter 10 (commencing with Section 1900) of Division 2 of the Fish and Game Code).

(K) Lands under conservation easement.

(7) The development is not located on a site where any of the following apply:

(A) The development would require the demolition of the following types of housing:

(i) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(ii) Housing that is subject to any form of rent or price control through a public entity’s valid exercise of its police power.

(iii) Housing that has been occupied by tenants within the past 10 years.

(B) The site was previously used for housing that was occupied by tenants that was demolished within 10 years before the development proponent submits an application under this section.

(C) The development would require the demolition of a historic structure that was placed on a national, state, or local historic register.

(D) The property contains housing units that are occupied by tenants, and units at the property are, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.

(8) The development proponent has done both of the following, as applicable:

(A) Certified to the locality that either of the following is true, as applicable:

(i) The entirety of the development is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the development is not in its entirety a public work, that all construction workers employed in the execution of the development will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the development that are not a public work all of the following shall apply:

(I) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B) (i) For developments for which any of the following conditions apply, certified that a skilled and trained workforce shall be used to complete the development if the application is approved:

(I) On and after January 1, 2018, until December 31, 2021, the development consists of 75 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2022, until December 31, 2025, the development consists of 50 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the development consists of 75 or more units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(IV) On and after January 1, 2020, until December 31, 2021, the development consists of more than 50 units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2022, until December 31, 2025, the development consists of more than 25 units with a residential component that is not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(ii) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(iii) If the development proponent has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the development.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the development.

(III) Except as provided in subclause (IV), the applicant shall provide to the locality, on a monthly basis while the development or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the locality pursuant to this subclause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subclause (III) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(C) Notwithstanding subparagraphs (A) and (B), a development that is subject to approval pursuant to this section is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

(i) The project includes 10 or fewer units.

(ii) The project is not a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(9) The development did not or does not involve a subdivision of a parcel that is, or, notwithstanding this section, would otherwise be, subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)) or any other applicable law authorizing the subdivision of land, unless the development is consistent with all objective subdivision standards in the local subdivision ordinance, and either of the following apply:

(A) The development has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (8).

(B) The development is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (8).

(10) The development shall not be upon an existing parcel of land or site that is governed under the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code), the Recreational Vehicle Park Occupancy Law (Chapter 2.6 (commencing with Section 799.20) of Title 2 of Part 2 of Division 2 of the Civil Code), the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code), or the Special Occupancy Parks Act (Part 2.3 (commencing with Section 18860) of Division 13 of the Health and Safety Code).

(b) (1) (A) (i) Before submitting an application for a development subject to the streamlined, ministerial approval process described in subdivision (c), the development proponent shall submit to the local government a notice of its intent to submit an application. The notice of intent shall be in the form of a preliminary application that includes all of the information described in Section 65941.1, as that section read on January 1, 2020.

(ii) Upon receipt of a notice of intent to submit an application described in clause (i), the local government shall engage in a scoping consultation regarding the proposed development with any California Native American tribe that is traditionally and culturally affiliated with the geographic area, as described in Section 21080.3.1 of the Public Resources Code, of the proposed development. In order to expedite compliance with this subdivision, the local government shall contact the Native American Heritage Commission for assistance in identifying any California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development.

(iii) The timeline for noticing and commencing a scoping consultation in accordance with this subdivision shall be as follows:

(I) The local government shall provide a formal notice of a development proponent's notice of intent to submit an application described in clause (i) to each California Native American tribe that is traditionally and culturally affiliated with the geographic area of the proposed development within 30 days of receiving that notice of intent. The formal notice provided pursuant to this subclause shall include all of the following:

(ia) A description of the proposed development.

(ib) The location of the proposed development.

(ic) An invitation to engage in a scoping consultation in accordance with this subdivision.

(II) Each California Native American tribe that receives a formal notice pursuant to this clause shall have 30 days from the receipt of that notice to accept the invitation to engage in a scoping consultation.

(III) If the local government receives a response accepting an invitation to engage in a scoping consultation pursuant to this subdivision, the local government shall commence the scoping consultation within 30 days of receiving that response.

(B) The scoping consultation shall recognize that California Native American tribes traditionally and culturally affiliated with a geographic area have knowledge and expertise concerning the resources at issue and shall take into account the cultural significance of the resource to the culturally affiliated California Native American tribe.

(C) The parties to a scoping consultation conducted pursuant to this subdivision shall be the local government and any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development. More than one California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development may participate in the scoping consultation. However, the local government, upon the request of any California Native American tribe traditionally and culturally affiliated with the geographic area of the proposed development, shall engage in a separate scoping consultation with that California Native American tribe. The development proponent and its consultants may participate in a scoping consultation process conducted pursuant to this subdivision if all of the following conditions are met:

(i) The development proponent and its consultants agree to respect the principles set forth in this subdivision.

(ii) The development proponent and its consultants engage in the scoping consultation in good faith.

(iii) The California Native American tribe participating in the scoping consultation approves the participation of the development proponent and its consultants. The California Native American tribe may rescind its approval at any time during the scoping consultation, either for the duration of the scoping consultation or with respect to any particular meeting or discussion held as part of the scoping consultation.

(D) The participants to a scoping consultation pursuant to this subdivision shall comply with all of the following confidentiality requirements:

(i) Section 7927.000.

(ii) Section 7927.005.

(iii) Subdivision (c) of Section 21082.3 of the Public Resources Code.

(iv) Subdivision (d) of Section 15120 of Title 14 of the California Code of Regulations.

(v) Any additional confidentiality standards adopted by the California Native American tribe participating in the scoping consultation.

(E) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to a scoping consultation conducted pursuant to this subdivision.

(2) (A) If, after concluding the scoping consultation, the parties find that no potential tribal cultural resource would be affected by the proposed development, the development proponent may submit an application for the proposed development that is subject to the streamlined, ministerial approval process described in subdivision (c).

(B) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is documented between the California Native American tribe and the local government on methods, measures, and conditions for tribal cultural resource treatment, the development proponent may submit the application for a development subject to the streamlined, ministerial approval process described in subdivision (c). The local government shall ensure that the enforceable agreement is included in the requirements and conditions for the proposed development.

(C) If, after concluding the scoping consultation, the parties find that a potential tribal cultural resource could be affected by the proposed development and an enforceable agreement is not documented between the California Native American tribe and the local government regarding methods, measures, and conditions for tribal cultural resource treatment, the development shall not be eligible for the streamlined, ministerial approval process described in subdivision (c).

(D) For purposes of this paragraph, a scoping consultation shall be deemed to be concluded if either of the following occur:

(i) The parties to the scoping consultation document an enforceable agreement concerning methods, measures, and conditions to avoid or address potential impacts to tribal cultural resources that are or may be present.

(ii) One or more parties to the scoping consultation, acting in good faith and after reasonable effort, conclude that a mutual agreement on methods, measures, and conditions to avoid or address impacts to tribal cultural resources that are or may be present cannot be reached.

(E) If the development or environmental setting substantially changes after the completion of the scoping consultation, the local government shall notify the California Native American tribe of the changes and engage in a subsequent scoping consultation if requested by the California Native American tribe.

(3) A local government may only accept an application for streamlined, ministerial approval pursuant to this section if one of the following applies:

(A) A California Native American tribe that received a formal notice of the development proponent's notice of intent to submit an application pursuant to subclause (I) of clause (iii) of subparagraph (A) of paragraph (1) did not accept the invitation to engage in a scoping consultation.

(B) The California Native American tribe accepted an invitation to engage in a scoping consultation pursuant to subclause (II) of clause (iii) of subparagraph (A) of paragraph (1) but substantially failed to engage in the scoping consultation after repeated documented attempts by the local government to engage the California Native American tribe.

(C) The parties to a scoping consultation pursuant to this subdivision find that no potential tribal cultural resource will be affected by the proposed development pursuant to subparagraph (A) of paragraph (2).

(D) A scoping consultation between a California Native American tribe and the local government has occurred in accordance with this subdivision and resulted in agreement pursuant to subparagraph (B) of paragraph (2).

(4) A project shall not be eligible for the streamlined, ministerial process described in subdivision (c) if any of the following apply:

(A) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project.

(B) There is a potential tribal cultural resource that could be affected by the proposed development and the parties to a scoping consultation conducted pursuant to this subdivision do not document an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in subparagraph (C) of paragraph (2).

(C) The parties to a scoping consultation conducted pursuant to this subdivision do not agree as to whether a potential tribal cultural resource will be affected by the proposed development.

(5) (A) If, after a scoping consultation conducted pursuant to this subdivision, a project is not eligible for the streamlined, ministerial process described in subdivision (c) for any or all of the following reasons, the local government shall provide written documentation of that fact, and an explanation of the reason for which the project is not eligible, to the development proponent and to any California Native American tribe that is a party to that scoping consultation:

(i) There is a tribal cultural resource that is on a national, state, tribal, or local historic register list located on the site of the project, as described in subparagraph (A) of paragraph (4).

(ii) The parties to the scoping consultation have not documented an enforceable agreement on methods, measures, and conditions for tribal cultural resource treatment, as described in subparagraph (C) of paragraph (2) and subparagraph (B) of paragraph (4).

(iii) The parties to the scoping consultation do not agree as to whether a potential tribal cultural resource will be affected by the proposed development, as described in subparagraph (C) of paragraph (4).

(B) The written documentation provided to a development proponent pursuant to this paragraph shall include information on how the development proponent may seek a conditional use permit or other discretionary approval of the development from the local government.

(6) This section is not intended, and shall not be construed, to limit consultation and discussion between a local government and a California Native American tribe pursuant to other applicable law, confidentiality provisions under other applicable law, the protection of religious exercise to the fullest extent permitted under state and federal law, or the ability of a California Native American tribe to submit information to the local government or participate in any process of the local government.

(7) For purposes of this subdivision:

(A) “Consultation” means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties’ cultural values and, where feasible, seeking agreement. Consultation between local governments and Native American tribes shall be conducted in a way that is mutually respectful of each party’s sovereignty. Consultation shall also recognize the tribes’ potential needs for confidentiality with respect to places that have traditional tribal cultural importance. A lead agency shall consult the tribal consultation best practices described in the “State of California Tribal Consultation Guidelines: Supplement to the General Plan Guidelines” prepared by the Office of Planning and Research.

(B) “Scoping” means the act of participating in early discussions or investigations between the local government and California Native American tribe, and the development proponent if authorized by the California Native American tribe, regarding the potential effects a proposed development could have on a potential tribal cultural resource, as defined in Section 21074 of the Public Resources Code, or California Native American tribe, as defined in Section 21073 of the Public Resources Code.

(8) This subdivision shall not apply to any project that has been approved under the streamlined, ministerial approval process provided under this section before the effective date of the act adding this subdivision.

(c) (1) If a local government determines that a development submitted pursuant to this section is in conflict with any of the objective planning standards specified in subdivision (a), it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, as follows:

(A) Within 60 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the local government fails to provide the required documentation pursuant to paragraph (1), the development shall be deemed to satisfy the objective planning standards specified in subdivision (a).

(3) For purposes of this section, a development is consistent with the objective planning standards specified in subdivision (a) if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(d) (1) Any design review or public oversight of the development may be conducted by the local government’s planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review or public oversight shall be objective and be strictly focused

on assessing compliance with criteria required for streamlined projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submission of a development application, and shall be broadly applicable to development within the jurisdiction. That design review or public oversight shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development to the local government pursuant to this section if the development contains more than 150 housing units.

(2) If the development is consistent with the requirements of subparagraph (A) or (B) of paragraph (9) of subdivision (a) and is consistent with all objective subdivision standards in the local subdivision ordinance, an application for a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410)) shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) and shall be subject to the public oversight timelines set forth in paragraph (1).

(e) (1) Notwithstanding any other law, a local government, whether or not it has adopted an ordinance governing automobile parking requirements in multifamily developments, shall not impose automobile parking standards for a streamlined development that was approved pursuant to this section in any of the following instances:

(A) The development is located within one-half mile of public transit.

(B) The development is located within an architecturally and historically significant historic district.

(C) When on-street parking permits are required but not offered to the occupants of the development.

(D) When there is a car share vehicle located within one block of the development.

(2) If the development does not fall within any of the categories described in paragraph (1), the local government shall not impose automobile parking requirements for streamlined developments approved pursuant to this section that exceed one parking space per unit.

(f) (1) If a local government approves a development pursuant to this section, then, notwithstanding any other law, that approval shall not expire if the project satisfies both of the following requirements:

(A) The project includes public investment in housing affordability, beyond tax credits.

(B) At least 50 percent of the units are affordable to households making at or below 80 percent of the area median income.

(2) (A) If a local government approves a development pursuant to this section, and the project does not satisfy the requirements of subparagraphs (A) and (B) of paragraph (1), that approval shall remain valid for three years from the date of the final action establishing that approval, or if litigation is filed challenging that approval, from the date of the final judgment upholding that approval. Approval shall remain valid for a project provided construction activity, including demolition and grading activity, on the development site has begun pursuant to a permit issued by the local jurisdiction and is in progress. For purposes of this subdivision, “in progress” means one of the following:

(i) The construction has begun and has not ceased for more than 180 days.

(ii) If the development requires multiple building permits, an initial phase has been completed, and the project proponent has applied for and is diligently pursuing a building permit for a subsequent phase, provided that once it has been issued, the building permit for the subsequent phase does not lapse.

(B) Notwithstanding subparagraph (A), a local government may grant a project a one-time, one-year extension if the project proponent can provide documentation that there has been significant progress toward getting the development construction ready, such as filing a building permit application.

(3) If the development proponent requests a modification pursuant to subdivision (g), then the time during which the approval shall remain valid shall be extended for the number of days between the submittal of a modification request and the date of its final approval, plus an additional 180 days to allow time to obtain a building permit. If litigation is filed relating to the modification request, the time shall be further extended during the pendency of the litigation. The extension required by this paragraph shall only apply to the first request for a modification submitted by the development proponent.

(4) The amendments made to this subdivision by the act that added this paragraph shall also be retroactively applied to developments approved prior to January 1, 2022.

(g) (1) (A) A development proponent may request a modification to a development that has been approved under the streamlined, ministerial approval process provided in subdivision (c) if that request is submitted to the local government before the issuance of the final building permit required for construction of the development.

(B) Except as provided in paragraph (3), the local government shall approve a modification if it determines that the modification is consistent with the objective planning standards specified in subdivision (a) that were in effect when the original development application was first submitted.

(C) The local government shall evaluate any modifications requested pursuant to this subdivision for consistency with the objective planning standards using the same assumptions and analytical methodology that the local government originally used to assess consistency for the development that was approved for streamlined, ministerial approval pursuant to subdivision (c).

(D) A guideline that was adopted or amended by the department pursuant to subdivision (l) after a development was approved through the streamlined, ministerial approval process described in subdivision (c) shall not be used as a basis to deny proposed modifications.

(2) Upon receipt of the development proponent's application requesting a modification, the local government shall determine if the requested modification is consistent with the objective planning standard and either approve or deny the modification request within 60 days after submission of the modification, or within 90 days if design review is required.

(3) Notwithstanding paragraph (1), the local government may apply objective planning standards adopted after the development application was first submitted to the requested modification in any of the following instances:

(A) The development is revised such that the total number of residential units or total square footage of construction changes by 15 percent or more. The calculation of the square footage of construction changes shall not include underground space.

(B) The development is revised such that the total number of residential units or total square footage of construction changes by 5 percent or more and it is necessary to subject the development to an objective standard beyond those in effect when the development application was submitted in order to mitigate or avoid a specific, adverse impact, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (j) of Section 65589.5, upon the public health or safety and there is no feasible alternative method to satisfactorily mitigate or avoid the adverse impact. The calculation of the square footage of construction changes shall not include underground space.

(C) (i) Objective building standards contained in the California Building Standards Code (Title 24 of the California Code of Regulations), including, but not limited to, building plumbing, electrical, fire, and grading codes, may be applied to all modification applications that are submitted prior to the first building permit application. Those standards may be applied to modification applications submitted after the first building permit application if agreed to by the development proponent.

(ii) The amendments made to clause (i) by the act that added clause (i) shall also be retroactively applied to modification applications submitted prior to January 1, 2022.

(4) The local government's review of a modification request pursuant to this subdivision shall be strictly limited to determining whether the modification, including any modification to previously approved density bonus concessions or waivers, modify the development's consistency with the objective planning standards and shall not reconsider prior determinations that are not affected by the modification.

(h) (1) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(2) (A) A local government shall issue a subsequent permit required for a development approved under this section if the application substantially complies with the development as it was approved pursuant to subdivision (c). Upon receipt of an application for a subsequent permit, the local government shall process the permit without unreasonable delay and shall not impose any procedure or requirement that is not imposed on projects that are not approved pursuant to this section. The local government shall consider the application for subsequent permits based upon the objective standards specified in any state or local laws that were in effect when the original development application was submitted, unless the development proponent agrees to a change in objective standards. Issuance of subsequent permits shall implement the approved development, and review of the permit application shall not inhibit, chill, or preclude the development. For purposes of this paragraph, a

“subsequent permit” means a permit required subsequent to receiving approval under subdivision (c), and includes, but is not limited to, demolition, grading, encroachment, and building permits and final maps, if necessary.

(B) The amendments made to subparagraph (A) by the act that added this subparagraph shall also be retroactively applied to subsequent permit applications submitted prior to January 1, 2022.

(3) (A) If a public improvement is necessary to implement a development that is subject to the streamlined, ministerial approval pursuant to this section, including, but not limited to, a bicycle lane, sidewalk or walkway, public transit stop, driveway, street paving or overlay, a curb or gutter, a modified intersection, a street sign or street light, landscape or hardscape, an above-ground or underground utility connection, a water line, fire hydrant, storm or sanitary sewer connection, retaining wall, and any related work, and that public improvement is located on land owned by the local government, to the extent that the public improvement requires approval from the local government, the local government shall not exercise its discretion over any approval relating to the public improvement in a manner that would inhibit, chill, or preclude the development.

(B) If an application for a public improvement described in subparagraph (A) is submitted to a local government, the local government shall do all of the following:

(i) Consider the application based upon any objective standards specified in any state or local laws that were in effect when the original development application was submitted.

(ii) Conduct its review and approval in the same manner as it would evaluate the public improvement if required by a project that is not eligible to receive ministerial or streamlined approval pursuant to this section.

(C) If an application for a public improvement described in subparagraph (A) is submitted to a local government, the local government shall not do either of the following:

(i) Adopt or impose any requirement that applies to a project solely or partially on the basis that the project is eligible to receive ministerial or streamlined approval pursuant to this section.

(ii) Unreasonably delay in its consideration, review, or approval of the application.

(i) (1) This section shall not affect a development proponent’s ability to use any alternative streamlined by right permit processing adopted by a local government, including the provisions of subdivision (i) of Section 65583.2.

(2) This section shall not prevent a development from also qualifying as a housing development project entitled to the protections of Section 65589.5. This paragraph does not constitute a change in, but is declaratory of, existing law.

(j) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) does not apply to actions taken by a state agency, local government, or the San Francisco Bay Area Rapid Transit District to:

(1) Lease, convey, or encumber land owned by the local government or the San Francisco Bay Area Rapid Transit District or to facilitate the lease, conveyance, or encumbrance of land owned by the local government, or for the lease of land owned by the San Francisco Bay Area Rapid Transit District in association with an eligible TOD project, as defined pursuant to Section 29010.1 of the Public Utilities Code, nor to any decisions associated with that lease, or to provide financial assistance to a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(2) Approve improvements located on land owned by the local government or the San Francisco Bay Area Rapid Transit District that are necessary to implement a development that receives streamlined approval pursuant to this section that is to be used for housing for persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

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

(1) “Affordable housing cost” has the same meaning as set forth in Section 50052.5 of the Health and Safety Code.

(2) (A) Subject to the qualification provided by subparagraph (B), “affordable rent” has the same meaning as set forth in Section 50053 of the Health and Safety Code.

(B) For a development for which an application pursuant to this section was submitted prior to January 1, 2019, that includes 500 units or more of housing, and that dedicates 50 percent of the total number of units to housing affordable to households making at, or below, 80 percent of the area median income, affordable rent for at least 30 percent of these units shall be set at an affordable rent as defined in subparagraph (A) and “affordable rent” for the remainder of these units shall mean a rent that is consistent with the maximum rent levels for a housing development that receives an allocation of state or federal low-income housing tax credits from the California Tax Credit Allocation Committee.

(3) “Department” means the Department of Housing and Community Development.

(4) “Development proponent” means the developer who submits an application for streamlined approval pursuant to this section.

(5) “Completed entitlements” means a housing development that has received all the required land use approvals or entitlements necessary for the issuance of a building permit.

(6) “Locality” or “local government” means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(7) “Moderate income housing units” means housing units with an affordable housing cost or affordable rent for persons and families of moderate income, as that term is defined in Section 50093 of the Health and Safety Code.

(8) “Production report” means the information reported pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.

(9) “State agency” includes every state office, officer, department, division, bureau, board, and commission, but does not include the California State University or the University of California.

(10) “Subsidized” means units that are price or rent restricted such that the units are affordable to households meeting the definitions of very low and lower income, as defined in Sections 50079.5 and 50105 of the Health and Safety Code.

(11) “Reporting period” means either of the following:

(A) The first half of the regional housing needs assessment cycle.

(B) The last half of the regional housing needs assessment cycle.

(12) “Urban uses” means any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

(l) The department may review, adopt, amend, and repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, or standards set forth in this section. Any guidelines or terms adopted pursuant to this subdivision shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(m) The determination of whether an application for a development is subject to the streamlined ministerial approval process provided by subdivision (c) is not a “project” as defined in Section 21065 of the Public Resources Code.

(n) It is the policy of the state that this section be interpreted and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, increased housing supply.

(o) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

SEC. 77. Section 68109 of the Government Code is amended to read:

68109. (a) Every court of this state shall cooperate with the United States Department of Homeland Security (DHS) to identify and place a deportation hold on any defendant convicted of a felony who is determined to be an undocumented immigrant subject to deportation.

(b) As used in this section, “cooperate” means to provide the DHS and its agents with access to all court records available to the public pursuant to Division 10 (commencing with Section 7920.000) of Title 1 and to provide any necessary paperwork within a reasonable time.

(c) As used in this section, “immigrant” means a person who is not a citizen or national of the United States.

SEC. 78. Section 93026 of the Government Code is amended to read:

93026. (a) The agency shall be subject to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5) and the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(b) This section shall become operative on March 1, 2022.

SEC. 79. Section 100033 of the Government Code is amended to read:

100033. (a) The CalSavers Retirement Savings Board shall have the power and duties necessary to administer the enforcement of employer compliance with this title.

(b) (1) The CalSavers Retirement Savings Board shall issue to each employer who fails to allow its eligible employees to participate in the CalSavers Retirement Program pursuant to this title a notice of penalty application.

(2) Each eligible employer that, without good cause, fails to allow its eligible employees to participate in the CalSavers Retirement Savings Program pursuant to Sections 100014 and 100032, after the CalSavers Retirement Savings Board serves a final notice of penalty application, shall be subject to a penalty of two hundred fifty dollars ($250) per eligible employee and an additional penalty of five hundred dollars ($500) per eligible employee if noncompliance continues as described in Section 19287 of the Revenue and Taxation Code.

(c) The CalSavers Retirement Savings Board shall issue a final notice of penalty application to an eligible employer that fails to comply with this title. Pursuant to Section 19287 of the Revenue and Taxation Code, the Franchise Tax Board shall issue a first notice of the imposition of a penalty to an eligible employer for failure to comply after the CalSavers Retirement Savings Board informs the Franchise Tax Board of the eligible employer's noncompliance.

(d) (1) An eligible employer may appeal any penalty imposed under this section in writing to the Franchise Tax Board pursuant to Section 19288 of the Revenue and Taxation Code.

(2) The CalSavers Retirement Savings Board shall reimburse the Franchise Tax Board for the costs incurred by the Franchise Tax Board in administering the program authorized by this article.

SEC. 80. Section 100104 of the Government Code is amended to read:

100104. (a) (1) On or before July 1, 2024, the commission shall conduct, pursuant to subdivision (b), and deliver, pursuant to subdivision (f), a market analysis to determine if it is feasible to implement a "CalAccount Program," which, if implemented, would have all of the following characteristics:

(A) Would be a program established by the state for the purpose of protecting consumers who lack access to traditional banking services from predatory, discriminatory, and costly alternatives, which offers Californians access to a voluntary, zero-fee, zero-penalty, federally insured transaction account, known as a CalAccount, and related payment services at no cost to accountholders, including robust and geographically diverse mechanisms for accessing account funds and account management tools that facilitate the automation of basic financial transactions designed to serve the needs of individuals with low or fluctuating income.

(B) Would be administered by a board consisting of all of the following members:

(i) The Treasurer or the Treasurer's designee.

(ii) The Commissioner of the Department of Financial Protection and Innovation or that person's designee.

(iii) An individual with banking expertise, particularly expertise in transaction accounts and debit cards, appointed by the Senate Committee on Rules.

(iv) An individual with expertise in economic and racial justice and cultural competence appointed by the Speaker of the Assembly.

(v) An employee representative appointed by the Governor.

(vi) An individual with expertise in banking or consumer financial services affiliated with an academic institution appointed by the Governor.

(vii) An individual with banking expertise appointed by the Governor.

(viii) A public banking advocate appointed by the Senate Committee on Rules.

(ix) A consumer representative or advocate with expertise in banking access and financial empowerment, including within historically unbanked and underbanked communities, appointed by the Speaker of the Assembly.

(C) Would require the board to establish a process by which an individual may open a CalAccount, which process shall be designed to maximize program participation.

(D) Would require the board to establish the mechanisms by which an accountholder may deposit funds into a CalAccount for no fee, which mechanisms shall include, but not be limited to, electronic fund transfers arranged through an employer's or hiring entity's payroll direct deposit arrangement and cash loading through in-network partners.

(E) Would require the board to establish the process through which an accountholder may elect to have a portion, up to the entirety, of the accountholder's paycheck or earnings due for labor or services performed directly deposited by electronic fund transfer into the accountholder's CalAccount.

(F) Would require the board to establish the process through which employers and hiring entities shall be required to remit through a payroll direct deposit arrangement each worker's elected payroll contribution to the worker's CalAccount in accordance with the worker's election.

(G) Would require the board to establish mechanisms by which an accountholder can withdraw funds from a CalAccount using a CalAccount debit card for no fee, which mechanisms shall include, but not be limited to, withdrawals through point-of-sale purchases using a CalAccount debit card and through cash withdrawals at a robust and geographically expansive network of participating ATMs, bank or credit union branches, and other in-network partners of designated financial institution partners.

(H) Would require the board to establish a process, available to all accountholders for no fee, through which an accountholder may arrange for payment to a registered payee using a preauthorized electronic fund transfer from a CalAccount.

(I) Would require the board to establish the process and terms and conditions for becoming a registered payee, which shall at a minimum require the payee's agreement to specified terms and conditions to be established by the board in exchange for the benefits of transparency and accountability afforded by participation in an automated payment system and which shall be designed to incentivize accountholders' preauthorized electronic fund transfers to registered payees and application of voluntary automatic disbursement rules by limiting the late payment fees and penalties that registered payees can impose on accountholders who pay them using preauthorized electronic fund transfers from their CalAccounts.

(J) Would require the board to establish voluntary automatic disbursement rules to assist an accountholder in managing automated payments to registered payees based on the availability of funds in the accountholder's account, which an accountholder may voluntarily elect to apply or to stop applying to the accountholder's CalAccount at any time, and which shall be designed to maximize consumer protection and may include, but not be limited to, rules governing the prioritization and timing of payments, rules limiting payments to a percentage of funds available in the CalAccount, and rules limiting disbursement to designated registered payees only upon satisfaction of specified conditions of the CalAccount.

(K) Would provide that the board, in establishing processes for enrollment in the CalAccount Program:

(i) Shall facilitate the opening of a CalAccount by individuals who may not have federal or state government-issued photo identification while taking all reasonable steps to maintain the confidentiality of personal information consistent with all applicable law.

(ii) Shall design and establish rules governing the enrollment and participation in the program of individuals who do not have permanent housing.

(iii) May design and establish rules governing the enrollment and participation in the program of individuals who are under 18 years of age, including rules governing the opening of a CalAccount by a person who is at least 14 years of age without a cosigner or guarantor on the account consistent with all applicable law.

(L) Would require the board to select a program administrator, which may consist of one or more contractors or program staff or a combination thereof, whose duties shall include, but not be limited to, all of the following:

(i) Provide a secure internet web-based portal and mobile application through which individuals can enroll in the program and entities can become registered payees and through which accountholders can access and manage their CalAccounts, including their direct deposits, preauthorized electronic fund transfers to registered payees, and automatic disbursement rule elections.

(ii) Provide a method that enables employers and hiring entities to remit each worker participant's elected direct deposit payroll contribution to the worker's CalAccount in accordance with the worker's election.

(iii) Facilitate enrollment of accountholders in the program through coordination with government, employers and hiring entities, and nonprofit partners.

(iv) Facilitate and manage connectivity with other state and local government programs providing individuals with financial accounts to enable program accountholders to transfer funds between their CalAccounts and their other state-managed or locally managed accounts, as authorized by the board and in accordance with all applicable laws and regulations.

(v) Facilitate and manage connectivity with other state and local government agencies and entities to enable and streamline remittance of local, state, and federal benefit and public assistance payments and other disbursements to accountholders who are entitled to those payments and who authorize those payments to be directly deposited by electronic fund transfer into a CalAccount, as authorized by the board and in accordance with all applicable laws and regulations.

(M) Would require the board to contract with a financial services network administrator whose duties may include, but not be limited to, all of the following:

(i) Contract with, manage, and coordinate the financial services vendors for the program, which shall provide accountholders access to their CalAccounts and services provided in concert with at least one qualifying participating depository financial institution that meets the requirements established by the board.

(ii) Add additional participating depository financial institutions meeting the requirements established by the board, especially including qualifying credit unions and other local financial institutions, as program scope and scale permits, in accordance with the board's specifications as set forth in the contract between the board and the financial services network administrator.

(iii) Issue to each accountholder a secure debit card, or other secure means of access to the accountholder's CalAccount, which shall utilize current security and antifraud technology consistent with industry standards.

(iv) Provide a robust and geographically expansive financial services network of partners through which an accountholder can load or withdraw funds from a CalAccount using a CalAccount debit card, or other secure means of access to a CalAccount, for no fee, including ATMs, bank or credit union branches, and other in-network partners, minimize or eliminate out-of-network fees for accountholders, and ensure that accountholders are not charged out-of-network fees that are not reasonable and actually incurred by the program vendor.

(N) Would require the board to develop and negotiate a fair and equitable program fee and program revenue sharing structure between the state and the financial services network administrator in furtherance of attaining a financially self-sustaining program, which agreement shall be reevaluated annually and renegotiated as appropriate based on program scope and scale.

(O) Would require an employer with more than 25 employees and a hiring entity with more than 25 independent contractors performing the same or similar labor or service, excluding the federal government, to do all of the following:

(i) Have and maintain a payroll direct deposit arrangement that enables voluntary worker participation in the program.

(ii) Deposit all wages and other payments due a worker that the worker has authorized to be directly deposited by electronic fund transfer into the worker's CalAccount in accordance with the worker's authorization.

(iii) Coordinate its payroll process with the program administrator's application program interface to facilitate accurate and seamless payment by direct deposit in accordance with the authorization of each worker participant.

(iv) Cooperate with the program administrator in providing all requested information available to the employer or hiring entity necessary for the opening and administration of a worker's CalAccount.

(v) Upon request of the administrator, provide additional forms or notifications to a worker.

(vi) Refrain from discharging, disciplining, threatening to discharge or discipline, or in any other manner retaliating or taking an adverse action against a worker or applicant because of the individual's participation or manner of participation in the CalAccount Program.

(P) Would require a landlord or a landlord's agent to allow a tenant to pay rent and deposit of security by an electronic funds transfer from a CalAccount, except as provided in paragraph (2) of subdivision (a) of Section 1947.3 of the Civil Code, and would provide that a landlord's, or a landlord's agent's, receipt of payment from a CalAccount pursuant to the requirements of the CalAccount Program shall not be considered a waiver of any right the landlord or landlord's agent may otherwise have to establish the base rent on, or to raise rent for, the rental unit.

(2) If it is not feasible to implement the CalAccount Program, as described in paragraph (1), the market analysis required by this subdivision shall also include whether there are modifications to the CalAccount Program that can ease the implementation burdens.

(3) (A) The market analysis required by this subdivision shall also include whether or not CalAccount Program revenue is more likely than not to be sufficient to pay for CalAccount Program costs within six years of the CalAccount Program's

implementation.

(B) The analysis required by this paragraph shall include detailed financial projections and key assumptions upon which the determination required by this paragraph relies.

(4) The market analysis required by this subdivision shall also include an analysis of the population of California residents who are unbanked and the reasons they are unbanked.

(5) The market analysis required by this subdivision shall also include an analysis of the low-cost or no-cost options of federally insured transaction accounts that are available or marketed to unbanked California residents.

(6) The market analysis required by this subdivision shall also include an evaluation of all of the following:

(A) Alternatives to the CalAccount Program that the state could implement or enact that would accomplish the essential policy objectives, as described in subparagraph (A) of paragraph (1), of the CalAccount Program.

(B) The estimated risks and costs of alternatives evaluated pursuant to subparagraph (A).

(C) The expected effectiveness and scalability of alternatives evaluated pursuant to subparagraph (A).

(7) The market analysis required by this subdivision shall also include recommendations for how the state can maximize the number of unbanked California residents who become banked at the lowest cost and risk to the state.

(8) The market analysis required by this subdivision shall also include an analysis of relative advantages and disadvantages, compared to private sector alternatives, that the state may have in identifying, reaching, or persuading unbanked California residents to enroll in a state-administered banking program.

(9) The market analysis required by this subdivision shall also include recommendations related to the appropriate governance structure for a public-private partnership such as the CalAccount Program.

(10) The market analysis required by this subdivision shall also include an analysis of costs, benefits, and impacts on all affected parties, including, but not limited to, landlords, employers, state government, low-wage workers, and consumers.

(b) (1) The commission shall contract with one or more independent entities with the appropriate expertise to conduct the market analysis required by subdivision (a).

(2) A contract entered into pursuant to this subdivision shall require any entity conducting the market analysis to provide progress reports to, and receive feedback from, the commission at regular intervals or by request and be available to provide testimony and answer questions at any legislative hearings held within 12 months of the delivery of the market analysis to the Legislature.

(c) The market analysis required by subdivision (a) shall consider all of the following:

(1) The number of potential accountholders.

(2) The availability of qualified participating depository financial institutions.

(3) Potential accountholders' comfort with various banking products.

(4) How individuals without federal or state photo identification can participate.

(5) Potential CalAccount Program revenue streams.

(6) The presence and effectiveness of private sector or nonprofit competitors to the CalAccount Program.

(7) State fiscal risk from the CalAccount Program during economic downturns or economic shocks.

(8) Any other factor the commission deems relevant to making the feasibility determination pursuant to paragraph (1) of subdivision (a).

(9) The risks and costs of the CalAccount Program.

(10) The expected effectiveness and scalability of the CalAccount Program.

(11) The likely impact of the CalAccount Program on existing California depository institutions.

(12) (A) The existence of possible financial services network administrators.

(B) If any possibilities include an out-of-state entity, the anticipated impact on California consumers, businesses, and financial institutions and how an out-of-state financial services network administrator could or should be regulated.

(d) (1) Within 12 months of entering into a contract for the market analysis required by subdivision (a), the commission shall hold at least one public hearing to solicit input from members of the public.

(2) A hearing, including input from members of the public, held pursuant to this subdivision shall be recorded and made available on the Treasurer's internet website consistent with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1).

(e) (1) The commission shall hold a public hearing to review the market analysis.

(2) After the public hearing required by paragraph (1), the commission may issue a report to accompany the market analysis. The report may include the commission's assessment of the market analysis, feedback from the public hearing held pursuant to paragraph (1), and recommendations related to the implementation of the CalAccount Program.

(3) The commission shall make a determination as to whether the CalAccount Program can be implemented as described in paragraph (1) of subdivision (a) and, if not, what modifications to the CalAccount Program could be made to implement it.

(4) The commission shall make a determination as to whether CalAccount Program revenue is more likely than not to be sufficient to pay for CalAccount Program costs within six years of the CalAccount Program's implementation and what the state's investment will need to be in order to cover the costs. If the revenue does not cover the costs, the commission shall make a recommendation as to whether the CalAccount Program should be implemented nonetheless.

(f) The commission shall deliver, and upon request present, the market analysis and any report issued pursuant to paragraph (2) of subdivision (e) to the Chair of the Senate Committee on Banking and Financial Institutions and the Chair of the Assembly Committee on Banking and Finance.

SEC. 81. Section 1324.22 of the Health and Safety Code is amended to read:

1324.22. (a) The quality assurance fee, as calculated pursuant to Section 1324.21, shall be paid by the provider to the department for deposit in the State Treasury on a monthly basis on or before the last day of the month following the month for which the fee is imposed, except as provided in subdivision (e) of Section 1324.21.

(b) On or before the last day of each calendar month or quarter, as determined by the department, each skilled nursing facility shall file a report with the department, in a prescribed form, showing the facility's total resident days for the preceding quarter and payments made. If it is determined that a lesser amount was paid to the department, the facility shall pay the amount owed in the preceding quarter to the department with the report. Any amount determined to have been paid in excess to the department during the previous quarter shall be credited to the amount owed in the following quarter.

(c) On or before August 31 of each year, each skilled nursing facility subject to an assessment pursuant to Section 1324.21 shall report to the department, in a prescribed form, the facility's total resident days and total payments made for the preceding state fiscal year. If it is determined that a lesser amount was paid to the department during the previous year, the facility shall pay the amount owed to the department with the report.

(d) (1) A newly licensed skilled nursing facility shall complete all requirements of subdivision (a) for any portion of the year in which it commences operations and of subdivision (b) for any portion of the calendar month or quarter in which it commences operations.

(2) For purposes of this subdivision, "newly licensed skilled nursing facility" means a location that has not been previously licensed as a skilled nursing facility.

(e) (1) If a skilled nursing facility fails to pay all or part of the quality assurance fee within 60 days of the date that payment is due, the department shall assess interest at the rate of 7 percent per annum on any unpaid amount due, beginning on the 61st calendar day from the date the payment is due, until the unpaid amount due, plus any interest, is paid in full.

(2) (A) When a skilled nursing facility fails to pay all or part of the quality assurance fee within 60 days of the date that payment is due, the department may deduct any unpaid assessment, including any interest and penalties owed, from any Medi-Cal payments to the facility until the full amount is recovered. Any deduction shall be made only after written notice to the facility and may be taken over a period of time taking into account the financial condition of the facility.

(B) Notwithstanding any other law, for the rate period from August 1, 2020, to December 31, 2020, and every subsequent calendar year thereafter, the department may deduct any unpaid assessments, including any interest and penalties owed, attributable to a debtor facility from any Medi-Cal payments made to a related facility or entity by common ownership or control to the debtor facility within the meaning of Section 413.17(b) of Title 42 of the Code of Federal Regulations. If the

department deducts any unpaid assessments from the Medi-Cal payments to a related facility or entity, the department shall provide prior written notice to both the debtor facility and the related facility or entity, and, in taking into account the financial condition of the related facility, may apply that deduction over a period of time.

(3) In addition to the requirements specified in this subdivision and subdivision (h), any unpaid quality assurance fee, including any interest and penalties owed, assessed by this article shall constitute a debt due to the state and may be collected pursuant to Section 12419.5 of the Government Code.

(4) In addition to the requirements specified in this subdivision and subdivision (h), the department may take appropriate legal action in state or federal court to recover the unpaid quality assurance fee amount, including any interest and penalties owed, from the licensee's financial interest in the related party, as defined in subdivision (b) of Section 1424.3. Before taking any action pursuant to this paragraph, the department shall give written notice to the licensee and the related party.

(f) (1) Notwithstanding any other law, the department shall continue to assess and collect the quality assurance fee, including any previously unpaid quality assurance fee, and any interest or penalties owed, from each skilled nursing facility, irrespective of any changes in ownership or ownership interest or control or the transfer of any portion of the assets of the facility to another owner.

(2) Notwithstanding any other law, in the event of a merger, acquisition, or change of ownership involving a skilled nursing facility that has outstanding quality assurance fee payment obligations pursuant to this article, including any interest and penalty amounts owed, the successor skilled nursing facility shall be responsible for paying to the department the full amount of outstanding quality assurance fee payments, including any interest and penalties, attributable to the skilled nursing facility for which it was assessed, upon the effective date of that transaction. An entity considering a merger, acquisition, or similar transaction involving a skilled nursing facility may submit a request to the department pursuant to Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code to ascertain the outstanding quality assurance fee payment obligations of the skilled nursing facility pursuant to this article as of the date of the department's response to that request.

(g) During the time period in which a temporary manager is appointed to a facility pursuant to Section 1325.5 or during which a receiver is appointed by a court pursuant to Section 1327, the State Department of Public Health shall not be responsible for any unpaid quality assurance fee assessed before the time period of the temporary manager or receiver. This subdivision shall not affect the responsibility of the facility to make all payments of unpaid or current quality assurance fees, including any interest and penalty amounts, as required by this section and Section 1324.21.

(h) If all or any part of the quality assurance fee remains unpaid, the department may take any or all of the following actions against the debtor facility, in addition to assessing interest pursuant to paragraph (1) of subdivision (e):

(1) Assess a penalty of up to 50 percent of the total unpaid fee amounts, and any interest assessed pursuant to paragraph (1) of subdivision (e) in each applicable rate or calendar year.

(2) Recommend to the State Department of Public Health that license or Medi-Cal certification renewal or approval of a change of ownership application be delayed until the full amount of the quality assurance fee, penalties, and interest is recovered.

(3) (A) In the event of a merger, acquisition, or change of ownership involving a skilled nursing facility as described in paragraph (2) of subdivision (f), the department may delay approval of a new Medi-Cal provider agreement or a transfer of an existing Medi-Cal provider agreement to a successor skilled nursing facility until the full amount of the quality assurance fees, penalties, and interest owed by the successor or previous facility owner is recovered in full, or until the successor skilled nursing facility has entered into an alternative payment agreement with the department for the outstanding quality assurance fees, penalties, and interest owed that takes into account the financial situation of the facility and the potential impact on delivery of services to Medi-Cal beneficiaries.

(B) In addition to subparagraph (A), as a condition of approving a new Medi-Cal provider agreement or a transfer of an existing Medi-Cal provider agreement to a successor skilled nursing facility, the department may require either or both of the following:

(i) The successor skilled nursing facility to enter into an agreement with the department to be financially responsible to the department for the outstanding quality assurance fees, penalties, and interest owed by the previous facility owner.

(ii) The successor facility owner to enter into an agreement with the department to pay outstanding quality assurance fees, penalties, and interest owed by the successor facility owner on an alternative payment schedule developed by the department that takes into account the financial situation of the facility and the potential impact on delivery of services to Medi-Cal beneficiaries.

(i) In accordance with the Medicaid State Plan, the payment of the quality assurance fee shall be considered as an allowable cost for Medi-Cal reimbursement purposes.

(j) The assessment process pursuant to this section shall become operative not later than 60 days from receipt of federal approval of the quality assurance fee, unless extended by the department. The department may assess fees and collect payment in accordance with subdivision (e) of Section 1324.21 to provide retroactive payments for any rate increase authorized under this article.

(k) The amendments made to subdivision (d) and the addition of subdivision (f) by the act that added this subdivision are not substantive changes, but are merely clarifying existing law.

(l) (1) Notwithstanding any other law, for the 2011–12 rate year, the department may waive the actions provided under subdivision (h), or may allow a freestanding pediatric subacute care facility to delay payments for up to six months, to ensure the facility has the financial stability required to pay the fee.

(2) For the purposes of this article, "freestanding pediatric subacute care facility" has the same meaning as defined in Section 51215.8 of Title 22 of the California Code of Regulations.

(m) (1) Subject to paragraph (2), the department may waive a portion or all of either the interest or penalties, or both, assessed under this article with respect to a petitioning skilled nursing facility if the department determines, in its sole discretion, that the facility has demonstrated that imposing the full amount of fees under this article has a high likelihood of creating an undue financial hardship for the facility or creates a significant financial difficulty in providing services to Medi-Cal beneficiaries. A waiver pursuant to this subdivision may include, but need not be limited to, interest or penalties, or both, that accrue or are assessed with respect to a facility during the time period for which a change of ownership is pending, or for which a change of ownership is being contemplated, as determined by the department in its sole discretion.

(2) The department's waiver of some or all of the interest or penalties shall be conditioned on the skilled nursing facility's agreement to pay outstanding fee amounts on an alternative schedule developed by the department that takes into account the financial situation of the facility and the potential impact on delivery of services to Medi-Cal beneficiaries.

(3) The department shall post on its internet website a list of all skilled nursing facilities that received a waiver for payment of interest or penalties, including the amount of interest or penalty that was waived.

SEC. 82. Section 1325.5 of the Health and Safety Code is amended to read:

1325.5. (a) It is the intent of the Legislature in enacting this section to empower the state department to take quick, effective action to protect the health and safety of residents of long-term health care facilities and to minimize the effects of transfer trauma that accompany the abrupt transfer of elderly and disabled residents.

(b) For purposes of this section, "temporary manager" means the person, corporation, or other entity, appointed temporarily by the state department as a substitute facility manager or administrator with authority to hire, terminate, or reassign staff, obligate facility funds, alter facility procedures, and manage the facility to correct deficiencies identified in the facility's operation.

(c) The director may appoint a temporary manager when any of the following circumstances exist:

(1) The residents of the long-term health care facility are in immediate danger of death or permanent injury by virtue of the failure of the facility to comply with federal or state requirements applicable to the operation of the facility.

(2) As a result of the change in the status of the license or operation of a long-term health care facility, the facility is required to comply with Section 1336.2, the facility fails to comply with Section 1336.2, and the state department has determined that the facility is unwilling or unable to meet the requirements of Section 1336.2.

(d) Upon appointment, the temporary manager shall take all necessary steps and make best efforts to eliminate immediate danger of death or permanent injury to residents or complete transfer of residents to alternative placements pursuant to Section 1336.2.

(e) (1) The appointment of a temporary manager shall become effective immediately and shall continue until any of the following events occurs:

(A) The temporary manager notifies the department, and the department verifies, that the facility meets state and, if applicable, federal standards for operation, and will be able to continue to maintain compliance with those standards after the termination of temporary management.

(B) A receiver is appointed under this article.

(C) The department approves a new management company.

(D) A new operator is licensed.

(E) The state department closes the facility, through an orderly transfer of the residents.

(F) A hearing or court order ends the temporary manager appointment.

(G) The appointment is terminated by the department or the temporary manager.

(2) The appointment of a temporary manager shall authorize the temporary manager to act pursuant to this section. The appointment shall be made pursuant to an agreement between the temporary manager and the state department that outlines the circumstances under which the temporary manager may expend funds. The temporary manager shall make no long-term capital investments to the facility without the permission of the state department. The state department shall provide the licensee and administrator with a statement of allegations at the time of appointment. Within 48 hours, the department shall provide the licensee and the administrator with a formal statement of cause and concerns. The statement of cause and concerns shall specify the factual and legal basis for the imposition of the temporary manager and shall be supported by the declaration of the director or the director's authorized designee. The statement of cause and concerns shall notify the licensee of the licensee's right to petition the Office of Administrative Hearings for a hearing to contest the appointment of the temporary manager and shall provide the licensee with a form and appropriate information for the licensee's use in requesting a hearing.

(f) (1) The licensee of a long-term health care facility may contest the appointment of the temporary manager by filing a petition for an order to terminate the appointment of the temporary manager with the Office of Administrative Hearings, within 60 days from the date of mailing of the statement of cause and concerns. On the same day as the petition is filed with the Office of Administrative Hearings, the licensee shall deliver a copy of the petition to the office of the director.

(2) Upon receipt of a petition of hearing, the Office of Administrative Hearings shall set a hearing date and time within five business days of the receipt of the petition. The office shall promptly notify the licensee and the state department of the date, time, and place of the hearing. The office shall assign the case to an administrative law judge. At the hearing, relevant evidence may be presented pursuant to Section 11513 of the Government Code. The administrative law judge shall issue a written decision on the petition within five business days of the conclusion of the hearing. The five-day time periods for holding the hearing and rendering a decision may be extended by the agreement of the parties.

(3) The administrative law judge shall uphold the appointment of the temporary manager if the state department proves, by a preponderance of the evidence, that the circumstances specified in subdivision (c) applied to the facility at the time of the appointment. The administrative law judge shall order the termination of the temporary manager if the burden of proof is not satisfied.

(g) The decision of the administrative law judge is subject to judicial review as provided in Section 1094.5 of the Code of Civil Procedure by the superior court sitting in the county where the facility is located. This review may be requested by the licensee of the facility or the state department by filing a petition seeking relief from the order. The petition may also request the issuance of temporary injunctive relief pending the decision on the petition. The superior court shall hold a hearing within five business days of the filing of the petition and shall issue a decision on the petition within five days of the hearing. The state department may be represented by legal counsel within the state department for purposes of court proceedings authorized under this section.

(h) If the licensee of the long-term health care facility does not protest the appointment, it shall continue in accordance with subdivision (e).

(i) (1) If the licensee of the long-term health care facility petitions the Office of Administrative Hearings pursuant to subdivision (f), the appointment of the temporary manager by the director pursuant to this section shall continue until it is terminated by the administrative law judge or by the superior court, or it shall continue for 30 days from the date the administrative law judge or the superior court upholds the appointment of the temporary manager, whichever is earlier.

(2) At any time during the appointment of the temporary manager, the director may request an extension of the appointment by filing a petition for hearing with the Office of Administrative Hearings and serving a copy of the petition on the licensee. The office shall proceed as specified in paragraph (2) of subdivision (f). The administrative law judge may extend the appointment of the temporary manager as follows:

(A) Upon a showing by the state department that the conditions specified in subdivision (c) continue to exist, an additional 60 days.

(B) Upon a finding that the state department is seeking a receiver, until the state department has secured the services of a receiver pursuant to this article.

(3) The licensee or the state department may request review of the administrative law judge's decision on the extension as provided in subdivision (g).

(j) The temporary manager appointed pursuant to this section shall meet the following qualifications:

(1) Be qualified to oversee correction of deficiencies on the basis of experience and education.

(2) Not have been found guilty of misconduct by any licensing board.

(3) Have no financial ownership interest in the facility and have no member of their immediate family who has a financial ownership interest in the facility.

(4) Not currently serve, or within the past two years have served, as a member of the staff of the facility.

(5) Be acceptable to the facility.

(k) Payment of the temporary manager's salary or fee shall comply with the following requirements:

(1) Shall be paid directly by the facility while the temporary manager is assigned to that facility.

(2) Shall be equivalent to the sum of the following:

(A) The prevailing salary or fee paid by licensees for positions of the same type in the facility's geographic area.

(B) Additional costs that reasonably would have been incurred by the licensee if the licensee had been in an employment relationship.

(C) Any other reasonable costs incurred by the appointed temporary manager in furnishing services pursuant to this section.

(3) May exceed the amount specified in paragraph (2) if the department is otherwise unable to attract a qualified temporary manager.

(l) (1) The state department may use funds from the Health Facilities Citation Penalties Account, pursuant to Section 1417.2, to operate the facility after all other facility revenues are exhausted.

(2) Funds used pursuant to this subdivision shall constitute a debt due to the state and may be collected pursuant to appropriate legal action taken by the department to collect the debt from the licensee, including from the licensee's financial interest in related parties described in subdivision (a) of Section 1424.3. Beginning January 1, 2023, the department shall give written notice to related parties that it may take action to collect the licensee's debt as described in this paragraph. If the department determines, after two notifications, that the related parties are not financially viable or recovery is unlikely, the department shall document this determination. The documentation shall include the names of the related parties notified, detailed information on the methods used by the department to make the determination, and a clear justification for the department's determination. The documentation of the department's determination and supporting explanation shall be available to the public by request, unless the records are not subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), in which case the department shall provide the reason for not disclosing the records.

(m) The state department shall adopt regulations for the administration of this section on or before December 31, 2001.

SEC. 83. Section 1423 of the Health and Safety Code is amended to read:

1423. (a) If upon inspection or investigation the director determines that a nursing facility is in violation of any state or federal law or regulation relating to the operation or maintenance of the facility, or determines that any other long-term health care facility is in violation of any statutory provision or regulation relating to the operation or maintenance of the facility, the director shall promptly, but not later than 24 hours, excluding Saturday, Sunday, and holidays, after the director determines or has reasonable cause to determine that an alleged violation has occurred, issue a notice to correct the violation and of intent to issue a citation to the licensee. Before completing the investigation and making the final determination whether to issue a citation, the department shall hold an exit conference with the licensee to identify the potential for issuing a citation for any violation, discuss investigative findings, and allow the licensee to provide the department with additional information related to the violation. The department shall consider this additional information, in conjunction with information from the inspection or investigation, in determining whether to issue a citation, or whether other action would be appropriate. If the department determines that the violation warrants the issuing of a citation and an exit conference has been completed it shall do either of the following:

(1) Recommend the imposition of a federal enforcement remedy or remedies on a nursing facility in accordance with federal law; or

(2) (A) Issue a citation pursuant to state licensing laws, and, if the facility is a nursing facility, may recommend the imposition of a federal enforcement remedy.

(B) A state citation shall be served upon the licensee within 30 days after completion of the investigation. Service shall be effected either personally or by registered or certified mail. A copy of the citation shall also be sent to each complainant.

Each citation shall be in writing and shall describe with particularity the nature of the violation, including a reference to the statutory provision, standard, rule, or regulation alleged to have been violated, the particular place or area of the facility in which the violation occurred, as well as the amount of any proposed assessment of a civil penalty. The name of any patient jeopardized by the alleged violation shall not be specified in the citation in order to protect the privacy of the patient. However, at the time the licensee is served with the citation, the licensee shall also be served with a written list of each of the names of the patients alleged to have been jeopardized by the violation, which shall not be subject to disclosure as a public record. The citation shall fix the earliest feasible time for the elimination of the condition constituting the alleged violation, when appropriate.

(b) When no harm to patients, residents, or guests has occurred, a single incident, event, or occurrence shall result in no more than one citation for each statute or regulation violated.

(c) A citation shall not be issued for a violation that has been reported by the licensee to the department, or its designee, as an "unusual occurrence," if all of the following conditions are met:

(1) The violation has not caused harm to any patient, resident, or guest, or significantly contributed thereto.

(2) The licensee has promptly taken reasonable measures to correct the violation and to prevent a recurrence.

(3) The unusual occurrence report was the first source of information reported to the department, or its designee, regarding the violation.

SEC. 84. Section 1424.3 of the Health and Safety Code is amended to read:

1424.3. (a) (1) Beginning January 1, 2023, if a licensee provider fails to pay a penalty assessed pursuant to Section 1424.5 or 1425 in full when all appeals have been exhausted and the department's position has been upheld, the department shall give written notice to the licensee provider and related parties in which the licensee provider has an ownership or control interest of 5 percent or more that the department may take appropriate legal action to recover the unpaid penalty amount from the provider licensee's financial interest in the related party. If the department determines, after two notifications, that the related parties are not financially viable or recovery is unlikely, the department shall document this determination. The documentation shall include the names of the related parties notified, detailed information on the methods used by the department to make the determination, and a clear justification for the department's determination. The documentation of the department's determination and supporting explanation shall be available to the public by request, unless the records are not subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), in which case the department shall provide the reason for not disclosing the records.

(2) When a citation is issued under Section 1424, the department shall give initial written notice to related parties of the basis for the citation, and the subsequent disciplinary action that is imminent if the violation is not remedied immediately, up to and including assessment of administrative penalties, for which the related party may be held responsible pursuant to this subdivision.

(b) "Related party" has the same meaning as in Section 128734.

SEC. 85. Section 1798.200 of the Health and Safety Code is amended to read:

1798.200. (a) (1) (A) Except as provided in paragraph (2), an employer of an EMT-I or EMT-II may conduct investigations, as necessary, and take disciplinary action against an EMT-I or EMT-II who is employed by that employer for conduct in violation of subdivision (c). The employer shall notify the medical director of the local EMS agency that has jurisdiction in the county in which the alleged violation occurred within three days when an allegation has been validated as a potential violation of subdivision (c).

(B) Each employer of an EMT-I or EMT-II employee shall notify the medical director of the local EMS agency that has jurisdiction in the county in which a violation related to subdivision (c) occurred within three days after the EMT-I or EMT-II is terminated or suspended for a disciplinary cause, the EMT-I or EMT-II resigns following notification of an impending investigation based upon evidence that would indicate the existence of a disciplinary cause, or the EMT-I or EMT-II is removed from EMT-related duties for a disciplinary cause after the completion of the employer's investigation.

(C) At the conclusion of an investigation, the employer of an EMT-I or EMT-II may develop and implement, in accordance with the guidelines for disciplinary orders, temporary suspensions, and conditions of probation adopted pursuant to Section 1797.184, a disciplinary plan for the EMT-I or EMT-II. Upon adoption of the disciplinary plan, the employer shall submit that plan to the local EMS agency within three working days. The employer's disciplinary plan may include a recommendation that the medical director of the local EMS agency consider taking action against the holder's certificate pursuant to paragraph (3).

(2) If an EMT-I or EMT-II is not employed by an ambulance service licensed by the Department of the California Highway Patrol or a public safety agency or if that ambulance service or public safety agency chooses not to conduct an investigation pursuant to paragraph (1) for conduct in violation of subdivision (c), the medical director of a local EMS agency shall conduct the investigations, and, upon a determination of disciplinary cause, take disciplinary action as necessary against the EMT-I or EMT-II. At the conclusion of these investigations, the medical director shall develop and implement, in accordance with the recommended guidelines for disciplinary orders, temporary orders, and conditions of probation adopted pursuant to Section 1797.184, a disciplinary plan for the EMT-I or EMT-II. The medical director's disciplinary plan may include action against the holder's certificate pursuant to paragraph (3).

(3) The medical director of the local EMS agency may, upon a determination of disciplinary cause and in accordance with regulations for disciplinary processes adopted pursuant to Section 1797.184, deny, suspend, or revoke any EMT-I or EMT-II certificate issued under this division, or may place any EMT-I or EMT-II certificate holder on probation, upon the finding by that medical director of the occurrence of any of the actions listed in subdivision (c) and the occurrence of one of the following:

(A) The EMT-I or EMT-II employer, after conducting an investigation, failed to impose discipline for the conduct under investigation, or the medical director makes a determination that the discipline imposed was not according to the guidelines for disciplinary orders and conditions of probation and the conduct of the EMT-I or EMT-II certificate holder constitutes grounds for disciplinary action against the certificate.

(B) Either the employer of an EMT-I or EMT-II further determines, after an investigation conducted under paragraph (1), or the medical director determines, after an investigation conducted under paragraph (2), that the conduct requires disciplinary action against the certificate.

(4) The medical director of the local EMS agency, after consultation with the employer of an EMT-I or EMT-II, may temporarily suspend, prior to a hearing, any EMT-I or EMT-II certificate or both EMT-I and EMT-II certificates upon a determination that both of the following conditions have been met:

(A) The certificate holder has engaged in acts or omissions that constitute grounds for revocation of the EMT-I or EMT-II certificate.

(B) Permitting the certificate holder to continue to engage in the certified activity without restriction would pose an imminent threat to the public health or safety.

(5) If the medical director of the local EMS agency temporarily suspends a certificate, the local EMS agency shall notify the certificate holder that their EMT-I or EMT-II certificate is suspended and shall identify the reasons therefor. Within three working days of the initiation of the suspension by the local EMS agency, the agency and employer shall jointly investigate the allegation in order for the agency to make a determination of the continuation of the temporary suspension. All investigatory information not otherwise protected by law held by the agency and employer shall be shared between the parties via facsimile transmission or overnight mail relative to the decision to temporarily suspend. The local EMS agency shall decide, within 15 calendar days, whether to serve the certificate holder with an accusation pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. If the certificate holder files a notice of defense, the hearing shall be held within 30 days of the local EMS agency's receipt of the notice of defense. The temporary suspension order shall be deemed vacated if the local EMS agency fails to make a final determination on the merits within 15 days after the administrative law judge renders the proposed decision.

(6) The medical director of the local EMS agency shall refer, for investigation and discipline, any complaint received on an EMT-I or EMT-II to the relevant employer within three days of receipt of the complaint, pursuant to subparagraph (A) of paragraph (1) of subdivision (a).

(b) (1) The authority may deny, suspend, or revoke an EMT-P license issued under this division, or may place an EMT-P license issued under this division, or may place an EMT-P licenseholder on probation upon the finding by the director of the occurrence of any of the actions listed in subdivision (c). Proceedings against an EMT-P license or licenseholder shall be held in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(2) On and after January 1, 2023, the Paramedic Disciplinary Review Board shall act on appeals of the authority's final decision to place a licenseholder on probation, suspend or revoke an EMT-P license, and consider appeals regarding denial of licensure, pursuant to Article 2.5 (commencing with Section 1797.125) of Chapter 3 of this division.

(c) Any of the following actions shall be considered evidence of a threat to the public health and safety and may result in the denial, suspension, or revocation of a certificate or license issued under this division, or in the placement on probation of a certificate holder or licenseholder under this division:

(1) Fraud in the procurement of any certificate or license under this division.

(2) Gross negligence.

(3) Repeated negligent acts.

(4) Incompetence.

(5) The commission of any fraudulent, dishonest, or corrupt act that is substantially related to the qualifications, functions, and duties of prehospital personnel.

(6) Conviction of any crime that is substantially related to the qualifications, functions, and duties of prehospital personnel. The record of conviction or a certified copy of the record shall be conclusive evidence of the conviction.

(7) Violating or attempting to violate directly or indirectly, or assisting in or abetting the violation of, or conspiring to violate, any provision of this division or the regulations adopted by the authority pertaining to prehospital personnel.

(8) Violating or attempting to violate any federal or state statute or regulation that regulates narcotics, dangerous drugs, or controlled substances.

(9) Addiction to, the excessive use of, or the misuse of, alcoholic beverages, narcotics, dangerous drugs, or controlled substances.

(10) Functioning outside the supervision of medical control in the field care system operating at the local level, except as authorized by any other license or certification.

(11) Demonstration of irrational behavior or occurrence of a physical disability to the extent that a reasonable and prudent person would have reasonable cause to believe that the ability to perform the duties normally expected may be impaired.

(12) Unprofessional conduct exhibited by any of the following:

(A) The mistreatment or physical abuse of any patient resulting from force in excess of what a reasonable and prudent person trained and acting in a similar capacity while engaged in the performance of their duties would use if confronted with a similar circumstance. Nothing in this section shall be deemed to prohibit an EMT-I, EMT-II, or EMT-P from assisting a peace officer, or a peace officer who is acting in the dual capacity of peace officer and EMT-I, EMT-II, or EMT-P, from using that force that is reasonably necessary to effect a lawful arrest or detention.

(B) The failure to maintain confidentiality of patient medical information, except as disclosure is otherwise permitted or required by law in Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code.

(C) The commission of any sexually related offense specified under Section 290 of the Penal Code.

(d) The information shared among EMT-I, EMT-II, and EMT-P employers, medical directors of local EMS agencies, the authority, and EMT-I and EMT-II certifying entities shall be deemed to be an investigative communication that is exempt from public disclosure as a public record pursuant to Article 1 (commencing with Section 7923.600) of Chapter 1 of Part 5 of Division 10 of Title 1 of the Government Code. A formal disciplinary action against an EMT-I, EMT-II, or EMT-P shall be considered a public record available to the public, unless otherwise protected from disclosure pursuant to state or federal law.

(e) For purposes of this section, “disciplinary cause” means an act that is substantially related to the qualifications, functions, and duties of an EMT-I, EMT-II, or EMT-P and is evidence of a threat to the public health and safety described in subdivision (c).

SEC. 86. Section 13140.5 of the Health and Safety Code is amended to read:

13140.5. (a) The board shall be composed of the following voting members: the State Fire Marshal, the Chief Deputy Director of the Department of Forestry and Fire Protection who is not the State Fire Marshal, the Director of Emergency Services, the Chairperson of the California Fire Fighter Joint Apprenticeship Committee, one representative of the insurance industry, one volunteer firefighter, three fire chiefs, five fire service labor representatives, one representative from city government, one representative from a fire district, one cultural burning liaison pursuant to Section 703 of the Public Resources Code, and one representative from county government.

(b) (1) The following members shall be appointed by the Governor: one representative of the insurance industry, one volunteer firefighter, three fire chiefs, five fire service labor representatives, one representative from city government, one representative from a fire district, and one representative from county government.

(2) Each member appointed shall be a resident of this state.

(3) The volunteer firefighter shall be selected from a list of names submitted by the California State Firefighters Association. One fire chief shall be selected from a list of names submitted by the California Fire Chiefs’ Association; one fire chief shall be

selected from a list of names submitted by the Fire Districts Association of California; and one fire chief shall be selected from a list of names submitted by the California Metropolitan Fire Chiefs. One fire service labor representative shall be selected from a list of names submitted by the California Labor Federation; one fire service labor representative shall be selected from a list of names submitted by the California Professional Firefighters; one fire service labor representative shall be selected from a list of names submitted by the International Association of Fire Fighters; one fire service labor representative shall be selected from a list of names submitted by the California Department of Forestry and Fire Protection Firefighters; and one fire service labor representative shall be selected from a list of names submitted by the California State Firefighters Association. The city government representative shall be selected from elected or appointed city chief administrative officers or elected city mayors or council members. The fire district representative shall be selected from elected or appointed directors of fire districts. The county government representative shall be selected from elected or appointed county chief administrative officers or elected county supervisors.

(4) The appointed members shall be appointed for a term of four years.

(5) Any member chosen by the Governor to fill a vacancy created other than by expiration of a term shall be appointed for the unexpired term of the member they are to succeed.

SEC. 87. Section 25200.3 of the Health and Safety Code is amended to read:

25200.3. (a) A generator who uses the following methods for treating RCRA or non-RCRA hazardous waste in tanks or containers, which is generated onsite, and which do not require a hazardous waste facilities permit under the federal act, shall, for those activities, be deemed to be operating pursuant to a grant of conditional authorization without obtaining a hazardous waste facilities permit or other grant of authorization and a generator is deemed to be granted conditional authorization pursuant to this section, upon compliance with the notification requirements specified in subdivision (e), if the treatment complies with the applicable requirements of this section:

(1) The treatment of aqueous wastes that are hazardous solely due to the presence of inorganic constituents, except asbestos, listed in subparagraph (B) of paragraph (1) and subparagraph (A) of paragraph (2) of subdivision (a) of Section 66261.24 of Title 22 of the California Code of Regulations, and which contain not more than 1400 ppm total of these constituents, using the following treatment technologies:

(A) Phase separation, including precipitation, by filtration, centrifugation, or gravity settling, including the use of demulsifiers and flocculants in those processes.

(B) Ion exchange, including metallic replacement.

(C) Reverse osmosis.

(D) Adsorption.

(E) pH adjustment of aqueous waste with a pH of between 2.0 and 12.5.

(F) Electrowinning of solutions, if those solutions do not contain hydrochloric acid.

(G) Reduction of solutions that are hazardous solely due to the presence of hexavalent chromium, to trivalent chromium with sodium bisulfite, sodium metabisulfite, sodium thiosulfite, ferrous chloride, ferrous sulfate, ferrous sulfide, or sulfur dioxide, provided that the solution contains less than 750 ppm of hexavalent chromium.

(2) Treatment of aqueous wastes that are hazardous solely due to the presence of organic constituents listed in subparagraph (B) of paragraph (1), or subparagraph (B) of paragraph (2), of subdivision (a) of Section 66261.24 of Title 22 of the California Code of Regulations and that contain not more than 750 ppm total of those constituents, using either of the following treatment technologies:

(A) Phase separation by filtration, centrifugation, or gravity settling, but excluding supercritical fluid extraction.

(B) Adsorption.

(3) Treatment of wastes that are sludges resulting from wastewater treatment, solid metal objects, and metal workings that contain or are contaminated with, and are hazardous solely due to the presence of, constituents, except asbestos, listed in subparagraph (B) of paragraph (1) of, and subparagraph (A) of paragraph (2) of, subdivision (a) of Section 66261.24 of Title 22 of the California Code of Regulations, or treatment of wastes that are dusts that contain, or are contaminated with, and are hazardous solely due to the presence of, not more than 750 ppm total of those constituents, except asbestos, listed in subparagraph (B) of paragraph (1) of, and subparagraph (A) of paragraph (2) of, subdivision (a) of Section 66261.24 of Title 22 of the California Code of Regulations, using any of the following treatment technologies:

(A) Physical processes that constitute treatment only because they change the physical properties of the waste, such as filtration, centrifugation, gravity settling, grinding, shredding, crushing, or compacting.

(B) Drying to remove water.

(C) Separation based on differences in physical properties, such as size, magnetism, or density.

(4) Treatment of alum, gypsum, lime, sulfur, or phosphate sludges, using either of the following treatment technologies:

(A) Drying to remove water.

(B) Phase separation by filtration, centrifugation, or gravity settling.

(5) Treatment of wastes listed in Section 66261.120 of Title 22 of the California Code of Regulations, which meet the criteria and requirements for special waste classification in Section 66261.122 of Title 22 of the California Code of Regulations, using any of the following treatment technologies, if the waste is hazardous solely due to the presence of constituents, except asbestos, listed in subparagraph (B) of paragraph (1) of, and subparagraph (A) of paragraph (2) of, subdivision (a) of Section 66261.24 of Title 22 of the California Code of Regulations and the waste contains not more than 750 ppm total of those constituents:

(A) Drying to remove water.

(B) Phase separation by filtration, centrifugation, or gravity settling.

(C) Screening to separate components based on size.

(D) Separation based on differences in physical properties, such as size, magnetism, or density.

(6) Treatment of wastes, except asbestos, that have been classified by the department as special wastes pursuant to Section 66261.24 of Title 22 of the California Code of Regulations, using any of the following treatment technologies, if the waste is hazardous solely due to the presence of constituents, except asbestos, listed in subparagraph (B) of paragraph (1) of, and subparagraph (A) of paragraph (2) of, subdivision (a) of Section 66261.24 of Title 22 of the California Code of Regulations and the waste contains not more than 750 ppm of those constituents:

(A) Drying to remove water.

(B) Phase separation by filtration, centrifugation, or gravity settling.

(C) Magnetic separation.

(7) Treatment of soils that are hazardous solely due to the presence of metals listed in subparagraph (A) of paragraph (2) of subdivision (a) of Section 66261.24 of Title 22 of the California Code of Regulations, using either of the following treatment technologies:

(A) Screening to separate components based on size.

(B) Magnetic separation.

(8) Except as provided in Section 25201.5, treatment of oil mixed with water and oil/water separation sludges, using any of the following treatment technologies:

(A) Phase separation by filtration, centrifugation, or gravity settling, but excluding supercritical fluid extraction. This phase separation may include the use of demulsifiers and flocculants in those processes, even if the processes involve the application of heat, if the heat is applied in totally enclosed tanks and containers, and if it does not exceed 160 degrees Fahrenheit, or any lower temperature that may be set by the department.

(B) Separation based on differences in physical properties, such as size, magnetism, or density.

(C) Reverse osmosis.

(9) Neutralization of acidic or alkaline wastes that are hazardous only due to corrosivity or toxicity that results only from the acidic or alkaline material, in elementary neutralization units, as defined in Section 66260.10 of Title 22 of the California Code of Regulations, if the wastes contain less than 10 percent acid or base constituents by weight, and are treated in tanks or containers and piping, constructed of materials compatible with the range of temperatures and pH levels, and subject to appropriate pH and temperature controls. If the waste contains more than 10 percent acid or base constituents by weight, the volume treated in a single batch at any one time shall not exceed 500 gallons.

(10) Treatment of spent cleaners and conditioners that are hazardous solely due to the presence of copper or copper compounds, subject to the following:

(A) The following requirements are met, in addition to all other requirements of this section:

(i) The waste stream does not contain more than 5000 ppm total copper.

(ii) The generator does not generate for treatment any more than 1000 gallons of the waste stream per month.

(iii) The treatment technologies employed are limited to those set forth in paragraph (1) for metallic wastes.

(iv) The generator keeps records documenting compliance with this subdivision, including records indicating the volume and concentration of wastes treated, and the management of related solutions which are not cleaners or conditioners.

(B) Cleaners and conditioners, for purposes of this paragraph, are solutions containing surfactants and detergents to remove dirt and foreign objects. Cleaners and conditioners do not include microetch, etchant, plating, or metal stripping solutions or solutions containing oxidizers, or any cleaner based on organic solvents.

(C) A grant of conditional authorization under this paragraph shall expire on January 1, 1998, unless extended by the department pursuant to this section.

(D) The department shall evaluate the treatment activities described in this paragraph and shall designate, by regulation, not later than January 1, 1997, those activities eligible for conditional authorization and those activities subject to permit-by-rule. In adopting regulations under this subparagraph, the department shall consider all of the following:

(i) The volume of waste being treated.

(ii) The concentration of the hazardous waste constituents.

(iii) The characteristics of the hazardous waste being treated.

(iv) The risks of the operation, and breakdown, of the treatment process.

(11) Any waste stream technology combination certified by the department, pursuant to Section 25200.1.5, as suitable for authorization pursuant to this section, that operates pursuant to the conditions imposed on that certification.

(b) Any treatment performed pursuant to this section shall comply with all of the following, except as to generators, who are treating hazardous waste pursuant to paragraph (11) of subdivision (a), who shall also comply with any additional conditions of the specified certification if those conditions are different from those set forth in this subdivision:

(1) The total volume of hazardous waste treated in the unit in any calendar month shall not exceed 5,000 gallons or 45,000 pounds, whichever is less, unless the waste is a dilute aqueous waste described in paragraph (1), (2), or (9) of subdivision (a) or oily wastes as described in paragraph (8) of subdivision (a). The department may, by regulation, impose volume limitations on wastes that have no limitations under this section, as may be necessary to protect human health and safety or the environment.

(2) The treatment is conducted in tanks or containers.

(3) The treatment does not consist of the use of any of the following:

(A) Chemical additives, except for pH adjustment, chrome reduction, oil/water separation, and precipitation with the use of flocculants, as allowed by this section.

(B) Radiation.

(C) Electrical current except in the use of electrowinning, as allowed by this section.

(D) Pressure, except for reverse osmosis, filtration, and crushing, as allowed by this section.

(E) Application of heat, except for drying to remove water or demulsification, as allowed by this section.

(4) All treatment residuals and effluents are managed and disposed of in accordance with applicable federal, state, and local requirements.

(5) The treatment process does not do either of the following:

(A) Result in the release of hazardous waste into the environment as a means of treatment or disposal.

(B) Result in the emission of volatile hazardous waste constituents or toxic air contaminants, unless the emission is in compliance with the rules and regulations of the air pollution control district or air quality management district.

(6) The generator unit complies with any additional requirements set forth in regulations adopted pursuant to this section.

(c) A generator operating pursuant to subdivision (a) shall comply with all of the following requirements:

(1) Except as provided in paragraph (4), the generator shall comply with the standards applicable to generators specified in Chapter 12 (commencing with Section 66262.10) of Division 4.5 of Title 22 of the California Code of Regulations and with the applicable requirements in Sections 66265.12, 66265.14, and 66265.17 of Title 22 of the California Code of Regulations.

(2) The generator shall comply with Section 25202.9 by making an annual waste minimization certification.

(3) The generator shall comply with the environmental assessment procedures required pursuant to subdivisions (a) to (e), inclusive, of Section 25200.14. If that assessment reveals that there is contamination resulting from the release of hazardous waste or constituents from a solid waste management unit or a hazardous waste management unit at the generator's facility, regardless of the time at which the waste was released, the generator shall take every action necessary to expeditiously remediate that contamination, if the contamination presents a substantial hazard to human health and safety or the environment or if the generator is required to take corrective action by the department. If a facility is remediating the contamination pursuant to, and in compliance with the provisions of, an order issued by a California regional water quality control board or other state or federal environmental enforcement agency, that remediation shall be adequate for the purposes of complying with this section, as the remediation pertains to the jurisdiction of the ordering agency. This paragraph does not limit the authority of the department or a unified program agency pursuant to Section 25187 as may be necessary to protect human health and safety or the environment.

(4) The generator unit shall comply with container and tank standards applicable to non-RCRA wastes, unless otherwise required by federal law, specified in subdivisions (a) and (b) of Section 66264.175 of Title 22 of the California Code of Regulations, as the standards apply to container storage and transfer activities, and to Article 9 (commencing with Section 66265.170) and Article 10 (commencing with Section 66265.190) of Chapter 15 of Division 4.5 of Title 22 of the California Code of Regulations, except for Section 66265.197 of Title 22 of the California Code of Regulations.

(A) Unless otherwise required by federal law, ancillary equipment for a tank or container treating hazardous wastes solely pursuant to this section, is not subject to Section 66265.193 of Title 22 of the California Code of Regulations, if the ancillary equipment's integrity is attested to, pursuant to Section 66265.191 of Title 22 of the California Code of Regulations, every two years from the date that retrofitting requirements would otherwise apply.

(B) (i) The Legislature hereby finds and declares that in the case of underground, gravity-pressured sewer systems, integrity testing is often not feasible.

(ii) The best feasible leak detection measures that are sufficient to ensure that underground gravity-pressured sewer systems, for which it is not feasible to conduct integrity testing, do not leak.

(iii) If it is not feasible for an operator's ancillary equipment, or a portion thereof, to undergo integrity testing, the operator shall not be subject to Section 66265.193 of Title 22 of the California Code of Regulations, if the operator implements the best feasible leak detection measures which are determined to be sufficient by the department in those regulations, and those leak detection measures do not reveal any leaks emanating from the operator's ancillary equipment. Any ancillary equipment found to leak shall be retrofitted by the operator to meet the secondary containment standards of Section 66265.196 of Title 22 of the California Code of Regulations.

(5) The generator shall prepare and maintain a written inspection schedule and a log of inspections conducted.

(6) The generator shall prepare and maintain written operating instructions and a record of the dates, concentrations, amounts, and types of waste treated. Records maintained to comply with the state, federal, or local programs may be used to satisfy this requirement, to the extent that those documents substantially comply with the requirements of this section. The operating instructions shall include, but not be limited to, directions regarding all of the following:

(A) How to operate the treatment unit and carry out waste treatment.

(B) How to recognize potential and actual process upsets and respond to them.

(C) When to implement the contingency plan.

(D) How to determine if the treatment has been efficacious.

(E) How to address the residuals of waste treatment.

(7) The generator shall maintain adequate records to demonstrate to the department and the unified program agency that the requirements and conditions of this section are met, including compliance with all applicable pretreatment standards and with all applicable industrial waste discharge requirements issued by the agency operating the publicly owned treatment works into which the wastes are discharged. The records shall be maintained onsite for a period of five years.

(8) The generator shall treat only hazardous waste that is generated onsite. For purposes of this chapter, a residual material from the treatment of a hazardous waste generated offsite is not a waste that has been generated onsite.

(9) Except as provided in Section 25404.5, the generator shall submit a fee to the California Department of Tax and Fee Administration in the amount required by Section 25205.14 until July 1, 2022, and Section 25205.2 on and after July 1, 2022, unless the generator is subject to a fee under a permit-by-rule. The generator shall submit that fee within 30 days of the date that the fee is assessed by the California Department of Tax and Fee Administration.

(d) Notwithstanding any other law, the following activities are ineligible for conditional authorization:

(1) Treatment in any of the following units:

(A) Landfills.

(B) Surface impoundments.

(C) Injection wells.

(D) Waste piles.

(E) Land treatment units.

(2) Commingling of hazardous waste with any hazardous waste that exceeds the concentration limits or pH limits specified in subdivision (a), or diluting hazardous waste in order to meet the concentration limits or pH limits specified in subdivision (a).

(3) Treatment using a treatment process not specified in subdivision (a).

(4) Pretreatment or posttreatment activities not specified in subdivision (a).

(5) Treatment of any waste that is reactive or extremely hazardous.

(e) (1) Not less than 60 days prior to commencing the first treatment of hazardous waste under this section, the generator shall submit a notification, in person or by certified mail, with return receipt requested, to the department and to one of the following:

(A) The CUPA, if the generator is under the jurisdiction of a CUPA.

(B) If the generator is not under the jurisdiction of a CUPA, the notification shall be submitted to the officer or agency authorized, pursuant to subdivision (f) of Section 25404.3, to implement and enforce the requirements of this chapter listed in paragraph (1) of subdivision (c) of Section 25404.

(2) Upon demonstration of good cause by the generator, the department may allow a shorter time period, than the 60 days required by paragraph (1), between notification and commencement of hazardous waste treatment pursuant to this section.

(3) Each notification submitted pursuant to this subdivision shall be completed, dated, and signed according to the requirements of Section 66270.11 of Title 22 of the California Code of Regulations, as those requirements that were in effect on January 1, 1996, and apply to hazardous waste facilities permit applications, shall be on a form prescribed by the department, and shall include, but not be limited to, all of the following information:

(A) The name, identification number, site address, mailing address, and telephone number of the generator to whom the conditional authorization is granted.

(B) A description of the physical characteristics and chemical composition of the hazardous waste to which the conditional authorization applies.

(C) A description of the hazardous waste treatment activity to which the conditional authorization applies, including the basis for determining that a hazardous waste facilities permit is not required under the federal act.

(D) A description of the characteristics and management of any treatment residuals.

(E) Documentation of any convictions, judgments, settlements, or orders resulting from an action by any local, state, or federal environmental or public health enforcement agency concerning the operation of the facility within the last three years, as the documents would be available under the California Public Records Act (Division 10 (commencing with Section

7920.000) of Title 1 of the Government Code) or the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of the Civil Code). For purposes of this paragraph, a notice of violation for any local, state, or federal agency does not constitute an order and a generator is not required to report the notice unless the violation is not corrected and the notice becomes a final order.

(f) Any generator operating pursuant to a grant of conditional authorization shall comply with all regulations adopted by the department relating to generators of hazardous waste.

(g) (1) Upon terminating operation of any treatment process or unit conditionally authorized pursuant to this section, the generator conducting treatment pursuant to this section shall remove or decontaminate all waste residues, containment system components, soils, and structures or equipment contaminated with hazardous waste from the unit. The removal of the unit from service shall be conducted in a manner that does both of the following:

(A) Minimizes the need for further maintenance.

(B) Eliminates the escape of hazardous waste, hazardous constituents, leachate, contaminated runoff, or waste decomposition products to the environment after the treatment process is no longer in operation.

(2) Any generator conducting treatment pursuant to this section who permanently ceases operation of a treatment process or unit that is conditionally authorized pursuant to this section shall, upon completion of all activities required under this subdivision, provide written notification, in person or by certified mail, with return receipt requested, to the department and to one of the following:

(A) The CUPA, if the generator is under the jurisdiction of a CUPA.

(B) If the generator is not under the jurisdiction of a CUPA, the notification shall be submitted to the officer or agency authorized, pursuant to subdivision (f) of Section 25404.3, to implement and enforce the requirements of this chapter listed in paragraph (1) of subdivision (c) of Section 25404.

(h) In adopting regulations pursuant to this section, the department may impose any further restrictions or limitations consistent with the conditionally authorized status conferred by this section that are necessary to protect human health and safety and the environment.

(i) The department may revoke any conditional authorization granted pursuant to this section. The department shall base a revocation on any one of the causes set forth in subdivision (a) of Section 66270.43 of Title 22 of the California Code of Regulations or in Section 25186, or upon a finding that operation of the facility in question will endanger human health and safety, domestic livestock, wildlife, or the environment. The department shall conduct the revocation of a conditional authorization granted pursuant to this section in accordance with Chapter 21 (commencing with Section 66271.1) of Division 4.5 of Title 22 of the California Code of Regulations and as specified in Section 25186.7.

(j) A generator who would otherwise be subject to this section may contract with the operator of a transportable treatment unit who is operating pursuant to a permit-by-rule, a standardized permit, or a full state hazardous waste facilities permit to treat the generator’s waste. If treatment of the generator’s waste takes place under that type of contract, the generator is not otherwise subject to the requirements of this section, but shall comply with all other requirements of this chapter that apply to generators. The operator of the transportable treatment unit that performs onsite treatment pursuant to this subdivision shall comply with all requirements applicable to transportable treatment units operating pursuant to a permit-by-rule, as set forth in the regulations adopted by the department.

(k) (1) Within 30 days of any change in operation that necessitates modifying any of the information submitted in the notification required pursuant to subdivision (e), a generator shall submit an amended notification, in person or by certified mail, with return receipt requested, to the department and to one of the following:

(A) The CUPA, if the generator is under the jurisdiction of a CUPA.

(B) If the generator is not under the jurisdiction of a CUPA, the notification shall be submitted to the officer or agency authorized, pursuant to subdivision (f) of Section 25404.3, to implement and enforce the requirements of this chapter listed in paragraph (1) of subdivision (c) of Section 25404.

(2) Each amended notification shall be completed, dated, and signed in accordance with the requirements of Section 66270.11 of Title 22 of the California Code of Regulations, as those requirements apply to hazardous waste facilities permit applications.

(l) A person who has submitted a notification to the department pursuant to subdivision (e) shall be deemed to be operating pursuant to this section, and, except as provided in Section 25404.5, shall be subject to the fee set forth in subdivision (a) of Section 25205.14 until July 1, 2022, and Section 25205.2 on and after July 1, 2022, until that person submits a certification that

the generator has ceased all treatment activities of hazardous waste streams authorized pursuant to this section in accordance with the requirements of subdivision (g). The certification required by this subdivision shall be submitted, in person or by certified mail, with return receipt requested, to the department and to one of the following:

(1) The CUPA, if the generator is under the jurisdiction of a CUPA.

(2) If the generator is not under the jurisdiction of a CUPA, the notification shall be submitted to the officer or agency authorized, pursuant to subdivision (f) of Section 25404.3, to implement and enforce the requirements of this chapter listed in paragraph (1) of subdivision (c) of Section 25404.

(m) The development and publication of the notification form specified in subdivision (e) is not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The department shall hold at least one public workshop concerning the development of the notification form.

SEC. 88. Section 25214.8.11.6 of the Health and Safety Code is amended to read:

25214.8.11.6. (a) On or before June 1, 2022, the qualified third party shall provide to the department for review and approval the plan developed by the qualified third party to carry out the program elements identified in Section 25214.8.11.5 and, if implemented by the qualified third party, Section 25214.8.13.

(b) (1) Within 30 days of receipt of the qualified third party's plan pursuant to subdivision (a), the department shall review the plan, determine whether the plan is complete, and notify the qualified third party, in writing, of the department's determination. For the purpose of the department's determination, the qualified third-party's plan shall be deemed complete if the plan addresses each program element identified in Section 25214.8.11.5 and, if implemented by the qualified third party, Section 25214.8.13.

(2) If the department determines that the plan is incomplete, the department shall identify, in writing, what additional information or modifications must be submitted to the department by the qualified third party to complete the plan. The qualified third party shall submit to the department a revised plan within 30 days of the date of the department's written notification. The department shall review the revised plan within 30 days of receipt of the plan.

(c) (1) If the department determines that the plan submitted pursuant to subdivision (a) or revised plan submitted pursuant to paragraph (2) of subdivision (b) is complete, the department shall have 30 days from the date of its determination to review and approve the plan or revised plan.

(2) The department shall review the plan or revised plan for compliance with this act and shall do any of the following:

(A) Approve the plan or revised plan, in which case the department shall provide written notification to the qualified third party of the department's approval of the plan.

(B) Conditionally approve the plan or revised plan, in which case the department shall provide written notification to the qualified third party of the department's conditional approval of the plan. The department shall include in its written notification the basis for its conditional approval and describe, in detail, the requirements with which the qualified third party needs to comply in order to proceed to implement the plan in compliance with this act.

(C) (i) Disapprove the plan or revised plan, in which case the department shall provide written notification to the qualified third party of the department's disapproval of the plan. The department shall include in its written notification the basis for its disapproval and require the qualified third party to submit to the department a revised plan within 30 days of the date of the department's written notification disapproving the plan. The department shall review the revised plan within 15 days of receipt.

(ii) If the department determines that the revised plan submitted pursuant to clause (i) does not comply with this act, the manufacturer, or group of manufacturers, that contracted with or retained the qualified third party shall not be deemed to be in compliance with this act until the qualified third party submits, and the department approves or conditionally approves, a plan that complies with the requirements of this act.

(d) The time taken by the department to review and approve the qualified third party's plan or revised plan pursuant to this section shall toll the qualified third party's July 1, 2022, deadline to develop and implement the statewide educational and outreach campaign required pursuant to subdivisions (c) to (f), inclusive, of Section 25214.8.11.5 and, if implemented by the qualified third party, the July 1, 2022, deadlines pursuant to clauses (ii) to (iv), inclusive, of subparagraph (A) of paragraph (1) of subdivision (a) of Section 25214.8.13.

(e) The program required by this article as it existed before January 1, 2022, shall remain in effect until the plan submitted by the qualified third party pursuant to this section is approved by the department and fully implemented by the qualified third party.

SEC. 89. Section 25214.8.13 of the Health and Safety Code is amended to read:

25214.8.13. (a) (1) (A) Subject to paragraph (2), each manufacturer, or group of manufacturers, shall do all of the following:

(i) Collect, handle, and arrange for the appropriate management of out-of-service mercury-added thermostats in compliance with this act.

(ii) On and after July 1, 2022, provide collection bins for out-of-service mercury-added thermostat collection at no cost to wholesalers in the state that sells thermostats and requests a collection bin.

(iii) On and after July 1, 2022, provide collection bins for out-of-service mercury-added thermostat collection at no cost to any retailer in the state that sells thermostats and requests a collection bin.

(iv) On and after July 1, 2022, provide collection bins for out-of-service mercury-added thermostat collection at no cost to any local governmental agency that requests a collection bin for use at a household hazardous waste collection facility or household hazardous waste event, and at no cost to a licensed contractor that requests a collection bin.

(v) Either arrange for pickup of the collection bins or pay for the costs of shipping the collection bins provided pursuant to clauses (ii) to (iv), inclusive, for proper handling and recycling or disposal of the out-of-service mercury-added thermostats.

(vi) On or before April 1, 2023, and on or before April 1 of each year thereafter, submit an annual report to the department covering the one-year period ending December 31 of the previous calendar year. Each report shall also be posted on the internet website created by the qualified third party pursuant to subdivision (e) of Section 25214.8.11.5. The annual report shall include all of the following:

(I) The number of out-of-service mercury-added thermostats collected in the state during the previous calendar year.

(II) The estimated total amount of mercury contained in the collected out-of-service mercury-added thermostats.

(III) The number of incentives provided to consumers and the total amount of incentives paid to consumers pursuant to the program during the previous calendar year.

(IV) An evaluation of the effectiveness of the program and the extent to which each element of the planned activities has been successful or could be modified to improve the effectiveness of the program.

(V) An accounting of the program administrative costs, including the most recent copy of Internal Revenue Service Form 990 for the qualified third party.

(VI) A description of the outreach strategies employed to increase participation, convenience, and collection rates, including dedicated outreach to rural communities, disadvantaged communities, as identified by the California Environmental Protection Agency pursuant to Section 39711, and low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713, and an assessment of the effectiveness of those outreach strategies.

(VII) Examples of outreach and educational materials used, including:

(aa) A description of the education and outreach conducted for each of the groups identified in subdivision (c) of Section 25214.8.11.5.

(ab) The date and form of education and outreach conducted for or at each collection location.

(ac) Data describing the scope, by medium, of all education and outreach conducted by the qualified third party, including, as applicable, online, digital, social, print, broadcast, or other media.

(VIII) Names and locations of all participating out-of-service mercury-added thermostat collection locations.

(IX) The number of out-of-service mercury-added thermostats collected at each collection location.

(X) The address for the internet website created by the qualified third party pursuant to subdivision (e) of Section 25214.8.11.5 where the annual report may be viewed online.

(XI) A description of how the collected out-of-service mercury-added thermostats were managed.

(XII) The results and analysis of the annual survey conducted by the qualified third party pursuant to Section 25214.8.13.5.

(XIII) Proposed modifications to the program.

(XIV) A description of the qualified third party's expenditures incurred in developing and implementing the program.

(B) Subject to paragraph (2), on or before June 1, 2022, a manufacturer, or group of manufacturers, shall provide to the department for review and approval the plan developed by the manufacturer, or group of manufacturers, to carry out the requirements of this paragraph. The department shall review the plan in accordance with the procedures and timeframes outlined in subdivision (b) of Section 25214.8.11.6.

(2) A manufacturer, or group of manufacturers, may retain, but is not required to retain, the qualified third party to implement the requirements of paragraph (1).

(b) (1) On or before January 1, 2028, the department shall report to the Legislature on the status of the program.

(2) The department shall submit its report pursuant to paragraph (1) in compliance with Section 9795 of the Government Code.

SEC. 90. Section 25214.8.13.5 of the Health and Safety Code is amended to read:

25214.8.13.5. (a) No later than July 1, 2023, and no later than July 1 of each year thereafter until July 1, 2028, the qualified third party shall conduct an annual survey of the groups listed in subdivision (c) of Section 25214.8.11.5 to evaluate the effectiveness of the education and outreach campaign developed by the qualified third party pursuant to subdivisions (c) to (f), inclusive, of Section 25214.8.11.5 and to obtain collection data from each entity engaged in the collection of out-of-service mercury-added thermostats. The qualified third party shall transmit the annual survey results to the department by September 1 of the same year.

(b) The qualified third party shall post the results of the annual survey on the internet website created pursuant to subdivision (e) of Section 25214.8.11.5 and allow public comment on the survey for up to 30 calendar days after the survey is posted on the internet website. The department shall provide on its internet website a link to the qualified third party's survey results and public comments.

(c) The qualified third party shall review the annual survey responses and public comments and, if warranted, by November 1 of the same year, submit to the department for its review and approval proposals to modify the program. The department shall evaluate the qualified third party's proposals, provide feedback on the proposals to the qualified third party, and render a decision on the proposed modifications no later than December 1 of the same year. The modified plan shall be implemented the following calendar year to ensure that all out-of-service mercury-added thermostat collection locations are thoroughly informed about the program and its collection tools and are provided with any technical assistance that may be needed to increase the program's effectiveness at out-of-service mercury-added thermostat collection locations where warranted.

SEC. 91. Section 25214.8.18 of the Health and Safety Code is amended to read:

25214.8.18. (a) The collection, handling, storage, and management of out-of-service mercury-added thermostats pursuant to this act shall be performed in compliance with this chapter and its implementing regulations.

(b) Nothing in this act shall be construed as affecting or modifying a person's responsibility to otherwise comply with this chapter, including its implementing regulations, with respect to hazardous waste.

(c) Except as provided, nothing in this act shall limit or restrict the department's enforcement authority pursuant to this chapter and its implementing regulations.

(d) Notwithstanding any other law, a qualified third party shall not be liable pursuant to this chapter for violations of this act.

SEC. 92. Section 25230.11 of the Health and Safety Code is amended to read:

25230.11. (a) Notwithstanding Sections 25189.5 and 25201, when disposed to land, treated wood waste shall be disposed of in either a class I hazardous waste landfill or in a composite-lined portion of a solid waste landfill unit that meets all requirements applicable to disposal of municipal solid waste in California after October 9, 1993, and that is regulated by waste discharge requirements issued pursuant to Division 7 (commencing with Section 13000) of the Water Code for discharges of designated waste, as defined in Section 13173 of the Water Code, or treated wood waste.

(b) A solid waste landfill that accepts treated wood waste shall comply with all of the following requirements:

(1) Manage the treated wood waste to prevent scavenging.

(2) Ensure that any management of the treated wood waste at the solid waste landfill before disposal, or in lieu of disposal, complies with the applicable requirements of this article, including the prohibitions in Section 25230.3 for handling treated wood

waste.

(3) Handle treated wood waste in a manner consistent with all applicable requirements of the California Occupational Safety and Health Act of 1973 (Part 1 (commencing with Section 6300) of Division 5 of the Labor Code), including all rules, regulations, and orders relating to hazardous waste.

(4) (A) If monitoring at the composite-lined portion of a landfill unit at which treated wood waste has been disposed of indicates a verified release, treated wood waste shall not be discharged to that landfill unit until corrective action results in cessation of the release.

(B) The landfill unit shall notify the department that treated wood waste is no longer being discharged to that landfill unit and when corrective action results in cessation of the release.

SEC. 93. Section 25501 of the Health and Safety Code is amended to read:

25501. Unless the context indicates otherwise, the following definitions govern the construction of this article:

(a) “Agricultural handler” means a business operating a farm that is subject to the exemption specified in Section 25507.1.

(b) “Area plan” means a plan established pursuant to Section 25503 by a unified program agency for emergency response to a release or threatened release of a hazardous material within a city or county.

(c) “Business” means all of the following:

(1) An employer, self-employed individual, trust, firm, joint stock company, corporation, partnership, limited liability partnership or company, or other business entity.

(2) A business organized for profit and a nonprofit business.

(3) The federal government, to the extent authorized by law.

(4) An agency, department, office, board, commission, or bureau of state government, including, but not limited to, the campuses of the California Community Colleges, the California State University, and the University of California.

(5) An agency, department, office, board, commission, or bureau of a city, county, or district.

(6) A handler that operates or owns a unified program facility.

(d) “Business plan” means a separate plan for each unified program facility, site, or branch of a business that meets the requirements of Section 25505.

(e) (1) “Certified unified program agency” or “CUPA” means the agency certified by the secretary to implement the unified program specified in Chapter 6.11 (commencing with Section 25404) within a jurisdiction.

(2) “Participating agency” or “PA” means an agency that has a written agreement with the CUPA pursuant to subdivision (d) of Section 25404.3, and is approved by the secretary, to implement or enforce one or more of the unified program elements specified in paragraphs (4) and (5) of subdivision (c) of Section 25404, in accordance with Sections 25404.1 and 25404.2.

(3) “Unified program agency” or “UPA” means the CUPA, or its participating agencies to the extent each PA has been designated by the CUPA, pursuant to a written agreement, to implement or enforce a particular unified program element specified in paragraphs (4) and (5) of subdivision (c) of Section 25404. For purposes of this article and Article 2 (commencing with Section 25531), the UPAs have the responsibility and authority, to the extent provided by this article and Article 2 (commencing with Section 25531) and Sections 25404.1 and 25404.2, to implement and enforce only those requirements of this article and Article 2 (commencing with Section 25531) listed in paragraphs (4) and (5) of subdivision (c) of Section 25404.

(4) The UPAs also have the responsibility and authority, to the extent provided by this article and Article 2 (commencing with Section 25531) and Sections 25404.1 and 25404.2, to implement and enforce the regulations adopted to implement the requirements of this article and Article 2 (commencing with Section 25531) listed in paragraphs (4) and (5) of subdivision (c) of Section 25404. After a CUPA has been certified by the secretary, the unified program agencies shall be the only local agencies authorized to enforce the requirements of this article and Article 2 (commencing with Section 25531) listed in paragraphs (4) and (5) of subdivision (c) of Section 25404 within the jurisdiction of the CUPA.

(f) “City” includes any city and county.

(g) “Chemical name” means the scientific designation of a substance in accordance with the nomenclature system developed by the International Union of Pure and Applied Chemistry or the system developed by the Chemical Abstracts Service.

(h) “Common name” means any designation or identification, such as a code name, code number, trade name, or brand name, used to identify a substance by other than its chemical name.

(i) “Compressed gas” means a material, or mixture of materials, that meets either of the following:

(1) The definition of compressed gas or cryogenic fluid found in the California Fire Code.

(2) Compressed gas that is regulated pursuant to Part 1 (commencing with Section 6300) of Division 5 of the Labor Code.

(j) “Consumer product” means a commodity used for personal, family, or household purposes, or is present in the same form, concentration, and quantity as a product prepackaged for distribution to and use by the general public.

(k) “Emergency response personnel” means a public employee, including, but not limited to, a firefighter or emergency rescue personnel, as defined in Section 245.1 of the Penal Code, or personnel of a local emergency medical services (EMS) agency, as designated pursuant to Section 1797.200, who is responsible for response, mitigation, or recovery activities in a medical, fire, or hazardous material incident, or natural disaster where public health, public safety, or the environment may be impacted.

(l) “Handle” means all of the following:

(1) (A) To use, generate, process, produce, package, treat, store, emit, discharge, or dispose of a hazardous material in any fashion.

(B) For purposes of subparagraph (A), “store” does not include the storage of hazardous materials incidental to transportation, as defined in Title 49 of the Code of Federal Regulations, with regard to the inventory requirements of Section 25506.

(2) (A) The use or potential use of a quantity of hazardous material by the connection of a marine vessel, tank vehicle, tank car, or container to a system or process for any purpose.

(B) For purposes of subparagraph (A), the use or potential use does not include the immediate transfer to or from an approved atmospheric tank or approved portable tank that is regulated as loading or unloading incidental to transportation by Title 49 of the Code of Federal Regulations.

(m) “Handler” means a business that handles a hazardous material.

(n) (1) “Hazardous material” means a material listed in paragraph (2) that, because of its quantity, concentration, or physical or chemical characteristics, poses a significant present or potential hazard to human health and safety or to the environment if released into the workplace or the environment, or a material specified in an ordinance adopted pursuant to paragraph (3).

(2) Hazardous materials include all of the following:

(A) A substance or product for which the manufacturer or producer is required to prepare a material safety data sheet pursuant to the Hazardous Substances Information and Training Act (Chapter 2.5 (commencing with Section 6360) of Part 1 of Division 5 of the Labor Code) or pursuant to any applicable federal law or regulation.

(B) A substance listed as a radioactive material in Appendix B of Part 30 (commencing with Section 30.1) of Title 10 of the Code of Federal Regulations, as maintained and updated by the United States Nuclear Regulatory Commission.

(C) A substance listed pursuant to Title 49 of the Code of Federal Regulations.

(D) A substance listed in Section 339 of Title 8 of the California Code of Regulations.

(E) A material listed as a hazardous waste, as defined by Sections 25115, 25117, and 25316.

(3) The governing body of a unified program agency may adopt an ordinance that provides that, within the jurisdiction of the unified program agency, a material not listed in paragraph (2) is a hazardous material for purposes of this article if a handler has a reasonable basis for believing that the material would be injurious to the health and safety of persons or harmful to the environment if released into the workplace or the environment, and requests the governing body of the unified program agency to adopt that ordinance, or if the governing body of the unified program agency has a reasonable basis for believing that the material would be injurious to the health and safety of persons or harmful to the environment if released into the workplace or the environment. The handler or the unified program agency shall notify the secretary no later than 30 days after the date an ordinance is adopted pursuant to this paragraph.

(o) “Release” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment, unless permitted or authorized by a regulatory agency.

(p) “Retail establishment” means a business that sells consumer products prepackaged for distribution to, and intended for use by, the general public. A retail establishment may include storage areas or storerooms in establishments that are separated from shelves for display areas but maintained within the physical confines of the retail establishments. A retail establishment does not include a pest control dealer, as defined in Section 11407 of the Food and Agricultural Code.

(q) “Secretary” means the Secretary for Environmental Protection.

(r) “Statewide information management system” means the statewide information management system established pursuant to subdivision (e) of Section 25404 that provides for the combination of state and local information management systems for the purposes of managing unified program data.

(s) “Threatened release” means a condition, circumstance, or incident making it necessary to take immediate action to prevent, reduce, or mitigate a release with the potential to cause damage or harm to persons, property, or the environment.

(t) “Trade secret” means trade secrets as defined in either subdivision (f) of Section 7924.510 of the Government Code or Section 1061 of the Evidence Code.

(u) “Unified program facility” means all contiguous land and structures, other appurtenances, and improvements on the land that are subject to the requirements of paragraphs (4) and (5) of subdivision (c) of Section 25404. For purposes of this article, “facility” has the same meaning as unified program facility.

SEC. 94. Section 25538 of the Health and Safety Code is amended to read:

25538. (a) If a stationary source believes that any information required to be reported, submitted, or otherwise provided to the unified program agency pursuant to this article involves the release of a trade secret, the stationary source shall provide the information to the unified program agency and shall notify the unified program agency in writing of that belief. Upon receipt of a claim of trade secret related to an RMP, the unified program agency shall review the claim and shall segregate properly substantiated trade secret information from information that shall be made available to the public upon request in accordance with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). As used in this section, “trade secret” has the same meaning as in subdivision (f) of Section 7924.510 of the Government Code and Section 1061 of the Evidence Code.

(b) Except as otherwise specified in this section, the unified program agency shall not disclose any properly substantiated trade secret that is so designated by the owner or operator of a stationary source.

(c) The unified program agency may disclose trade secrets received by the unified program agency pursuant to this article to authorized officers or employees of other governmental agencies only in connection with the official duties of that officer or employee pursuant to any law for the protection of health and safety.

(d) Any officer or employee or former officer or employee of the unified program agency or any other government agency who, because of that employment or official position, has possession of or access to information designated as a trade secret pursuant to this section shall not knowingly and willfully disclose the information in any manner to any person not authorized to receive the information pursuant to this section. Notwithstanding Section 25515, any person who violates this subdivision, and who knows that disclosure of this information to the general public is prohibited by the section, shall, upon conviction, be punished by imprisonment in the county jail for not more than six months or by a fine of not more than one thousand dollars ($1,000), or by both that fine and imprisonment.

(e) Any information prohibited from disclosure pursuant to any federal statute or regulation shall not be disclosed.

(f) This section does not authorize any stationary source to refuse to disclose to the unified program agency any information required pursuant to this article.

(g) (1) Upon receipt of a request for the release of information to the public that includes information that the stationary source has notified the unified program agency is a trade secret pursuant to subdivision (a), the unified program agency shall notify the stationary source in writing of the request by certified mail, return receipt requested. The owner or operator of the stationary source shall have 30 days from receipt of the notification to provide the unified program agency with any materials or information intended to supplement the information submitted pursuant to subdivision (a) and needed to substantiate the claim of trade secret. The unified program agency shall review the claim of trade secret and shall determine whether the claim is properly substantiated.

(2) The unified program agency shall inform the stationary source in writing, by certified mail, return receipt requested, of any determination by the unified program agency that some, or all, of a claim of trade secret has not been substantiated. Not earlier than 30 days after the receipt by a stationary source of notice of the determination, the unified program agency shall release the information to the public, unless, prior to the expiration of the 30-day period, the stationary source files an action in an

appropriate court for a declaratory judgment that the information is subject to protection under subdivision (b) or for an injunction prohibiting disclosure of the information to the public, and promptly notifies the unified program agency of that action.

SEC. 95. Section 38599.11 of the Health and Safety Code is amended to read:

38599.11. (a) By July 1, 2025, the state board shall work with the labor agency to update Greenhouse Gas Reduction Fund funding guidelines for administering agencies to ensure that all applicants to grant programs listed in Section 39719 and funded by the Greenhouse Gas Reduction Fund meet all of the following standards:

(1) Fair and responsible employer standards, meaning documented compliance with applicable labor laws and labor-related commitments concerning wages, workplace safety, rights to association and assembly, and nondiscrimination standards.

(2) Inclusive procurement policies, meaning applicant procurement policies that prioritize bids from entities that demonstrate the creation of high-quality jobs or the creation of jobs in under-resourced, tribal, and low-income communities, or both the creation of high-quality jobs and the creation of jobs in those communities.

(3) Prevailing wage for any construction work funded in part or in full by the grant.

(b) On and after the adoption of the update pursuant to subdivision (a), all of the following apply:

(1) Applicants seeking over one million dollars ($1,000,000) in funding for construction projects shall provide evidence of a community workforce agreement.

(2) Administering agencies shall give preference to applicants that demonstrate a partnership with an educational institution or training program targeting residents of under-resourced, tribal, and low-income communities in the same region as the proposed project.

(3) Administering agencies shall give preference to applicants that demonstrate that jobs created through the proposed project will be high-quality jobs.

(c) (1) Applicants for projects that involve federal funding, technical assistance, research, or funding provided pursuant to paragraph (3) of subdivision (b) of Section 39719 are exempt from this section.

(2) This section does not apply to an applicant who is not an employer.

(3) (A) This section does not apply to a housing project that will feature 100 percent affordable units, exclusive of a manager's unit or units.

(B) For purposes of this paragraph, "affordable unit" means a unit that is subject to a recorded affordability restriction for 55 years and is either of the following:

(i) A rental unit dedicated to persons and families of low income, as defined in Section 50093.

(ii) An owner-occupied unit dedicated to persons and families of moderate income, as defined in Section 50093.

(d) For purposes of this section, an applicant shall be responsible for ensuring that any contractors employed in service to the project funded meet the standards the applicant outlines in the applicant's project application.

(e) In implementing this section, the state board shall work with administering agencies to leverage existing programs and funding to assist applicants with meeting these standards.

SEC. 96. Section 39692 of the Health and Safety Code is amended to read:

39692. A fleet purchaser shall be in breach of any contract entered into pursuant to Section 39687 that is in effect and shall be out of compliance with this section if, during the term of the contract, the fleet purchaser uses a vehicle in its operations for which it has previously received an incentive and the vehicle is not under the full ownership and operational control of the fleet purchaser.

SEC. 97. Section 44274.13 of the Health and Safety Code is amended to read:

44274.13. (a) The administering agency, in consultation with the state board, shall develop a data collection and dissemination strategy for the program to facilitate informed decisionmaking by other state agencies and private sector financiers.

(b) The administering agency shall keep confidential all business trade secrets and proprietary information about fleets that the administering agency gathers or becomes aware of through the course of implementing and administering this article, including

through applications for financial assistance. Business trade secrets and proprietary information obtained pursuant to this subdivision are not subject to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(c) The strategy developed pursuant to subdivision (a) shall include data that is necessary to facilitate the financing of zero-emission vehicles in order to increase the scalability of financial tools and nonfinancial supports. These data include, but are not limited to, vehicle and battery performance, upfront and operational costs, residual values, operational revenues, and zero-emission vehicle miles traveled.

(d) The administering agency shall track project implementation and report the outcomes to the state board no less often than annually, including vehicle or equipment data necessary to calculate criteria air pollutant and greenhouse gas emission reductions, demographic and business data necessary to determine cobenefits, and socioeconomic benefits to residents, including those in underserved communities. Specific data points shall be determined by the state board and included in the interagency agreement described in Sections 44274.11 and 44274.12.

SEC. 98. Section 50220.6 of the Health and Safety Code is amended to read:

50220.6. (a) Notwithstanding any law, a recipient that enters into an agreement as set forth in paragraph (10) of subdivision (a) of Section 50219, paragraph (7) of subdivision (b) of Section 50225.5, clause (iii) of subparagraph (B) of paragraph (3) of subdivision (b) of Section 50220.7, and subparagraph (C) of paragraph (3) of subdivision (b) of Section 50220.8 shall provide data elements, including, but not limited to, health information, in a manner consistent with federal law, to the statewide Homeless Management Information System when the system becomes available.

(b) (1) The council shall specify the form and substance of the required data elements.

(2) The council may, as required by operational necessity, amend or modify data elements, disclosure formats, or disclosure frequency.

(c) Any health information provided to, or maintained within, the statewide Homeless Management Information System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(d) For purposes of this paragraph, “health information” means “protected health information,” as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and “medical information,” as defined in subdivision (j) of Section 56.05 of the Civil Code.

SEC. 99. Section 50254 of the Health and Safety Code is amended to read:

50254. (a) Notwithstanding any other law, all recipients of funds pursuant to this chapter shall provide data elements, including, but not limited to, health information, in a manner consistent with state and federal law, to their local Homeless Management Information System for tracking in the statewide Homeless Data Integration System.

(b) (1) The council shall specify the form and substance of the required data elements.

(2) The council may, as required by operational necessity, amend or modify data elements, disclosure formats, or disclosure frequency.

(c) Any health information or personal identifying information provided to or maintained within the statewide Homeless Data Integration System pursuant to this section shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(d) For purposes of this paragraph, “health information” includes “protected health information,” as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and “medical information,” as defined in subdivision (j) of Section 56.05 of the Civil Code.

(e) All recipients shall provide information and products developed with grant funds on service delivery models in support of the overall program goal to mitigate risk and address safety concerns in encampments, while ensuring a pathway for individuals living in encampments to move into safe and stable housing, in a format and timeframe specified by the council.

(f) The council shall evaluate the data and outcomes reported by recipients to assess efficacy of programs and identify scalable best practices for encampment resolution that can be replicated across the state.

(g) The council shall report to the chairs of the relevant fiscal and policy committees in both houses on the outcomes, learnings, and best practice models identified through this program. The report shall be submitted in compliance with Section 9795.

SEC. 100. Section 50259 of the Health and Safety Code is amended to read:

50259. (a) All recipients of funds pursuant to this chapter shall provide data elements, including, but not limited to, health information, in a manner consistent with federal law, to their local Homeless Management Information System, for tracking in the statewide Homeless Data Integration System.

(b) (1) The council shall specify the form and substance of required data elements.

(2) The council may, as required by operational necessity, amend or modify data elements, disclosure formats, or disclosure frequency.

(c) Any health information or personal identifying information provided to, or maintained within, the Homeless Data Integration System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(d) For purposes of this paragraph, “health information” includes “protected health information,” as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and “medical information,” as defined in subdivision (j) of Section 56.05 of the Civil Code.

(e) All recipients of funds shall provide information and products developed with grant funds on service delivery models in support of the overall program goal to create scalable solutions to family homelessness in a format and timeframe as specified by the council.

SEC. 101. Section 50897 of the Health and Safety Code is amended to read:

50897. For purposes of this chapter:

(a) “City” means a city or a city and county. For purposes of this chapter, a city may be organized either under the general laws of this state or under a charter adopted pursuant to Section 3 of Article XI of the California Constitution.

(b) “County” means a county, including a county organized under a charter adopted pursuant to Section 3 of Article XI of the California Constitution, or a city and county.

(c) “Completed application” means an application for which a landlord or eligible household, as applicable, has provided all the necessary contact information and documentation required for a government rental assistance program to initiate a review of the application for eligibility.

(d) “Department” means the Department of Housing and Community Development.

(e) (1) “Eligible household” has the same meaning as defined in Section 501(k)(3) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(2) Notwithstanding paragraph (1), for purposes of Round 2, “eligible household” has the same meaning as defined in Section 3201(f)(2) of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2).

(f) “Federally recognized tribe” means an Indian tribe, as described in Section 501(k)(2)(C) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(g) “Grantee” means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county, that participates in a rental assistance program pursuant to this chapter.

(h) “Option A” means the administrative option grantees utilize pursuant to subparagraphs (A) and (B) of paragraph (1) of subdivision (b) of Section 50897.3 or subparagraphs (A) and (B) of paragraph (1) of subdivision (b) of Section 50897.3.1, as applicable.

(i) “Option B” means the administrative option grantees utilize pursuant to Section 50897.2 or 50897.2.1, as applicable.

(j) “Option C” means the administrative option grantees utilize pursuant to paragraph (2) of subdivision (b) of Section 50897.3 or paragraph (2) of subdivision (b) of Section 50897.3.1, as applicable.

(k) “Program” means the process for awarding funds for state rental assistance pursuant to this chapter, as provided in Section 50897.2, 50897.2.1, 50897.3, or 50897.3.1, as applicable.

(l) “Program implementer” means the contracted vendor selected to administer emergency rental assistance under the program pursuant to paragraph (1) of subdivision (a) of Section 50897.3.

(m) “Prospective rent payment” means a rent payment eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(n) “Rental arrears” means rental arrears eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(o) “Round 1” means the state rental assistance program established by funds provided by Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(p) “Round 2” means the state rental assistance program established by funds provided by Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2).

(q) “State reservation table” means the methodology for allocating the state’s portion of funding for Round 1 and Round 2 as follows:

(1) (A) With respect to funding received for Round 1, no more than 10 percent for state administration.

(B) Round 1 shall include one hundred fifty million dollars ($150,000,000) total set aside for smaller counties with a population less than 200,000, allocated based on the proportional share of population from the 2019 federal census data.

(C) The remainder of the state allocation to be distributed to eligible grantees with a population 200,000 or greater, based on their proportional share of population from the 2019 federal census data.

(2) (A) With respect to funding for Round 2, no more than 15 percent shall be used for state administration.

(B) Subject to the requirements of this paragraph, Round 2 funding shall include one hundred twenty-five million dollars ($125,000,000) total set aside for counties with a population less than 200,000, allocated based on their proportional share of the population from the 2019 federal census data.

(C) The remainder of the state allocation to be distributed to grantees with a population 200,000 or greater, based on their proportional share of population from the 2019 federal census data.

(D) The department shall pay all grantees an initial payment that is equal to an amount not less than 40 percent of each grantee’s total allocation provided under this paragraph.

(i) Subsequent payments shall be paid to grantees in tranches up to the full amount of each grantee’s total state allocation in accordance with a procedure established by the department that shall require that a grantee has obligated not less than 75 percent of funds provided pursuant to this subparagraph.

(ii) The department shall have the authority to reallocate unused funds and shall prioritize allocating funds based on factors that include a grantee’s unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(r) “Utilities” means utilities and home energy costs eligible for financial assistance pursuant to Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

SEC. 102. Section 50897.1 of the Health and Safety Code is amended to read:

50897.1. (a) (1) Funds available for rental assistance pursuant to this chapter shall consist of state rental assistance funds made available pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) and Section 3201 of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) and shall be administered by the department in accordance with this chapter and applicable federal law.

(2) Each grantee shall be eligible to receive an allocation of rental assistance funds, calculated in accordance with the state reservation table.

(3) The state high-need grantee set aside provided pursuant to Section 3201(a)(2)(D) of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2) shall be allocated or administered by the department, or program implementer, pursuant to applicable federal requirements.

(4) Additional rental assistance funds allocated to the state from the United States Treasury pursuant to Section 501(d) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or Section 3201(e) of Subtitle B of Title III of the federal American Rescue Plan Act of 2021 (Public Law 117-2) shall be allocated, at the department’s discretion, with prioritization based on factors that include a grantee’s unmet need, rate of application submissions, rate of attrition, and rate of expenditures.

(5) Except as otherwise provided in this chapter, funds available for rental assistance administered pursuant to Section 50897.3 or 50897.3.1 shall consist of state rental assistance funds calculated pursuant to the state reservation table.

(b) Funds provided for and administered pursuant to this chapter shall be used in a manner consistent with federal law, including the prioritization of assistance specified in Section 501(c)(4) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260). In addition, in providing assistance pursuant to this chapter, the department and, if applicable, the program implementer shall prioritize communities disproportionately impacted by COVID-19, as determined by the department. State prioritization shall be as follows:

(1) Priority one shall be eligible households, as specified in Section 501(c)(4) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), to expressly target assistance for eligible households with a household income that is not more than 50 percent of the area median income or any eligible households that receive a notice described in Section 1179.10 of the Code of Civil Procedure or a summons described in Section 1179.11 of the Code of Civil Procedure.

(2) Priority two shall be communities disproportionately impacted by COVID-19, as determined by the department.

(3) Priority three shall be eligible households that are not otherwise prioritized as described in paragraphs (1) and (2), to expressly include eligible households with a household income that is not more than 80 percent of the area median income.

(c) (1) Except as otherwise provided in paragraph (2), eligible uses for funds made available to a grantee under this chapter shall be as follows:

(A) Rental arrears.

(B) Prospective rent payments.

(C) Utilities, including arrears and prospective payments for utilities.

(D) Any other expenses related to housing as provided in Section 501(c)(2)(A) of Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260).

(E) Any additional use authorized under federal law and guidance.

(2) For purposes of stabilizing households and preventing evictions, rental arrears shall be given priority for purposes of providing rental assistance pursuant to this chapter.

(3) Remaining funds not used as described in paragraph (2) may be used for any eligible use described in subparagraphs (B), (C), and (D) of paragraph (1).

(d) Assistance for rental arrears may be provided as a payment directly to a landlord on behalf of an eligible household by entering into an agreement with the landlord, subject to both of the following:

(1) Assistance for rental arrears shall be set at compensation of 100 percent of an eligible household’s unpaid rental debt accumulated on or after April 1, 2020.

(2) (A) Acceptance of a payment made pursuant to this subdivision shall be conditioned on the landlord’s agreement to accept the payment as payment in full of the rental debt owed by any tenant within the eligible household for whom rental assistance is being provided for the specified time period. The landlord’s release of claims pursuant to this subparagraph shall take effect only upon payment being made to the landlord pursuant to this subdivision.

(B) The landlord’s agreement to accept payment pursuant to this subdivision as payment in full, as provided in subparagraph (A), shall include the landlord’s agreement to release any and all claims for nonpayment of rental debt owed for the specified time period, including a claim for unlawful detainer pursuant to paragraph (2) and (3) of Section 1161 of the Code of Civil Procedure, against any tenant within the eligible household for whom the rental assistance is being provided.

(e) (1) A member of an eligible household may directly apply for rental arrears assistance from the grantee. Assistance for rental arrears pursuant to this subdivision shall be set at compensation of 100 percent of the eligible household’s unpaid rental debt accumulated on or after April 1, 2020.

(2) (A) Upon receipt of assistance, the eligible household shall provide the full amount of rental arrears to the landlord within 15 days, excluding Saturdays, Sundays, and judicial holidays, of receipt of the funds.

(B) (i) If the household does not comply with subparagraph (A), the landlord may charge a late fee not to exceed the amount that the landlord may charge a tenant for one late rental payment under the terms of the lease or rental agreement.

(ii) Failure to pay a late fee charged by a landlord pursuant to this subparagraph shall not be grounds for an unlawful detainer action.

(C) A member of an eligible household described by this paragraph shall attest under penalty of perjury that the household will comply with the requirements of this paragraph.

(f) Funds used to provide assistance for prospective rent payments for an eligible household shall be set at 100 percent of the eligible household's monthly rent.

(g) (1) When a landlord or tenant submits a completed application, grantees shall provide notification to the respective parties included in the application.

(2) Upon approval of payment for a landlord or tenant application, as applicable, grantees shall provide notification to the respective parties included in the application.

(h) (1) Assistance provided under this chapter shall be provided to eligible households or, if applicable, to landlords on behalf of eligible households that are currently housed and occupying the residential unit for which the assistance is requested at the time of the application.

(2) (A) Notwithstanding paragraph (1), eligible households that no longer occupy the residential unit with respect to which rental assistance has been requested and have demonstrated rental arrears shall be eligible for assistance.

(B) (i) Subject to clause (ii), assistance provided pursuant to this paragraph shall be prioritized to participating landlords.

(ii) If the landlord does not participate, payments may be provided directly to the eligible household if the eligible household provides any amount received for rental assistance to the landlord. A member of the eligible household shall attest under penalty of perjury that the household will comply with the requirements of this clause.

(C) It is the intent of the Legislature for grantees to exercise maximum discretion within the limitations of federal law and guidance to establish eligibility and documentation requirements for households no longer occupying the unit in question to ensure funds administered pursuant to this paragraph are deployed in a streamlined manner.

(D) A payment made directly to a participating landlord pursuant to this paragraph shall be considered as payment in full and shall include the landlord's agreement to release any and all claims for nonpayment of rental debt owed for the specified time period, including a claim for unlawful detainer pursuant to paragraphs (2) and (3) of Section 1161 of the Code of Civil Procedure.

(i) For purposes of the protections against housing discrimination provided under the California Fair Employment and Housing Act (Part 2.8 (commencing with Section 12900) of Division 3 of Title 2 of the Government Code), assistance provided under this chapter shall be deemed to be a "source of income," as that term is defined in subdivision (i) of Section 12927 of the Government Code.

(j) (1) Notwithstanding any other law, except as otherwise provided in subdivision (i), assistance provided to an eligible household for a payment as provided in this chapter or as provided as a direct allocation to grantees from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or Section 3201 of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2) shall not be deemed to be income for purposes of the Personal Income Tax Law (Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code) or used to determine the eligibility of an eligible household, or any member of an eligible household, for any state program or local program financed wholly or in part by state funds.

(2) Notwithstanding any other law, for taxable years beginning on or after January 1, 2020, and before January 1, 2025, gross income shall not include a tenant's rent liability that is forgiven by a landlord as provided in this chapter or as rent forgiveness provided through funds grantees received as a direct allocation from the Secretary of the Treasury pursuant to Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or Section 3201 of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2).

(k) (1) The department may adopt, amend, and repeal rules, guidelines, or procedures necessary to carry out the purposes of this chapter, including guidelines regarding the administration of federal rental assistance funds received under Subtitle A of Title V of Division N of the federal Consolidated Appropriations Act, 2021 (Public Law 116-260) or the administration of federal rental assistance funds received under Section 3201 of Subtitle B of Title III of the American Rescue Plan Act of 2021 (Public Law 117-2) that are consistent with the requirements of that federal law and any regulations promulgated pursuant to that federal law.

(2) The adoption, amendment, or repeal of rules, guidelines, or procedures authorized by this subdivision is exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(l) Any interest that the state, a grantee, or, if applicable, the program implementer derives from the deposit of funds made available pursuant to this chapter or pursuant to subdivision (e) of Section 925.6 of the Government Code shall be used to provide additional assistance under this chapter.

(m) Upon notification from the Director of Finance to the Joint Legislative Budget Committee that additional federal rental assistance resources have been obtained, that assistance may be deployed in a manner consistent with this chapter. Any statutory provision established by subsequent federal law specific to the administration of those additional resources shall supersede the provisions contained in this chapter to the extent that there is a conflict between those federal statutory provisions and this chapter. To implement future federal rental assistance, the department shall make corresponding programmatic changes to effectuate the program in compliance with federal law.

(n) Notwithstanding any other law, a third party shall be prohibited from receiving compensation for services provided to an eligible household in applying for or receiving assistance under this chapter, except that this prohibition shall not apply to any contracted entity that renders those services upon the express authorization by the department, the program implementer, or a grantee.

(o) Assistance provided under this chapter shall include a receipt that provides confirmation of payment that has been made. The receipt shall include, but not be limited to, the amount of payment or forgiveness, as applicable, and the time period for which assistance was provided. The receipt shall be provided to both the eligible household and the landlord.

(p) (1) The department, program implementer, or grantee, as applicable, that has completed rental assistance payments subject to the provisions of this section, as amended by Chapter 5 of the Statutes of 2021, shall provide additional assistance to previous recipients so that total assistance provided is equivalent to 100 percent of an eligible household's rental arrears or prospective rent for the period originally requested, as applicable.

(2) To make payments pursuant to this subdivision in a timely manner, additional assistance shall be executed without the counter signature from the eligible household or landlord.

(q) A grantee may request a change to its administrative option as provided in Round 1 or Round 2, as applicable, subject to the approval of the department.

(r) (1) A grantee that receives funds and administer rental assistance programs pursuant to this chapter shall meet the requirements of Chapter 6 (commencing with Section 1179.08) of Title 3 of Part 3 of the Code of Civil Procedure.

(2) A grantee shall provide notification to the landlord and tenant when either the landlord or the tenant submits a completed application for rental assistance.

(3) A grantee shall provide notification to the landlord and tenant once a final decision has been rendered. The notification shall include the total amount of assistance paid and the time period for which assistance was provided, as applicable.

(4) Failure to comply with the requirements of this subdivision may result in the grantee's share of funds received from the state pursuant to Section 50897.2 or 50897.2.1 reverted to the department for reallocation at the department's discretion.

(s) For purposes of this section:

(1) "Rental debt" includes rent, fees, interest, or any other financial obligation under a lease for use and occupancy of the leased premises, but does not include liability for torts or damage to the property beyond ordinary wear and tear.

(2) "Specified time period" means the period of time for which payment is provided, as specified in the agreement entered into with the landlord.

SEC. 103. Section 111928 of the Health and Safety Code is amended to read:

111928. (a) The Department of Food and Agriculture and the State Department of Public Health, in consultation with the Department of Cannabis Control, if necessary, shall develop a process to share license, registration, cultivar, and enforcement information to facilitate compliance and enforcement against unlicensed manufacturers or the sale of industrial hemp that does not meet the requirements of this part.

(b) Communications shared between state agencies and local and law enforcement officials regarding license, registration, cultivar, and enforcement information of manufacturers and retailers of industrial hemp products and raw extract shall not be subject to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be considered "official information" pursuant to Section 1040 of the Evidence Code.

SEC. 104. Section 115917 of the Health and Safety Code is amended to read:

115917. (a) (1) On or before July 1, 2022, the council shall direct a new or existing working group to study water recreation hazards at priority water-contact recreation sites.

(2) The working group shall be cochaired by representatives from the state board and the department.

(3) The working group shall include representation from other state agencies as deemed appropriate by the council.

(b) On or before July 1, 2023, the working group shall submit a report to the council that the council shall post on its internet website that shall include all of the following:

(1) A summary of existing, readily available data that identifies water-contact recreation sites.

(2) A summary of existing, readily available data for specific water-contact recreation sites that indicates the timing and types of uses that involve limited body or full body contact with the water and any demographic information about the users.

(3) Potential criteria for identifying priority water-contact recreation sites, with an emphasis on establishing equity-based criteria, including, but not limited to, the use by one or more overburdened communities.

(4) A discussion of potential water quality hazards at priority water-contact recreation sites.

(5) General recommendations for reducing water quality risks at priority water-contact recreation sites. The recommendations may include, but are not limited to, any of the following:

(A) A risk-based water quality monitoring program.

(B) A public water quality safety education campaign.

(C) Posting and notification of water quality hazards at identified water bodies.

(D) Standards or criteria needed to better protect the public from water quality hazards.

(c) On or before December 31, 2023, the council, in consultation with the department, local health officers, and the public, shall propose to the state board for consideration, based on the working group report described in subdivision (b), both of the following:

(1) A definition of a priority water-contact recreation site.

(2) Recommendations and requirements for the establishment of a priority water-contact recreation site monitoring program that shall include, but is not limited to, all of the following components:

(A) The number of monitoring samples necessary per priority water-contact recreation site.

(B) The frequency of monitoring.

(C) The annual or seasonal duration of monitoring.

(D) The microbiological standards, methods, and data sharing protocols to be used to support an effective monitoring program.

(d) In developing a proposed definition of a priority water-contact recreation site, the council shall consider various characteristics of a water body including, but not limited to, whether the water body is all of the following:

(1) A fresh or estuarine surface water, including water bodies with seasonal or tidal fluctuations.

(2) Used for organized recreational events with water contact.

(3) Used for commercial purposes with water contact.

(4) Accessed through a required fee area and used for water contact.

(5) Used by a high number of persons for water contact recreation.

(6) Designated by the state board or a regional board for water contact recreation (REC-1) beneficial use.

(7) Used by overburdened communities.

(8) Identified as having the potential for significant water quality hazards.

(e) For purposes of this section, the following definitions apply:

(1) “Council” means the California Water Quality Monitoring Council established pursuant to Section 13181 of the Water Code.

(2) “Department” means the State Department of Public Health.

(3) “Inland water” means all fresh and estuarine surface waters of the state.

(4) “Overburdened community” means a minority, low-income, tribal, or indigenous population or geographic location that potentially experiences disproportionate environmental harms and risks. The disproportionality can be as a result of greater vulnerability to environmental hazards, lack of opportunity for public participation, or other factors. Increased vulnerability may be attributable to an accumulation of negative or lack of positive environmental, health, economic, or social conditions within these populations or places. “Overburdened community” includes situations where multiple factors, including both environmental and socioeconomic stressors, may act cumulatively to affect health and the environment and contribute to persistent environmental health disparities.

(5) “Regional board” means a California regional water quality control board.

(6) “State board” means the State Water Resources Control Board.

(7) “Water-contact recreation site” means any inland water that is used, or is suitable for being used, recreationally in a manner that involves limited body or full body contact with the water.

SEC. 105. Section 116773.4 of the Health and Safety Code is amended to read:

116773.4. (a) The California Water and Wastewater Arrearage Payment Program is hereby established in the state board to implement this chapter.

(b) (1) Within 90 days of receiving funds pursuant to an appropriation in the annual Budget Act for this purpose, the state board shall survey community water systems to determine statewide arrearages and water enterprise revenue shortfalls and adopt a resolution establishing guidelines for application requirements and reimbursement amounts for those arrearages and shortfalls. Within 14 days of adopting the resolution, the state board shall begin accepting applications from community water systems for funds to assist customers who have past-due bills from the COVID-19 pandemic bill relief period.

(2) There shall be an initial 60-day application timeframe in which a community water system may apply to the state board for reimbursement. The state board shall contact any community water systems that do not apply during the initial application period to assist the community water systems in applying.

(3) The state board shall use the survey results to determine the total amount of residential and commercial arrearages from community water systems that have submitted that information. The survey shall also quantify revenue shortfalls for community water systems unable to disaggregate customer arrearages.

(4) (A) If there are insufficient funds in the appropriation described in paragraph (1) to reimburse the total amount of reported arrearages and revenue shortfalls of community water systems, the state board shall disburse the funds on a proportional basis to each community water system applicant based on reported arrearages and the state board’s estimation of customer arrearages for community water systems unable to report arrearages that report water enterprise revenue shortfalls.

(B) If there are sufficient funds in the appropriation described in paragraph (1) to reimburse the total amount of reported arrearages and revenue shortfalls of community water systems, the state board shall establish a program for funding wastewater treatment provider arrearages and shortfalls in accordance with this chapter with the remaining funds. Notwithstanding the deadlines specified in subdivision (c), the wastewater service program shall commence following substantial completion of the water service program under this chapter, and in no instance later than February 1, 2022.

(5) A community water system applicant shall calculate or estimate, based on its billing frequency, the total amount of outstanding past-due bills that have accumulated during the COVID-19 pandemic bill relief period. The calculations shall include documentation to support the amount of outstanding customer arrearages that were incurred during that period, if available. Community water system applicants shall also report their water enterprise revenue shortfalls during the COVID-19 pandemic bill relief period. A community water system’s authorized representative, or its designee, shall attest that the application is true and accurate.

(6) (A) The state board shall prioritize the timing of the disbursement of funding to small community water systems.

(B) The state board shall establish guidelines for community water systems to prioritize residential water customers and customers with the largest arrearages.

(7) If a community water system uses customer classes for purposes of its billing program, the following customer classes are eligible for funding under this chapter and may be included in the application:

(A) Residential customers.

(B) Commercial customers.

(c) The state board shall begin disbursing funds under this chapter to community water systems no later than November 1, 2021, and shall complete distribution of funds to community water systems no later than January 31, 2022.

(d) A community water system shall, within 60 days of receiving funds under this chapter, allocate payments as bill credits to customers to help address past-due bills incurred during the COVID-19 pandemic bill relief period and notify customers of the amounts credited to their accounts.

(e) (1) A community water system shall provide customers with arrearages accrued during the COVID-19 pandemic bill relief period a notice that they may enter into a payment plan and that they have 30 days from the date of the notice to enroll in the payment plan. A payment plan and its associated rules offered by a community water system of any size shall conform with Chapter 6 (commencing with Section 116900), notwithstanding limitations in that chapter relating to a community water system's size. A community water system shall not discontinue water service to a customer that remains current on a payment plan.

(2) A community water system shall not discontinue water service due to nonpayment of past-due bills before either of the following dates, whichever date is later:

(A) December 31, 2021.

(B) For a customer that has been offered an opportunity to participate in a payment plan, the date the customer misses the enrollment deadline for, or defaults on, the payment plan.

(f) A community water system shall remit any moneys disbursed to the community water system under this chapter not credited to customers within six months of receipt back to the state board.

(g) Customer information collected under this chapter is subject to Section 7927.410 of the Government Code.

(h) A community water system receiving assistance under this chapter may expend up to 3 percent, or up to one million dollars ($1,000,000), whichever amount is less, of that assistance for costs incurred in applying for the assistance or complying with use and reporting conditions of the assistance.

SEC. 106. Section 127673.81 of the Health and Safety Code is amended to read:

127673.81. (a) (1) All personal consumer information obtained or maintained by the program shall be confidential.

(2) Only deidentified aggregate patient or other consumer data shall be included in a publicly available analysis, data product, or research.

(b) All policies and procedures developed in implementing this chapter shall ensure that the privacy, security, and confidentiality of consumers' individually identifiable health information is protected, consistent with state and federal privacy laws, including the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA)(Public Law 104-191) and the Confidentiality of Medical Information Act (Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code), and data shall not be disclosed until the department has developed a policy regarding the release of data.

(c) (1) The system and all program data shall be exempt from the disclosure requirements of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), and shall not be made available except pursuant to this chapter.

(2) The department shall develop policies and procedures for the disclosure of information described in paragraph (2) of subdivision (a).

(d) Program data shall not be used for determinations regarding individual patient care or treatment and shall not be used for any individual eligibility or coverage decisions or similar purposes.

SEC. 107. Section 128365 of the Health and Safety Code is amended to read:

128365. Notwithstanding any other provision, applications for financial assistance under this article, or other documents that the department reasonably determines should not be discussed in public due to privacy considerations shall be exempt from the disclosure provisions of the Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

SEC. 108. Section 128734.1 of the Health and Safety Code is amended to read:

128734.1. (a) (1) Commencing with fiscal years ending December 31, 2023, an organization that operates, conducts, owns, manages, or maintains a skilled nursing facility or facilities licensed pursuant to subdivision (c) of Section 1250 shall prepare and file with the office, at the times as the office shall require, an annual consolidated financial report.

(2) The annual consolidated financial report required to be prepared pursuant to paragraph (1) shall be reviewed by a certified public accountant in accordance with generally accepted accounting principles and with the Financial Accounting Standards Board's financial reporting requirements, with financial statements prepared using the accrual basis. If the organization has prepared an audit by a certified public accountant of its annual consolidated financial report for any reason, that audit shall be filed with the office, and, in that instance, no review of the consolidated financial report shall be necessary. The reviewed or audited report, as applicable, shall, in addition to the requirements set forth in Section 128735, include, but not be limited to, the following statements:

(A) A balance sheet detailing the assets, liabilities, and net worth at the end of its fiscal year.

(B) A statement of income, expenses, and operating surplus or deficit for the annual fiscal period, and a statement of ancillary utilization and patient census.

(C) A statement detailing patient revenue by payer, including, but not limited to, Medicare, Medi-Cal, and other payers, and revenue center.

(D) A statement of cashflows, including, but not limited to, ongoing and new capital expenditures and depreciation.

(E) A combined financial statement that includes all entities reported in the consolidated financial report, unless the organization is prohibited from including a combined financial statement in a consolidated financial report pursuant to a state or federal law or regulation or a national accounting standard. When applicable, the organization must disclose to the office the applicable state or federal law or regulation or national accounting standard.

(3) In addition to the consolidated financial report, the following information shall be provided to the office as an attachment to the consolidated financial report:

(A) The financial information required by paragraph (2) of subdivision (a) from all operating entities, licenseholders, and related parties in which the organization has an ownership or control interest of 5 percent or more and that provides any service, facility, or supply to the skilled nursing facility.

(B) A detailed document outlining a visual representation of the organization's structure that includes both of the following:

(i) All related parties in which the organization has an ownership or control interest of 5 percent or more and that provides any service, facility, or supply to the skilled nursing facility.

(ii) Unrelated parties that provide services, facilities, or supplies to the skilled nursing facility or facilities that are operated, conducted, owned, managed, or maintained by the organization, including, but not limited to, management companies and property companies, and that are paid more than two hundred thousand dollars ($200,000) by the skilled nursing facility.

(b) The office shall post reports and related documents submitted pursuant to this section to its internet website.

(c) Any report, document, statement, writing or any other type of record received, owned, used, or retained by the office in connection with this section is a public record within the meaning of Section 7922.505 of the Government Code and is subject to disclosure pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(d) The office shall develop policies and procedures to outline the format of information to be submitted pursuant to this section. The office shall determine if the information submitted pursuant to subdivision (a) is complete, but shall not be required to determine its accuracy.

(e) For the purposes of this section, "related party" has the same meaning as in Section 128734, and may include, but is not limited to, home offices; management organizations; owners of real estate; entities that provide staffing, therapy, pharmaceutical, marketing, administrative management, consulting, and insurance services; providers of supplies and equipment; financial advisors and consultants; banking and financial entities; any and all parent companies, holding companies, and sister organizations; and any entity in which an immediate family member of an owner of those organizations has an ownership interest of 5 percent or more. "Immediate family member" includes spouse, natural parent, child, sibling, adopted child, adoptive parent, stepparent, stepchild, stepsister, stepbrother, father-in-law, mother-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, grandparent, and grandchild.

(f) This section shall not apply to a facility operated by a health care district organized and governed pursuant to the Local Healthcare District Law (Division 23 (commencing with Section 32000)).

(g) This section shall not apply to an organization that has no related parties as defined in subdivision (e), except that the organization is required to submit a detailed document outlining a visual representation of the organization's structure as set forth in subparagraph (B) of paragraph (3) of subdivision (a). This section shall not be construed to require a government entity licenseholder, that is not a related party, to file a consolidated financial report for a nursing home management company that operates under its license.

(h) Consistent with the reports and requirements required for subdivisions (a) to (e), inclusive, of Section 128735 and Section 128740, all information submitted pursuant to this section shall be accompanied by a report certification signed by a duly authorized official of the health facility or of the health facility's home office that certifies that, to the best of the official's knowledge and information, each statement and amount in the accompanying report is believed to be true and correct.

SEC. 109. Section 128735 of the Health and Safety Code is amended to read:

128735. An organization that operates, conducts, owns, or maintains a health facility, and the officers thereof, shall make and file with the department, at the times as the department shall require, all of the following reports on forms specified by the department that are in accord, if applicable, with the systems of accounting and uniform reporting required by this part, except that the reports required pursuant to subdivision (g) shall be limited to hospitals:

(a) A balance sheet detailing the assets, liabilities, and net worth of the health facility at the end of its fiscal year.

(b) A statement of income, expenses, and operating surplus or deficit for the annual fiscal period, and a statement of ancillary utilization and patient census.

(c) A statement detailing patient revenue by payer, including, but not limited to, Medicare, Medi-Cal, and other payers, and revenue center.

(d) A statement of cashflows, including, but not limited to, ongoing and new capital expenditures and depreciation.

(e) (1) A statement reporting the information required in subdivisions (a), (b), (c), and (d) for each separately licensed health facility operated, conducted, or maintained by the reporting organization.

(2) Notwithstanding paragraph (1), a health facility that receives a preponderance of its revenue from associated comprehensive group practice prepayment health care service plans and that is operated as a unit of a coordinated group of health facilities under common management may report the information required pursuant to subdivisions (a) and (d) for the group and not for each separately licensed health facility.

(f) Data reporting requirements established by the department shall be consistent with national standards, as applicable.

(g) A Hospital Discharge Abstract Data Record that includes all of the following:

(1) Date of birth.

(2) Sex.

(3) Race.

(4) ZIP Code.

(5) Preferred language spoken.

(6) Patient social security number, if it is contained in the patient's medical record.

(7) Prehospital care and resuscitation, if any, including all of the following:

(A) "Do not resuscitate" (DNR) order on admission.

(B) "Do not resuscitate" (DNR) order after admission.

(8) Admission date.

(9) Source of admission.

(10) Type of admission.

(11) Discharge date.

(12) Principal diagnosis and whether the condition was present on admission.

(13) Other diagnoses and whether the conditions were present on admission.

(14) External causes of morbidity and whether present on admission.

(15) Principal procedure and date.

(16) Other procedures and dates.

(17) Total charges.

(18) Disposition of patient.

(19) Expected source of payment.

(20) Elements added pursuant to Section 128738.

(h) It is the intent of the Legislature that the patient's rights of confidentiality shall not be violated in any manner. Patient social security numbers and other data elements that the department believes could be used to determine the identity of an individual patient shall be exempt from the disclosure requirements of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(i) A person reporting data pursuant to this section shall not be liable for damages in an action based on the use or misuse of patient-identifiable data that has been mailed or otherwise transmitted to the department pursuant to the requirements of subdivision (g).

(j) A hospital shall use coding from the International Classification of Diseases in reporting diagnoses and procedures.

(k) On or before July 1, 2021, the department shall promulgate regulations as necessary to implement subdivision (e). A health facility that receives a preponderance of its revenue from associated comprehensive group practice prepayment health care service plans and that is operated as a unit of a coordinated group of health facilities under common management shall comply with the reporting requirements of subdivisions (b), (c), and (e) once the department finalizes related regulations.

SEC. 110. Section 128736 of the Health and Safety Code is amended to read:

128736. (a) Each hospital shall file an Emergency Care Data Record for each patient encounter in a hospital emergency department. The Emergency Care Data Record shall include all of the following:

(1) Date of birth.

(2) Sex.

(3) Race.

(4) Ethnicity.

(5) Preferred language spoken.

(6) ZIP Code.

(7) Patient social security number, if it is contained in the patient's medical record.

(8) Service date.

(9) Principal diagnosis.

(10) Other diagnoses.

(11) External causes of morbidity.

(12) Principal procedure.

(13) Other procedures.

(14) Disposition of patient.

(15) Expected source of payment.

(16) Elements added pursuant to Section 128738.

(b) It is the expressed intent of the Legislature that the patient's rights of confidentiality shall not be violated in any manner. Patient social security numbers and any other data elements that the department believes could be used to determine the identity of an individual patient shall be exempt from the disclosure requirements of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Division 7 of Title 1 of the Government Code).

(c) No person reporting data pursuant to this section shall be liable for damages in any action based on the use or misuse of patient-identifiable data that has been mailed or otherwise transmitted to the department pursuant to the requirements of subdivision (a).

(d) Data reporting requirements established by the department shall be consistent with national standards as applicable.

(e) This section shall become operative on January 1, 2004.

SEC. 111. Section 128737 of the Health and Safety Code is amended to read:

128737. (a) Each general acute care hospital and freestanding ambulatory surgery clinic shall file an Ambulatory Surgery Data Record for each patient encounter during which at least one ambulatory surgery procedure is performed. The Ambulatory Surgery Data Record shall include all of the following:

(1) Date of birth.

(2) Sex.

(3) Race.

(4) Ethnicity.

(5) Preferred language spoken.

(6) ZIP Code.

(7) Patient social security number, if it is contained in the patient's medical record.

(8) Service date.

(9) Principal diagnosis.

(10) Other diagnoses.

(11) Principal procedure.

(12) Other procedures.

(13) External causes of morbidity.

(14) Disposition of patient.

(15) Expected source of payment.

(16) Elements added pursuant to Section 128738.

(b) It is the expressed intent of the Legislature that the patient's rights of confidentiality shall not be violated in any manner. Patient social security numbers and any other data elements that the department believes could be used to determine the identity of an individual patient shall be exempt from the disclosure requirements of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(c) No person reporting data pursuant to this section shall be liable for damages in any action based on the use or misuse of patient-identifiable data that has been mailed or otherwise transmitted to the office pursuant to the requirements of subdivision (a).

(d) Data reporting requirements established by the department shall be consistent with national standards as applicable.

(e) This section shall become operative on January 1, 2004.

SEC. 112. Section 128745 of the Health and Safety Code is amended to read:

128745. (a) Commencing July 1993, and annually thereafter, the department shall publish risk-adjusted outcome reports in accordance with the following schedule:

Publication Date	Period Covered	Procedures and Conditions Covered
July 1993	1988–90	3
July 1994	1989–91	6
July 1995	1990–92	9

Reports for subsequent years shall include conditions and procedures and cover periods as appropriate.

(b) The procedures and conditions for risk-adjusted outcome reports pursuant to subdivision (a) shall be divided among medical, surgical, and obstetric conditions or procedures and shall be selected by the department. The department shall publish the risk-adjusted outcome reports for selected conditions and procedures by individual hospital, individual medical group, or individual physician as selected by the department in consultation with medical specialists in the relevant area of practice. The selections, under this subdivision, shall be in accordance with all of the following criteria:

(1) The patient discharge abstract contains sufficient data to undertake a valid risk adjustment. The risk adjustment report shall ensure that public hospitals and other hospitals serving primarily low-income patients are not unfairly discriminated against.

(2) The relative importance of the procedure and condition in terms of the cost of cases and the number of cases and the seriousness of the health consequences of the procedure or condition.

(3) Ability to measure outcome and the likelihood that care influences outcome.

(4) Reliability of the diagnostic and procedure data.

(c) (1) In addition to any other established and pending reports, on or before July 1, 2002, the department shall publish a risk-adjusted outcome report for coronary artery bypass graft surgery by hospital for all hospitals opting to participate in the report. This report shall be updated on or before July 1, 2003.

(2) The department shall publish at least one risk-adjusted outcome report for coronary artery bypass graft surgery, transcatheter aortic valve replacement, or any type of interventional cardiovascular procedure for procedures performed in the state. For any type of interventional cardiovascular procedure other than coronary artery bypass graft surgery or transcatheter aortic valve replacement, the department shall only select from interventional cardiovascular procedures recommended by the clinical panel established by Section 128748, not to exceed one additional interventional cardiovascular procedure every three years. In each year, the reports shall compare risk-adjusted outcomes by hospital, medical group, or physician as selected by the department after consultation with the clinical panel. Upon the recommendation of the clinical panel based on statistical and technical considerations, information on individual hospitals, individual medical groups, or individual physicians may be excluded from the reports.

(3) Each hospital shall produce and file with the department, at the times as the department shall require, reports of data the department needs to prepare risk-adjusted outcome reports under this subdivision. Unless otherwise recommended by the clinical panel established by Section 128748, the department shall continue to collect the same data used for the most recent risk-adjusted model developed for the California Coronary Artery Bypass Graft Outcomes Reporting Program. Upon recommendation of the clinical panel, the department may add any clinical data elements included in the Society of Thoracic Surgeons' database or other relevant databases to be collected from hospitals. Prior to any additions from the Society of Thoracic Surgeons' database, or other relevant databases, the following factors shall be considered:

(A) Utilization of sampling to the maximum extent possible.

(B) Exchange of data elements as opposed to addition of data elements.

(4) Upon recommendation of the clinical panel, the department may add, delete, or revise clinical data elements to be collected from hospitals for outcome reports under this subdivision. Prior to any additions or deletions, all of the following factors shall be considered:

(A) Utilization of sampling to the maximum extent possible.

(B) Feasibility of collecting data elements.

(C) Costs and benefits of collection and submission of data.

(D) Exchange of data elements as opposed to addition of data elements.

(5) The department shall collect the minimum data necessary for purposes of testing or validating a risk-adjusted model for the outcome reports under this subdivision.

(6) Patient medical record numbers and any other data elements that the department believes could be used to determine the identity of an individual patient shall be exempt from the disclosure requirements of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(d) The annual reports shall compare the risk-adjusted outcomes experienced by all patients treated for the selected conditions and procedures in each California hospital during the period covered by each report, to the outcomes expected. Outcomes shall be reported in at least the following groupings for each hospital, medical group, or physician:

(1) “Higher than average outcomes,” for hospitals with risk-adjusted outcomes higher than the norm.

(2) “Average outcomes,” for hospitals with average risk-adjusted outcomes.

(3) “Lower than average outcomes,” for hospitals with risk-adjusted outcomes lower than the norm.

(e) For outcome reports under this subdivision for which auditing is appropriate, the department shall conduct periodic auditing of data at hospitals.

(f) The department shall either include in the annual reports required under this section, or make separately available at cost to any person requesting it, risk-adjusted outcomes data assessing the statistical significance of hospital, medical group, or physician data at each of the following three levels: 99-percent confidence level (0.01 p-value), 95-percent confidence level (0.05 p-value), and 90-percent confidence level (0.10 p-value). The department shall include any other analysis or comparisons of the data in the annual reports required under this section that the department deems appropriate to further the purposes of this chapter.

SEC. 113. Section 130060 of the Health and Safety Code is amended to read:

130060. (a) (1) After January 1, 2008, a general acute care hospital building that is determined to be a potential risk of collapse or pose significant loss of life shall only be used for nonacute care hospital purposes, unless an extension of this deadline has been granted and either of the following occurs before the end of the extension:

(A) A replacement building has been constructed and a certificate of occupancy has been granted by the department for the replacement building.

(B) A retrofit has been performed on the building and a construction final has been obtained by the department.

(2) An extension of the deadline may be granted by the department upon a demonstration by the owner that compliance will result in a loss of health care capacity that may not be provided by other general acute care hospitals within a reasonable proximity. In its request for an extension of the deadline, a hospital shall state why the hospital is unable to comply with the January 1, 2008, deadline requirement.

(3) Prior to granting an extension of the January 1, 2008, deadline pursuant to this section, the department shall do all of the following:

(A) Provide public notice of a hospital’s request for an extension of the deadline. The notice, at a minimum, shall be posted on the department’s internet website, and shall include the facility’s name and identification number, the status of the request, and the beginning and ending dates of the comment period, and shall advise the public of the opportunity to submit public comments pursuant to subparagraph (C). The department shall also provide notice of all requests for the deadline extension directly to interested parties upon request of the interested parties.

(B) Provide copies of extension requests to interested parties within 10 working days to allow interested parties to review and provide comment within the 45-day comment period. The copies shall include those records that are available to the public pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(C) Allow the public to submit written comments on the extension proposal for a period of not less than 45 days from the date of the public notice.

(b) (1) It is the intent of the Legislature, in enacting this subdivision, to facilitate the process of having more hospital buildings in substantial compliance with this chapter and to take nonconforming general acute care hospital inpatient buildings out of service

more quickly.

(2) The functional contiguous grouping of hospital buildings of a general acute care hospital, each of which provides, as the primary source, one or more of the hospital's eight basic services as specified in subdivision (a) of Section 1250, may receive a five-year extension of the January 1, 2008, deadline specified in subdivision (a) of this section pursuant to this subdivision for both structural and nonstructural requirements. A functional contiguous grouping refers to buildings containing one or more basic hospital services that are either attached or connected in a way that is acceptable to the State Department of Health Care Services. These buildings may be either on the existing site or a new site.

(3) To receive the five-year extension, a single building containing all of the basic services or at least one building within the contiguous grouping of hospital buildings shall have obtained a building permit prior to 1973 and this building shall be evaluated and classified as a nonconforming, Structural Performance Category-1 (SPC-1) building. The classification shall be submitted to and accepted by the Department of Health Care Access and Information. The identified hospital building shall be exempt from the requirement in subdivision (a) until January 1, 2013, if the hospital agrees that the basic service or services that were provided in that building shall be provided, on or before January 1, 2013, as follows:

(A) Moved into an existing conforming Structural Performance Category-3 (SPC-3), Structural Performance Category-4 (SPC-4), or Structural Performance Category-5 (SPC-5) and Non-Structural Performance Category-4 (NPC-4) or Non-Structural Performance Category-5 (NPC-5) building.

(B) Relocated to a newly built compliant SPC-5 and NPC-4 or NPC-5 building.

(C) Continued in the building if the building is retrofitted to an SPC-5 and NPC-4 or NPC-5 building.

(4) A five-year extension is also provided to a post-1973 building if the hospital owner informs the Department of Health Care Access and Information that the building is classified as SPC-1, SPC-3, or SPC-4 and will be closed to general acute care inpatient service use by January 1, 2013. The basic services in the building shall be relocated into an SPC-5 and NPC-4 or NPC-5 building by January 1, 2013.

(5) SPC-1 buildings, other than the building identified in paragraph (3) or (4), in the contiguous grouping of hospital buildings shall also be exempt from the requirement in subdivision (a) until January 1, 2013. However, on or before January 1, 2013, at a minimum, each of these buildings shall be retrofitted to an SPC-2 and NPC-3 building, or no longer be used for general acute care hospital inpatient services.

(c) On or before March 1, 2001, the department shall establish a schedule of interim work progress deadlines that hospitals shall be required to meet to be eligible for the extension specified in subdivision (b). To receive this extension, the hospital building or buildings shall meet the year 2002 nonstructural requirements.

(d) A hospital building that is eligible for an extension pursuant to this section shall meet the January 1, 2030, nonstructural and structural deadline requirements if the building is to be used for general acute care inpatient services after January 1, 2030.

(e) Upon compliance with subdivision (b), the hospital shall be issued a written notice of compliance by the department. The department shall send a written notice of violation to hospital owners that fail to comply with this section. The department shall make copies of these notices available on its internet website.

(f) (1) A hospital that has received an extension of the January 1, 2008, deadline pursuant to subdivision (a) or (b) may request an additional extension of up to two years for a hospital building that it owns or operates and that meets the criteria specified in paragraph (2), (3), or (5).

(2) The department may grant the additional extension if the hospital building subject to the extension meets all of the following criteria:

(A) The hospital building is under construction at the time of the request for extension under this subdivision and the purpose of the construction is to meet the requirements of subdivision (a) to allow the use of the building as a general acute care hospital building after the extension deadline granted by the department pursuant to subdivision (a) or (b).

(B) The hospital building plans were submitted to the department and were deemed ready for review by the department at least four years prior to the applicable deadline for the building. The hospital shall indicate, upon submission of its plans, the SPC-1 building or buildings that will be retrofitted or replaced to meet the requirements of this section as a result of the project.

(C) The hospital received a building permit for the construction described in subparagraph (A) at least two years prior to the applicable deadline for the building.

(D) The hospital submitted a construction timeline at least two years prior to the applicable deadline for the building demonstrating the hospital's intent to meet the applicable deadline. The timeline shall include all of the following:

(i) The projected construction start date.

(ii) The projected construction completion date.

(iii) Identification of the contractor.

(E) The hospital is making reasonable progress toward meeting the timeline set forth in subparagraph (D), but factors beyond the hospital's control make it impossible for the hospital to meet the deadline.

(3) The department may grant the additional extension if the hospital building subject to the extension meets all of the following criteria:

(A) The hospital building is owned by a health care district that has, as owner, received the extension of the January 1, 2008, deadline, but where the hospital is operated by an unaffiliated third-party lessee pursuant to a facility lease that extends at least through December 31, 2009. The district shall file a declaration with the department with a request for an extension stating that, as of the date of the filing, the district has lacked, and continues to lack, unrestricted access to the subject hospital building for seismic planning purposes during the term of the lease, and that the district is under contract with the county to maintain hospital services when the hospital comes under district control. The department shall not grant the extension if an unaffiliated third-party lessee will operate the hospital beyond December 31, 2010.

(B) The hospital building plans were submitted to the department and were deemed ready for review by the department at least four years prior to the applicable deadline for the building. The hospital shall indicate, upon submission of its plans, the SPC-1 building or buildings that will be retrofitted or replaced to meet the requirements of this section as a result of the project.

(C) The hospital received a building permit for the construction described in subparagraph (B) by December 31, 2011.

(D) The hospital submitted, by December 31, 2011, a construction timeline for the building demonstrating the hospital's intent and ability to meet the deadline of December 31, 2014. The timeline shall include all of the following:

(i) The projected construction start date.

(ii) The projected construction completion date.

(iii) Identification of the contractor.

(E) The hospital building is under construction at the time of the request for the extension, the purpose of the construction is to meet the requirements of subdivision (a) to allow the use of the building as a general acute care hospital building after the extension deadline granted by the office pursuant to subdivision (a) or (b), and the hospital is making reasonable progress toward meeting the timeline set forth in subparagraph (D).

(F) The hospital granted an extension pursuant to this paragraph shall submit an additional status report to the department, equivalent to that required by subdivision (c) of Section 130061, no later than June 30, 2013.

(4) An extension granted pursuant to paragraph (3) shall be applicable only to the health care district applicant and its affiliated hospital while the hospital is operated by the district or an entity under the control of the district.

(5) The department may grant the additional extension if the hospital building subject to the extension meets all of the following criteria:

(A) The hospital owner submitted to the department, prior to June 30, 2009, a request for review using current computer modeling utilized by the department and based upon software developed by the Federal Emergency Management Agency (FEMA), referred to as Hazards US, and the building was deemed SPC-1 after that review.

(B) The hospital building plans for the building are submitted to the department and deemed ready for review by the department prior to July 1, 2010. The hospital shall indicate, upon submission of its plans, the SPC-1 building or buildings that shall be retrofitted or replaced to meet the requirements of this section as a result of the project.

(C) The hospital receives a building permit from the department for the construction described in subparagraph (B) prior to January 1, 2012.

(D) The hospital submits, prior to January 1, 2012, a construction timeline for the building demonstrating the hospital's intent and ability to meet the applicable deadline. The timeline shall include all of the following:

(i) The projected construction start date.

(ii) The projected construction completion date.

(iii) Identification of the contractor.

(E) The hospital building is under construction at the time of the request for the extension, the purpose of the construction is to meet the requirements of subdivision (a) to allow the use of the building as a general acute care hospital building after the extension deadline granted by the department pursuant to subdivision (a) or (b), and the hospital is making reasonable progress toward meeting the timeline set forth in subparagraph (D).

(F) The hospital owner completes construction such that the hospital meets all criteria to enable the department to issue a certificate of occupancy by the applicable deadline for the building.

(6) A hospital located in the County of Sacramento, San Mateo, or Santa Barbara or the City of San Jose or the City of Willits that has received an additional extension pursuant to paragraph (2) or (5) may request an additional extension until September 1, 2015, to obtain either a certificate of occupancy from the department for a replacement building, or a construction final from the department for a building on which a retrofit has been performed.

(7) A hospital denied an extension pursuant to this subdivision may appeal the denial to the Hospital Building Safety Board.

(8) The department may revoke an extension granted pursuant to this subdivision for any hospital building where the work of construction is abandoned or suspended for a period of at least one year, unless the hospital demonstrates in a public document that the abandonment or suspension was caused by factors beyond its control.

(g) (1) Notwithstanding subdivisions (a), (b), (c), and (f), and Sections 130061.5 and 130064, a hospital that has received an extension of the January 1, 2008, deadline pursuant to subdivision (a) or (b) also may request an additional extension of up to seven years for a hospital building that it owns or operates. The department may grant the extension subject to the hospital meeting the milestones set forth in paragraph (2).

(2) The hospital building subject to the extension shall meet all of the following milestones, unless the hospital building is reclassified as SPC-2 or higher as a result of its Hazards US score:

(A) The hospital owner submits to the department, no later than September 30, 2012, a letter of intent stating whether it intends to rebuild, replace, or retrofit the building, or remove all general acute care beds and services from the building, and the amount of time necessary to complete the construction.

(B) The hospital owner submits to the department, no later than September 30, 2012, a schedule detailing why the requested extension is necessary, and specifically how the hospital intends to meet the requested deadline.

(C) The hospital owner submits to the department, no later than September 30, 2012, an application ready for review seeking structural reassessment of each of its SPC-1 buildings using current computer modeling based upon software developed by FEMA, referred to as Hazards US.

(D) The hospital owner submits to the department, no later than January 1, 2015, plans ready for review consistent with the letter of intent submitted pursuant to subparagraph (A) and the schedule submitted pursuant to subparagraph (B).

(E) The hospital owner submits a financial report to the department at the time the plans are submitted pursuant to subparagraph (D). The report shall demonstrate the hospital owner’s financial capacity to implement the construction plans submitted pursuant to subparagraph (D).

(F) The hospital owner receives a building permit consistent with the letter of intent submitted pursuant to subparagraph (A) and the schedule submitted pursuant to subparagraph (B), no later than July 1, 2018.

(3) To evaluate public safety and determine whether to grant an extension of the deadline, the department shall consider the structural integrity of the hospital’s SPC-1 buildings based on its Hazards US scores, community access to essential hospital services, and the hospital owner’s financial capacity to meet the deadline as determined by either a bond rating of BBB or below or the financial report on the hospital owner’s financial capacity submitted pursuant to subparagraph (E) of paragraph (2). The criteria contained in this paragraph shall be considered by the department in its determination of the length of an extension or whether an extension should be granted.

(4) The extension or subsequent adjustments granted pursuant to this subdivision may not exceed the amount of time that is reasonably necessary to complete the construction specified in paragraph (2).

(5) If the circumstances underlying the request for extension submitted to the department pursuant to paragraph (2) change, the hospital owner shall notify the department as soon as practicable, but in no event later than six months after the hospital owner discovered the change of circumstances. The department may adjust the length of the extension granted pursuant to paragraphs (2) and (3) as necessary, but in no event longer than the period specified in paragraph (1).

(6) A hospital denied an extension pursuant to this subdivision may appeal the denial to the Hospital Building Safety Board.

(7) The department may revoke an extension granted pursuant to this subdivision for any hospital building when it is determined that any information submitted pursuant to this section was falsified, or if the hospital failed to meet a milestone set forth in paragraph (2), or where the work of construction is abandoned or suspended for a period of at least six months, unless the hospital demonstrates in a publicly available document that the abandonment or suspension was caused by factors beyond its control.

(8) Regulatory submissions made by the department to the California Building Standards Commission to implement this section shall be deemed to be emergency regulations and shall be adopted as emergency regulations.

(9) The hospital owner that applies for an extension pursuant to this subdivision shall pay the office an additional fee, to be determined by the department, sufficient to cover the additional reasonable costs incurred by the department for maintaining the additional reporting requirements established under this section, including, but not limited to, the costs of reviewing and verifying the extension documentation submitted pursuant to this subdivision. This additional fee shall not include any cost for review of the plans or other duties related to receiving a building or occupancy permit.

(10) This subdivision shall become operative on the date that the State Department of Health Care Services receives all necessary federal approvals for a 2011–12 fiscal year hospital quality assurance fee program that includes three hundred twenty million dollars ($320,000,000) in fee revenue to pay for health care coverage for children, which is made available as a result of the legislative enactment of a 2011–12 fiscal year hospital quality assurance fee program.

(h) A critical access hospital located in the City of Tehachapi may submit a seismic safety extension application pursuant to subdivision (g), notwithstanding deadlines in that subdivision that are earlier than the effective date of the act that added this subdivision. The submitted application shall include a timetable as required pursuant to subdivision (g).

(i) (1) A hospital located in the Tarzana neighborhood of the City of Los Angeles that has received extensions pursuant to subdivisions (b) and (g) may request an additional extension for a single building until October 1, 2022, in order to obtain a certificate of occupancy from the department for a replacement building.

(2) The hospital owner seeking the extension shall submit a written request that includes a timeline specifying how the hospital intends to meet the new deadline, including the construction document submission dates. The following timeline shall be met for construction document submissions:

(A) No later than January 1, 2018, the hospital owner shall submit construction documents, deemed ready for review, related to the first final review of the second increment with information including the building core and shell of the hospital. Failure to submit the construction documents by January 1, 2018, shall result in the assessment of a fine of five thousand dollars ($5,000) per calendar day until the documents are submitted.

(B) No later than March 1, 2018, the hospital owner shall submit construction documents, deemed ready for review, related to the first final review of the first increment with information including the structural foundation, frame, and underslab utilities of the hospital. Failure to submit the construction documents by March 1, 2018, shall result in the assessment of a fine of five thousand dollars ($5,000) per calendar day until the documents are submitted.

(C) No later than September 1, 2018, the hospital owner shall submit construction documents, deemed ready for review, related to the first final review of the third increment with information on the build-out of the hospital. Failure to submit the construction documents by September 1, 2018, shall result in the assessment of a fine of five thousand dollars ($5,000) per calendar day until the documents are submitted.

(D) No later than November 1, 2018, the hospital owner shall submit construction documents, deemed ready for review, related to the first final review of the fourth increment with information on the seismic support and anchorage of the hospital. Failure to submit the construction documents by November 1, 2018, shall result in the assessment of a fine of five thousand dollars ($5,000) per calendar day until the documents are submitted.

(E) The hospital owner may submit a written request to the department seeking an extension of the deadlines set forth in subparagraphs (A), (B), (C), and (D). The written request shall state with specificity the reason for the request and how the reason preventing compliance with the deadlines was outside of the control of the hospital owner. After review of the

request for extension, the department may grant the request for a period of time not to exceed 30 calendar days. If the department grants the request for an extension, no fine shall accrue or be imposed during the extension period.

(3) Notwithstanding any other law, any fines assessed pursuant to paragraph (2) shall be deposited into the General Fund following a determination on appeal, if any. A hospital assessed a fine pursuant to this subdivision may appeal the assessment to the Hospital Building Safety Board, provided the hospital posts the funds for any fines to be held by the department pending the resolution of the appeal.

(4) The department shall not issue a certificate of occupancy for the single replacement building until all assessed fines accrued pursuant to paragraph (2) have been paid in full, or, if an appeal is pending, have been posted subject to resolution of an appeal. Fines deposited by the hospital pursuant to paragraph (3) shall be considered paid in full for purposes of issuing a certificate of occupancy pursuant to this paragraph. This paragraph is in addition to, and is not intended to supersede, any other requirements that must be met by the hospital for issuance by the department of a certificate of occupancy.

SEC. 114. Section 130206 of the Health and Safety Code is amended to read:

130206. (a) The Legislature finds and declares that the center performs public health activities described in Section 164.512(b) of Title 45 of the Code of Federal Regulations when carrying out activities pursuant to this division. Personal information collected in accordance with this division is necessary to carry out projects with public health purposes.

(b) All personal information obtained or maintained by the center shall be confidential and shall be subject to the following requirements:

(1) Only deidentified and aggregated information shall be included in a publicly available analysis, data product, or research.

(2) All policies and procedures developed in implementing this division shall ensure that the privacy, security, and confidentiality of consumers' personal information is protected, as required by the Information Practices Act of 1977, and consistent with state and federal health privacy laws, including the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Public Law 104-191) and the Confidentiality of Medical Information Act (Part 2.6 (commencing with Section 56) of Division 1 of the Civil Code), and data shall not be disclosed until the center has developed a policy regarding the release of data.

(c) Unless otherwise specified in this division, personal information collected by the center from other states entities shall be exempt from the disclosure requirements of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), and shall not be made available except pursuant to this division.

(d) Any information collected or obtained shall not be used for determinations regarding individual patient care or treatment and shall not be used for any individual eligibility or coverage decisions or similar purposes.

SEC. 115. Section 131052 of the Health and Safety Code is amended to read:

131052. In implementing the transfer of jurisdiction pursuant to this article, the State Department of Public Health succeeds to and is vested with all the statutory duties, powers, purposes, responsibilities, and jurisdiction of the former State Department of Health Services as they relate to public health as provided for or referred to in all of the following provisions of law:

(1) Sections 550, 555, 650, 680, 1241, 1658, 2221.1, 2248.5, 2249, 2259, 2259.5, 2541.3, 2585, 2728, 3527, 4017, 4027, 4037, 4191, 19059.5, 19120, 22950, 22973.2, and 22974.8 of the Business and Professions Code.

(2) Sections 56.17, 1812.508, and 1812.543 of the Civil Code.

(3) Sections 8286, 8803, 17613, 32064, 32065, 32066, 32241, 49030, 49405, 49414, 49423.5, 49452.6, 49460, 49464, 49531.1, 56836.165, and 76403 of the Education Code.

(4) Sections 405, 6021, 6026, 18963, 30852, 41302, and 78486 of the Food and Agricultural Code.

(5) Sections 307, 355, 422, 7572, 7574, 8706, 8817, and 8909 of the Family Code.

(6) Sections 1786, 4011, 5523, 5671, 5674, 5700, 5701, 5701.5, 7115, and 15700 of the Fish and Game Code.

(7) Sections 855, 51010, and 551017.1 of the Government Code.

(8) (A) Sections 475, 1180.6, 1418.1, 1422.1, 1428.2, 1457, 1505, 1507.1, 1507.5, 1570.7, 1599.2, 1599.60, 1599.75, 1599.87, 2002, 2804, 11362.7, 11776, 11839.21, 11839.23, 11839.24, 11839.25, 11839.26, 11839.27, 11839.28, 11839.29, 11839.30, 11839.31, 11839.32, 11839.33, 11839.34, 17920.10, 17961, 18897.2, 24185, 24186, 24187, 24275, 26101, 26122, 26134, 26155, 26200, and 26203.

(B) Chapters 1, 2, 2.05, 2.3, 2.35, 2.4, 3.3, 3.9, 3.93, 3.95, 4, 4.1, 4.5, 5, 6, 6.5, 8, 8.3, 8.5, 8.6, 9, and 11 of Division 2.

(C) Articles 2 and 4 of Chapter 2, Chapter 3, and Chapter 4 of Part 1, Part 2, and Part 3 of Division 101.

(D) Division 102, including Sections 102230 and 102231.

(E) Division 103, including Sections 104145, 104181, 104182, 104182.5, 104187, 104191, 104192, 104193, 104316, 104317, 104318, 104319, 104320, 104321, 104324.2, 104324.25, 104350, 105191, 105251, 105255, 105280, 105340, and 105430.

(F) Division 104, including Sections 106615, 106675, 106770, 108115, 108855, 109282, 109910, 109915, 112155, 112500, 112650, 113355, 114460, 114475, 114650, 114710, 114850, 114855, 114985, 115061, 115261, 115340, 115736, 115880, 115885, 115915, 116064, 116183, 116270, 116365.5, 116366, 116375, 116610, 116751, 116760.20, 116825, 117100, 117924, and 119300.

(G) Division 105, including Sections 120262, 120381, 120395, 120440, 120480, 120956, 120966, 121155, 121285, 121340, 121349.1, 121480, 122410, and 122420.

(H) Part 1, Part 2 excluding Articles 5, 5.5, 6, and 6.5 of Chapter 3, Part 3 and Part 5 excluding Articles 1 and 2 of Chapter 2, Part 7, and Part 8 of Division 106.

(9) Sections 799.03, 10123.35, 10123.5, 10123.55, 10123.10, 10123.184, and 11520 of the Insurance Code.

(10) Sections 50.8, 142.3, 144.5, 144.7, 147.2, 4600.6, 6307.1, 6359, 6712, 9009, and 9022 of the Labor Code.

(11) Sections 4018.1, 5008.1, 7501, 7502, 7510, 7511, 7515, 7518, 7530, 7550, 7553, 7575, 7576, 11010, 11174.34, and 13990 of the Penal Code.

(12) Section 4806 of the Probate Code.

(13) Sections 15027, 25912, 28004, 30950, 41781.1, 42830, 43210, 43308, 44103, and 71081 of the Public Resources Code.

(14) Section 10405 of the Public Contract Code.

(15) Sections 883, 1507, and 7718 of the Public Utilities Code.

(16) Sections 18833, 18838, 18845.2, 18846.2, 18847.2, 18863, 30461.6, 43010.1, and 43011.1 of the Revenue and Taxation Code.

(17) Section 11020 of the Unemployment Insurance Code.

(18) Sections 22511.55, 23158, 27366, and 33000 of the Vehicle Code.

(19) Sections 5326.9, 5328, 5328.15, 14132, 16902, and 16909, and Division 24 of the Welfare and Institutions Code. Payment for services provided under the Family Planning, Access, Care, and Treatment (Family PACT) Waiver Program pursuant to subdivision (aa) of Section 14132 and Division 24 shall be made through the State Department of Health Care Services. The State Department of Public Health and the State Department of Health Care Services may enter into an interagency agreement for the administration of those payments. This paragraph, to the extent that it applies to the Family PACT Waiver Program, shall become inoperative on June 30, 2012.

(20) Sections 13176, 13177.5, 13178, 13193, 13390, 13392, 13392.5, 13393.5, 13395.5, 13396.7, 13521, 13522, 13523, 13528, 13529, 13529.2, 13550, 13552.4, 13552.8, 13553, 13553.1, 13554, 13554.2, 13816, 13819, 13820, 13823, 13824, 13825, 13827, 13830, 13834, 13835, 13836, 13837, 13858, 13861, 13862, 13864, 13868, 13868.1, 13868.3, 13868.5, 13882, 13885, 13886, 13887, 13891, 13892, 13895.1, 13895.6, 13895.9, 13896, 13896.3, 13896.4, 13896.5, 13897, 13897.4, 13897.5, 13897.6, 13898, 14011, 14012, 14015, 14016, 14017, 14019, 14022, 14025, 14026, 14027, and 14029 of the Water Code.

SEC. 116. Section 1215.4 of the Insurance Code is amended to read:

1215.4. (a) Every insurer that is authorized to do business in this state and that is a member of an insurance holding company system shall register with the commissioner, except a foreign insurer subject to disclosure requirements and standards adopted by statute or regulation in the jurisdiction of its domicile if substantially similar to those contained in this section. The exemption from registration for those foreign insurers shall not apply to any commercially domiciled insurer within this state, as provided in Section 1215.14. Any insurer that is subject to registration under this section shall register within 60 days after the effective date of this article or 15 days after it becomes subject to registration, whichever is later, and annually thereafter by April 30 of each year for the previous calendar year, unless the commissioner for good cause shown extends the time for registration. The

commissioner may require a holding company system that is not subject to registration under this section to furnish a copy of the registration statement or other information filed by the insurance company with the insurance regulatory authority of domiciliary jurisdiction.

(b) Every insurer subject to registration shall file a registration statement with the commissioner on a form and in a format prescribed by the NAIC, which shall contain current information about the following:

(1) The capital structure, general financial condition, ownership, and management of the insurer and any person controlling the insurer.

(2) The identity and relationship of every member of the insurance holding company system.

(3) The following agreements in force, relationships subsisting, and transactions currently outstanding or that have occurred during the last calendar year between the insurer and its affiliates:

(A) Loans, extensions of credit, investments, or purchases, sales, or exchanges of securities of the affiliates by the insurer or of the insurer by its affiliates.

(B) Purchases, sales, or exchanges of assets.

(C) Transactions not in the ordinary course of business.

(D) Guarantees or undertakings for the benefit of an affiliate that result in an actual contingent exposure of the insurer's assets to liability, other than insurance contracts entered into in the ordinary course of the insurer's business.

(E) All management agreements, service contracts, and cost-sharing arrangements. However, subscription agreements or powers of attorney executed by subscribers of a reciprocal or interinsurance exchange are not required to be reported pursuant to this section if the form of the agreement was in use before 1943 and was not amended in any way to modify payments, fees, or waivers of fees or otherwise substantially amended after 1943.

(F) Reinsurance agreements.

(G) Dividends and other distributions to shareholders.

(H) Consolidated tax allocation agreements.

(4) A pledge of the insurer's stock, including stock of a subsidiary or controlling affiliate, for a loan made to a member of the insurance holding company system.

(5) If requested by the commissioner, the insurer shall include financial statements of or within an insurance holding company system, including all affiliates. Financial statements may include, but are not limited to, annual audited financial statements filed with the United States Securities and Exchange Commission (SEC) pursuant to the federal Securities Act of 1933, as amended, or the federal Securities Exchange Act of 1934, as amended. An insurer required to file financial statements pursuant to this paragraph may satisfy the request by providing the commissioner with the most recently filed parent corporation financial statements that have been filed with the SEC.

(6) Statements that the insurer's board of directors is responsible for overseeing corporate governance and internal controls and that the insurer's officers or senior management have approved, implemented, and continue to maintain and monitor corporate governance and internal control procedures.

(7) Other matters as may be included in registration forms adopted by the NAIC, to the extent otherwise required by the commissioner.

(c) All registration statements shall contain a summary outlining all items in the current registration statement that are changes from the prior registration statement.

(d) Information does not need to be disclosed on the registration statement filed pursuant to subdivision (b) if the information is not material for the purposes of this section. Unless the commissioner provides otherwise, sales, purchases, exchanges, loans or extensions of credit, investments, or guarantees involving one-half of 1 percent or less of an insurer's admitted assets as of the preceding December 31, are not deemed material for purposes of this section. The description of material in this subdivision does not apply for purposes of the group capital calculation or the NAIC Liquidity Stress Test Framework.

(e) Each registered insurer shall keep current the information required to be disclosed in its registration statement by reporting all material changes or additions within 15 days after the end of the month in which it learns of each change or addition.

(f) Subject to subdivision (g) of Section 1215.5, each registered insurer shall report all dividends and other distributions to shareholders within five business days following declaration. A dividend or other distribution to shareholders shall not be paid until at least 10 business days after receipt by the commissioner, at the office of the department prescribed by the commissioner by notice to all insurers, of a notice of the declaration of the dividend or other distribution.

(g) Every person in an insurance holding company system subject to registration is required to provide the insurer with all information reasonably necessary to enable the insurer to comply with the provisions of this article.

(h) The commissioner shall terminate the registration of any insurer that demonstrates that it no longer is a member of an insurance holding company system.

(i) The commissioner may require or allow two or more affiliated insurers subject to registration hereunder to file a consolidated registration statement or consolidated reports amending their consolidated registration statement or their individual registration statements.

(j) The commissioner may allow any insurer that is authorized to do business in this state that is part of an insurance holding company system to register on behalf of any affiliated insurer that is required to register under subdivision (a), and to file all information and material required to be filed under this article.

(k) The provisions of this section do not apply to any insurer, information, or transaction exempted by the commissioner.

(l) Any person may file with the commissioner a disclaimer of affiliation with any authorized insurer. A disclaimer of affiliation may be filed by an insurer or any member of an insurance holding company system. The disclaimer shall fully disclose all material relationships and bases for affiliation between the person and the insurer, as well as the basis for disclaiming an affiliation. After a disclaimer has been filed, the insurer is relieved of any duty to register or report under this section that may arise out of the insurer's relationship with the disclaimed person unless and until the commissioner disallows the disclaimer. The commissioner shall disallow the disclaimer only after furnishing all parties in interest with notice and opportunity to be heard and after making specific findings of fact to support the disallowance. If the commissioner at any time determines that the information disclosed in the disclaimer is incomplete or inaccurate, the commissioner may disallow the disclaimer.

(m) The ultimate controlling person of an insurer subject to registration shall also file an annual enterprise risk report. The report shall, to the best of the ultimate controlling person's knowledge and belief, identify the material risks within the insurance holding company system that could pose enterprise risk to the insurer. The report shall be filed with the lead state commissioner, when applicable, of the insurance holding company system as determined by the procedures within the Financial Analysis Handbook adopted by the NAIC, and if the commissioner is not the lead state commissioner of the insurance holding company system, a copy shall be provided to the commissioner if the insurance holding company system has an insurer domiciled in this state. The first annual enterprise risk report shall be filed with the insurer's registration statement after July 1, 2013, unless the commissioner establishes a later date either by bulletin or notice.

(n) The ultimate controlling person of an insurer subject to registration shall concurrently file with the registration an annual group capital calculation as directed by the lead state commissioner, except as provided in paragraphs (1) to (4), inclusive. The report shall be completed in accordance with the NAIC Group Capital Calculation Instructions, which may authorize the lead state commissioner to allow a controlling person that is not the ultimate controlling person to file the group capital calculation. The report shall be filed with the lead state commissioner of the insurance holding company system as determined by the commissioner in accordance with the procedures within the Financial Analysis Handbook adopted by the NAIC. All of the following insurance holding company systems are exempt from filing the group capital calculation:

(1) An insurance holding company system that has only one insurer within its holding company structure, that only writes business and is only licensed in its domestic state, and that does not assume business from any other insurer.

(2) An insurance holding company system that is required to perform a group capital calculation specified by the Federal Reserve Board. The lead state commissioner shall request the calculation from the Federal Reserve Board under the terms of information sharing agreements in effect. If the Federal Reserve Board cannot share the calculation with the lead state commissioner, the insurance holding company system is not exempt from the group capital calculation filing.

(3) An insurance holding company system whose non-United States groupwide supervisor is located within a reciprocal jurisdiction, as described in subdivision (a) of Section 922.425, that recognizes the United States' state regulatory approach to group supervision and group capital.

(4) An insurance holding company system that meets both of the following criteria:

(A) The insurance holding company system provides information to the lead state commissioner that meets the requirements for accreditation under the NAIC financial standards and accreditation program, either directly or indirectly

through the groupwide supervisor, who has determined the information is satisfactory to allow the lead state to comply with the NAIC group supervision approach, as detailed in the Financial Analysis Handbook adopted by the NAIC.

(B) The insurance holding company system's groupwide supervisor that is not located within a reciprocal jurisdiction, as described in subdivision (a) of Section 922.425, recognizes and accepts the group capital calculation as the worldwide group capital assessment for United States insurance groups who operate in that jurisdiction.

(i) A non-United States jurisdiction is considered to "recognize and accept" the group capital calculation if it satisfies the criteria in both subclauses (I) and (II):

(I) Either of the following is met to satisfy this subclause:

(ia) The non-United States jurisdiction recognizes the United States' state regulatory approach to group supervision and group capital by providing confirmation by a competent regulatory authority in that jurisdiction that insurers and insurance groups whose lead state is accredited by the NAIC under the NAIC Accreditation Program are subject only to worldwide prudential insurance group supervision, including worldwide group governance, solvency and capital, and reporting, as applicable, by the lead state and will not be subject to group supervision, including worldwide group governance, solvency and capital, and reporting, at the level of the worldwide parent undertaking of the insurance or reinsurance group by the non-United States jurisdiction.

(ib) If a United States insurance group does not operate in the non-United States jurisdiction, that non-United States jurisdiction indicates formally in writing to the lead state commissioner with a copy to the International Association of Insurance Supervisors that the group capital calculation is an acceptable international capital standard.

(II) The non-United States jurisdiction provides confirmation by a competent regulatory authority in that jurisdiction that information regarding insurers and their parent, subsidiary, or affiliated entities, if applicable, shall be provided to the lead state commissioner in accordance with a memorandum of understanding or similar document between the commissioner and the jurisdiction, including the International Association of Insurance Supervisors Multilateral Memorandum of Understanding or other multilateral memoranda of understanding coordinated by the NAIC. The commissioner shall determine, in consultation with the NAIC committee process, if the requirements of the information sharing agreements are in force.

(ii) A list of non-United States jurisdictions that recognize and accept the group capital calculation shall be published through the NAIC committee process.

(I) A list of jurisdictions that recognize and accept the group capital calculation published through the NAIC committee process shall assist the lead state commissioner in determining which insurers shall file an annual group capital calculation. The list shall clarify those situations in which a jurisdiction is exempted from filing pursuant to this paragraph. To assist with a determination pursuant to subdivision (o), the list shall also identify whether a jurisdiction that is exempted under paragraph (3) or this paragraph requires a group capital filing for a United States-based insurance group's operations in that non-United States jurisdiction.

(II) For a non-United States jurisdiction where United States-based insurance groups do not operate, the confirmation provided to meet the requirement of subclause (I) of clause (i) shall serve as support for a recommendation to be published as a jurisdiction that recognizes and accepts the group capital calculation through the NAIC committee process.

(III) If the lead state commissioner makes a determination pursuant to this paragraph that differs from the NAIC list, the lead state commissioner shall provide thoroughly documented justification to the NAIC and other states.

(IV) Upon a determination by the lead state commissioner that a non-United States jurisdiction no longer meets one or more of the requirements to recognize and accept the group capital calculation, the lead state commissioner may provide a recommendation to the NAIC that the non-United States jurisdiction be removed from the list of jurisdictions that recognize and accept the group capital calculation.

(o) (1) Notwithstanding paragraphs (3) and (4) of subdivision (n), a lead state commissioner shall require the group capital calculation for United States operations of any non-United States-based insurance holding company system if, after any necessary consultation with other supervisors or officials, it is deemed appropriate by the lead state commissioner for prudential oversight and solvency monitoring purposes or for ensuring the competitiveness of the insurance marketplace.

(2) Notwithstanding the group capital calculation exemptions in subdivision (n), the lead state commissioner may exempt the ultimate controlling person from filing the annual group capital calculation or accept a limited group capital filing or report

pursuant to subparagraph (A) or (B).

(A) If an insurance holding company system has previously filed the annual group capital calculation at least once, the lead state commissioner may exempt the ultimate controlling person from filing the annual group capital calculation if the lead state commissioner makes a determination based upon that filing that the insurance holding company system meets all of the following criteria:

(i) The insurance holding company system has annual direct written and unaffiliated assumed premium, including international direct and assumed premium, but excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program, of less than one billion dollars ($1,000,000,000).

(ii) The insurance holding company system does not have insurers within its holding company structure that are domiciled outside of the United States or one of its territories.

(iii) The insurance holding company system does not include within its structure a banking, depository, or other financial entity that is subject to an identified regulatory capital framework.

(iv) The insurance holding company system attests that there are no material changes in the transactions between insurers and noninsurers in the group that have occurred since the last filing of the annual group capital calculation.

(v) The noninsurers within the insurance holding company system do not pose a material financial risk to the insurer’s ability to honor policyholder obligations.

(B) If an insurance holding company system has previously filed the annual group capital calculation at least once, the lead state commissioner may accept a limited group capital filing in lieu of the group capital calculation if all of the following criteria are met:

(i) The insurance holding company system has annual direct written and unaffiliated assumed premium, including international direct and assumed premium, but excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program, of less than one billion dollars ($1,000,000,000).

(ii) The insurance holding company system does not have insurers within its holding company structure that are domiciled outside of the United States or one of its territories.

(iii) The insurance holding company system does not include within its structure a banking, depository, or other financial entity that is subject to an identified regulatory capital framework.

(iv) The insurance holding company system attests to both of the following:

(I) That there are no material changes in the transactions between insurers and noninsurers in the group that have occurred since the last filing of the annual group capital calculation.

(II) That the noninsurers within the insurance holding company system do not pose a material financial risk to the insurer’s ability to honor policyholder obligations.

(C) If an insurance holding company has previously met an exemption pursuant to subparagraph (A) or (B), the lead state commissioner may require at any time the ultimate controlling person to file an annual group capital calculation, completed in accordance with the NAIC Group Capital Calculation Instructions, if an insurer within the insurance holding company system meets any of the following criteria:

(i) An insurer is in a risk-based capital action level event as set forth in Article 4.1 (commencing with Section 739) of Chapter 1 or meets a similar standard for a non-United States insurer.

(ii) An insurer meets one or more of the standards of an insurer deemed to be in hazardous financial condition as defined in Section 2598.2 of Title 10 of the California Code of Regulations.

(iii) An insurer otherwise exhibits qualities of a troubled insurer, as determined by the lead state commissioner based on unique circumstances including the type and volume of business written, ownership and organizational structure, federal agency requests, and international supervisor requests.

(D) If the lead state commissioner determines that an insurance holding company system no longer meets one or more of the requirements for an exemption from filing the group capital calculation under this paragraph, the insurance holding company system shall file the group capital calculation at the next annual filing date, unless the lead state commissioner authorizes an extension based on reasonable grounds shown.

(p) The ultimate controlling person of an insurer subject to registration and also scoped into the NAIC Liquidity Stress Test Framework shall file the results of a specific year's liquidity stress test. The filing shall be made to the lead state commissioner of the insurance holding company system as determined by the procedures within the Financial Analysis Handbook adopted by the NAIC.

(1) The NAIC Liquidity Stress Test Framework includes scope criteria applicable to a specific data year. These scope criteria are reviewed at least annually by the NAIC Financial Stability Task Force or its successor. Any change to the NAIC Liquidity Stress Test Framework or to the data year for which the scope criteria are to be measured shall be effective on January 1 of the year following the calendar year when those changes are adopted. Insurers meeting at least one threshold of the scope criteria are considered scoped into the NAIC Liquidity Stress Test Framework for the specified data year unless the lead state commissioner, in consultation with the NAIC Financial Stability Task Force or its successor, determines the insurer should not be scoped into the framework for that data year. Similarly, insurers that do not trigger at least one threshold of the scope criteria are considered scoped out of the NAIC Liquidity Stress Test Framework for the specified data year, unless the lead state commissioner, in consultation with the NAIC Financial Stability Task Force or its successor, determines the insurer should be scoped into the NAIC Liquidity Stress Test Framework for that data year.

(2) Because regulators wish to avoid having insurers scoped in and out of the NAIC Liquidity Stress Test Framework on a frequent basis, the lead state commissioner, in consultation with the NAIC Financial Stability Task Force or its successor, shall assess this concern as part of the determination pursuant to paragraph (1).

(3) The performance of, and filing of the results from, a specific year's liquidity stress test shall comply with the NAIC Liquidity Stress Test Framework's instructions and reporting templates for that year and any lead state commissioner determinations, in conjunction with the NAIC Financial Stability Task Force or its successor, provided within the framework.

(q) For purposes of subdivisions (n), (o), and (p), "lead state commissioner" means the Insurance Commissioner, as long as, and only if, California is considered the lead state in accordance with the procedures within the Financial Analysis Handbook adopted by the NAIC.

(r) The failure to file a registration statement, summary thereof, amendment to the statement, or report of dividend required by this section within the time specified for the filing is a violation of this article.

SEC. 117. Section 1215.8 of the Insurance Code is amended to read:

1215.8. (a) All information, documents, and copies thereof obtained by or disclosed to the commissioner or any other person in the course of an examination or investigation made pursuant to Section 1215.4, 1215.5, 1215.6, 1215.7, or 1215.75, and all information reported or provided pursuant to Section 1215.4, 1215.5, 1215.6, 1215.7, or 1215.75 are recognized as being proprietary and containing trade secrets, shall be kept confidential, are not subject to disclosure by the commissioner pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code), are not subject to subpoena, and are not subject to discovery from the commissioner or admissible into evidence in a private civil action if obtained from the commissioner. This information shall not be made public by the commissioner or any other person, except to insurance departments of other states, without the prior written consent of the insurance company to which it pertains, unless the commissioner, after giving the insurer and its affiliates who would be affected thereby notice and opportunity to be heard, determines that the interests of policyholders, shareholders, or the public will be served by the publication of the information, in which event the commissioner may publish all or any part of the information in a manner as the commissioner may deem appropriate.

(1) For purposes of the information reported and provided to the department pursuant to subdivisions (n) and (o) of Section 1215.4, the commissioner shall maintain the confidentiality of the group capital calculation, the group capital ratio produced within the calculation, and any group capital information received from an insurance holding company system supervised by the Federal Reserve Board or a United States groupwide supervisor.

(2) For purposes of the information reported and provided to the department pursuant to subdivision (p) of Section 1215.4, the commissioner shall maintain the confidentiality of the liquidity stress test results, supporting disclosures, and any liquidity stress test information received from an insurance holding company system supervised by the Federal Reserve Board and non-United States groupwide supervisors.

(b) In order to assist in the performance of the commissioner's duties, the commissioner:

(1) May, upon request, be required to share documents, materials, or other information, including the confidential and privileged documents, materials, or information subject to subdivision (a), including proprietary and trade secret documents and materials, with other state, federal, and international regulatory agencies, with the NAIC, with a third-party consultant designated by the commissioner, and with state, federal, and international law enforcement authorities, including members of any supervisory

college described in Section 1215.7, provided that the recipient agrees in writing to maintain the confidentiality and privileged status of the documents, materials, or other information, and has verified in writing the legal authority to maintain confidentiality.

(2) Notwithstanding paragraph (1), may only share confidential and privileged documents, materials, or information reported pursuant to subdivision (m) of Section 1215.4 with commissioners of states having statutes or regulations substantially similar to subdivision (a) and who have agreed in writing not to disclose the information.

(3) May receive documents, materials, or information, including otherwise confidential and privileged documents, materials, or information, including proprietary and trade secret information, from the NAIC and its affiliates and subsidiaries and from regulatory and law enforcement officials of other foreign or domestic jurisdictions, and shall maintain as confidential or privileged any documents, materials, or information received with notice or the understanding that it is confidential or privileged under the laws of the jurisdiction that is the source of the documents, materials, or information.

(4) May enter into written agreements with the NAIC and a third-party consultant designated by the commissioner governing sharing and use of information provided pursuant to this subdivision consistent with this subdivision that shall do the following:

(A) Specify procedures and protocols regarding the confidentiality and security of information shared with the NAIC or a third-party consultant designated by the commissioner pursuant to this subdivision, including procedures and protocols for sharing by the NAIC with other state, federal, or international regulators. The agreement shall provide that the recipient agrees in writing to maintain the confidentiality and privileged status of the documents, materials, or other information and has verified in writing the legal authority to maintain its confidentiality.

(B) Specify that ownership of information shared with the NAIC or a third-party consultant designated by the commissioner pursuant to this subdivision remains with the commissioner and the NAIC's or third-party consultant's use of the information is subject to the direction of the commissioner.

(C) Prohibit the NAIC or a third-party consultant designated by the commissioner from storing the information shared pursuant to this article in a permanent database after the underlying analysis is completed, except for the documents, materials, or information reported pursuant to subdivision (p) of Section 1215.4.

(D) Require prompt notice to be given to an insurer whose confidential information in the possession of the NAIC or a third-party consultant designated by the commissioner pursuant to this subdivision is subject to a request or subpoena to the NAIC or a third-party consultant designated by the commissioner for disclosure or production.

(E) Require the NAIC or a third-party consultant designated by the commissioner to consent to intervention by an insurer in any judicial or administrative action in which the NAIC or a third-party consultant designated by the commissioner may be required to disclose confidential information about the insurer shared with the NAIC or a third-party consultant designated by the commissioner pursuant to this subdivision.

(F) For an agreement with a third-party consultant designated by the commissioner, provide for notification of the identity of the consultant to applicable insurers reporting or submitting documents, materials, or information pursuant to subdivision (p) of Section 1215.4.

(c) The sharing of information by the commissioner pursuant to subdivision (b) shall not constitute a delegation of regulatory authority or rulemaking, and the commissioner is solely responsible for the administration, execution, and enforcement of the provisions of this article.

(d) A waiver of any applicable privilege or claim of confidentiality in the documents, materials, or information shall not occur as a result of disclosure to the commissioner under this section or as a result of sharing as authorized in subdivision (b).

(e) Documents, materials, or other information filed in the possession or control of the NAIC or a third-party consultant designated by the commissioner pursuant to this subdivision shall be confidential by law and privileged, shall not be subject to subpoena, and shall not be subject to discovery or admissible in evidence in any private civil action.

(f) (1) The group capital calculation and resulting group capital ratio required pursuant to subdivision (n) of Section 1215.4 and the liquidity stress test, along with its results and supporting disclosures, required pursuant to subdivision (p) of Section 1215.4 are regulatory tools for assessing group risks and capital adequacy and group liquidity risks, respectively, and are not intended as a means to rank insurers or insurance holding company systems generally.

(2) Except as otherwise required by this article, an insurer, broker, or other person engaged in the insurance business shall not make, publish, disseminate, circulate, or place before the public, or directly or indirectly cause to be made, published, disseminated, circulated, or placed before the public in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, over a radio or television station or any electronic means of communication available to the public, or in any other way as an advertisement, announcement, or statement containing a representation or statement with

regard to the group capital calculation, group capital ratio, liquidity stress test results, supporting disclosures for the liquidity stress test of an insurer or an insurer group, or of any component derived in the calculation.

(3) If a materially false statement regarding an insurer's or insurer group's group capital calculation, resulting group capital ratio, liquidity stress test result, or supporting disclosures for the liquidity stress test, or an inappropriate comparison of any amount to an insurer's or insurance group's group capital calculation, resulting group capital ratio, liquidity stress test result, or liquidity stress test supporting disclosures, is published in a written publication and the insurer is able to demonstrate to the commissioner with substantial proof the falsity or inappropriateness of the statement, then the insurer, notwithstanding paragraph (2), may publish announcements in a written publication if the sole purpose of the announcement is to rebut the materially false statement.

SEC. 118. Section 1666.5 of the Insurance Code is amended to read:

1666.5. (a) (1) Notwithstanding any other provision of law, the commissioner shall at the time of issuance or renewal of any license under this chapter or Chapter 6 (commencing with Section 1760), Chapter 7 (commencing with Section 1800), or Chapter 8 (commencing with Section 1831) require that any license applicant or licensee provide its federal employer identification number if the license applicant or licensee is a partnership, or the social security number of the license applicant or licensee for all others, except as provided in paragraph (2).

(2) The commissioner shall require either a social security number or an individual taxpayer identification number if the license applicant or licensee is an individual applying for or renewing a license under this chapter.

(b) A license applicant or licensee failing to provide the federal identification number, social security number, or individual taxpayer identification number shall be reported by the commissioner to the Franchise Tax Board and, if failing to provide after notification pursuant to paragraph (1) of subdivision (b) of Section 19528 of the Revenue and Taxation Code, shall be subject to the penalty provided in paragraph (2) of subdivision (b) of Section 19528 of the Revenue and Taxation Code.

(c) (1) The commissioner shall, upon request of the Franchise Tax Board, furnish to the board all of the following information with respect to every license applicant or licensee:

(A) License applicant's or licensee's name.

(B) Address or addresses of record.

(C) Federal employer identification number if the entity is a partnership or owner's name and social security number for all others.

(D) Type of license.

(E) Effective date of license or renewal.

(F) Expiration date of license.

(G) Whether license is active or inactive, if known.

(H) Whether license is new or a renewal.

(2) Notwithstanding paragraph (1), the commissioner shall, upon request of the Franchise Tax Board, furnish to the board either a social security number or an individual taxpayer identification number for individuals licensed under this chapter.

(d) For the purposes of this section:

(1) "License" includes a certificate, registration, or any other authorization needed to engage in the insurance business regulated by this code.

(2) "License applicant" means any individual or entity, other than a corporation, in the process of obtaining a license, certificate, registration, or other means to engage in the insurance business regulated by this code.

(3) "Licensee" means any individual or entity, other than a corporation, authorized by a license, certificate, registration, or other means to engage in the insurance business regulated by this code.

(e) The reports required under this section shall be filed on magnetic media or in other machine-readable form, according to standards furnished by the Franchise Tax Board.

(f) The commissioner shall begin providing to the Franchise Tax Board the information required by this section as soon as economically feasible, but no later than July 1, 1987. The information shall be furnished at a time that the Franchise Tax Board

may require.

(g) Notwithstanding Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code, the information furnished pursuant to subdivision (a) and subparagraph (C) of paragraph (1) of, and paragraph (2) of, subdivision (c) shall not be deemed to be a public record and shall not be open to the public for inspection.

(h) A deputy, agent, clerk, officer, or employee of the commissioner, or any former officer or employee or other individual, hereinafter "employees," who in the course of the employees' employment or duty has or has had access to the information required to be furnished under this section, shall not disclose or make known in any manner that information, except as provided in this section.

(1) This section shall not prevent an agency from disclosing or making known in any manner that information when the transfer is necessary for the transferee agency to perform its constitutional or statutory duties, and the use is compatible with a purpose for which the information was collected and the use or transfer is accounted for in accordance with Section 1798.25 of the Civil Code.

(2) With respect to information transferred from a law enforcement or regulatory agency, or information transferred to another law enforcement or regulatory agency, a use is compatible if the use of the information requested is needed in an investigation of unlawful activity under the jurisdiction of the requesting agency or for licensing, certification, or regulatory purposes by that agency and on the condition that the law enforcement or regulatory agency requesting the information needed agrees to keep that information confidential in accordance with Section 1798.25 of the Civil Code.

(3) A law enforcement or regulatory agency that requests information from the commissioner shall, upon request, identify for the commissioner the intended use for the information. The commissioner shall have the discretion to determine whether to transfer the information to the law enforcement or regulatory agency and shall not transfer the information if the commissioner determines that the information will be used for an improper purpose.

(i) It is the intent of the Legislature in enacting this section to utilize the social security account number, individual taxpayer identification number, or federal employer identification number for the purpose of establishing the identification of persons affected by state tax laws and, to that end, the information furnished pursuant to this section shall be used exclusively for an agency to perform its constitutional or statutory duties.

(j) This section shall become operative on July 1, 2018.

SEC. 119. Section 12921.2 of the Insurance Code is amended to read:

12921.2. All public records of the department and the commissioner subject to disclosure under Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code shall be available for inspection and copying pursuant to those provisions at the offices of the department in the City of Oakland, the City of Los Angeles, and the City of Sacramento. Adequate copy facilities for this purpose shall be made available. Notwithstanding any other law, a person requesting copies of these records shall receive the copies from employees of the department and the fee charged for the copies shall not exceed the actual cost of producing the copies.

SEC. 120. Section 138.7 of the Labor Code is amended to read:

138.7. (a) Except as expressly permitted in subdivision (b), a person or public or private entity not a party to a claim for workers' compensation benefits shall not obtain individually identifiable information obtained or maintained by the division regarding that claim. For purposes of this section, "individually identifiable information" means any data concerning an injury or claim that is linked to a uniquely identifiable employee, employer, claims administrator, or any other person or entity.

(b) (1) (A) The administrative director, or a statistical agent designated by the administrative director, may use individually identifiable information for purposes of creating and maintaining the workers' compensation information system as specified in Section 138.6.

(B) The administrative director may publish the identity of claims administrators in the annual report disclosing the compliance rates of claims administrators pursuant to subdivision (d) of Section 138.6.

(C) The administrative director shall use individually identifiable information for purposes of creating provider medical utilization data as specified in Section 138.8.

(2) (A) The State Department of Public Health may use individually identifiable information for purposes of establishing and maintaining a program on occupational health and occupational disease prevention as specified in Section 105175 of the Health and Safety Code.

(B) (i) The State Department of Health Care Services may use individually identifiable information for purposes of seeking recovery of Medi-Cal costs incurred by the state for treatment provided to injured workers that should have been incurred by employers and insurance carriers pursuant to Article 3.5 (commencing with Section 14124.70) of Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code.

(ii) The Department of Industrial Relations shall furnish individually identifiable information to the State Department of Health Care Services, and the State Department of Health Care Services may furnish the information to its designated agent, provided that the individually identifiable information shall not be disclosed for use other than the purposes described in clause (i). The administrative director may adopt regulations solely for the purpose of governing access by the State Department of Health Care Services or its designated agents to the individually identifiable information as defined in subdivision (a).

(3) (A) Individually identifiable information may be used by the Division of Workers' Compensation, the Division of Labor Standards and Enforcement, and the Division of Occupational Safety and Health as necessary to carry out their duties. The administrative director shall adopt regulations governing the access to the information described in this subdivision by these divisions. Any regulations adopted pursuant to this subdivision shall set forth the specific uses for which this information may be obtained.

(B) Individually identifiable information maintained in the workers' compensation information system and the Division of Workers' Compensation may be used by researchers employed by or under contract to the Commission on Health and Safety and Workers' Compensation as necessary to carry out the commission's research. The administrative director shall adopt regulations governing the access to the information described in this subdivision by commission researchers. These regulations shall set forth the specific uses for which this information may be obtained and include provisions guaranteeing the confidentiality of individually identifiable information. Individually identifiable information obtained under this subdivision shall not be disclosed to commission members. Individually identifiable information obtained by researchers under contract to the commission pursuant to this subparagraph may not be disclosed to any other person or entity, public or private, for a use other than that research project for which the information was obtained. Within a reasonable period of time after the research for which the information was obtained has been completed, the data collected shall be modified in a manner so that the subjects cannot be identified, directly or through identifiers linked to the subjects.

(C) Individually identifiable information may be used by the Office of Self-Insurance Plans of the Department of Industrial Relations as necessary to carry out its duties, including evaluating the costs of administration, workers' compensation benefit expenditures, and solvency and performance of the public self-insured employers' workers' compensation programs.

(4) The administrative director shall adopt regulations allowing reasonable access to individually identifiable information by other persons or public or private entities for the purpose of bona fide statistical research. This research shall not divulge individually identifiable information concerning a particular employee, employer, claims administrator, or any other person or entity. The regulations adopted pursuant to this paragraph shall include provisions guaranteeing the confidentiality of individually identifiable information. Within a reasonable period of time after the research for which the information was obtained has been completed, the data collected shall be modified in a manner so that the subjects cannot be identified, directly or through identifiers linked to the subjects.

(5) (A) This section does not exempt from disclosure any information that is considered to be a public record pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) contained in an individual's file once an application for adjudication has been filed pursuant to Section 5501.5.

(B) Individually identifiable information shall not be provided to any person or public or private entity who is not a party to the claim unless that person self-identifies or that public or private entity identifies itself and states the reason for making the request. The administrative director may require the person or public or private entity making the request to produce information to verify that the name and address of the requester is valid and correct. If the purpose of the request is related to preemployment screening, the administrative director shall notify the person about whom the information is requested that the information was provided and shall include the following in 12-point type:

"IT MAY BE A VIOLATION OF FEDERAL AND STATE LAW TO DISCRIMINATE AGAINST A JOB APPLICANT BECAUSE THE APPLICANT HAS FILED A CLAIM FOR WORKERS' COMPENSATION BENEFITS."

(C) Any residence address is confidential and shall not be disclosed to any person or public or private entity except to a party to the claim, a law enforcement agency, an office of a district attorney, any person for a journalistic purpose, or other governmental agency.

(D) This paragraph does not prohibit the use of individually identifiable information for purposes of identifying bona fide lien claimants.

(c) Except as provided in subdivision (b), individually identifiable information obtained by the division is privileged and is not subject to subpoena in a civil proceeding unless, after reasonable notice to the division and a hearing, a court determines that the public interest and the intent of this section will not be jeopardized by disclosure of the information. This section does not restrict access to information by any law enforcement agency or district attorney's office nor limit admissibility of that information in a criminal proceeding.

(d) It is unlawful for any person who has received individually identifiable information from the division pursuant to this section to provide that information to any person who is not entitled to it under this section.

SEC. 121. Section 2783 of the Labor Code is amended to read:

2783. Section 2775 and the holding in Dynamex do not apply to the following occupations as defined in the paragraphs below, and instead, the determination of employee or independent contractor status for individuals in those occupations shall be governed by Borello:

(a) A person or organization that is licensed by the Department of Insurance pursuant to Chapter 5 (commencing with Section 1621), Chapter 6 (commencing with Section 1760), or Chapter 8 (commencing with Section 1831) of Part 2 of Division 1 of the Insurance Code or a person who provides underwriting inspections, premium audits, risk management, claims adjusting, third-party administration consistent with use of the term "third-party administrator," as defined in subdivision (cc) of Section 10112.1 of Title 8 of the California Code of Regulations, or loss control work for the insurance and financial service industries.

(b) A physician and surgeon, dentist, podiatrist, psychologist, or veterinarian licensed by the State of California pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, performing professional or medical services provided to or by a health care entity, including an entity organized as a sole proprietorship, partnership, or professional corporation as defined in Section 13401 of the Corporations Code. Nothing in this subdivision shall circumvent, undermine, or restrict the rights under federal law to organize and collectively bargain.

(c) An individual who holds an active license from the State of California and is practicing one of the following recognized professions: lawyer, architect, landscape architect, engineer, private investigator, or accountant.

(d) A securities broker-dealer or investment adviser or their agents and representatives that are either of the following:

(1) Registered with the Securities and Exchange Commission or the Financial Industry Regulatory Authority.

(2) Licensed by the State of California under Chapter 2 (commencing with Section 25210) or Chapter 3 (commencing with Section 25230) of Division 1 of Part 3 of Title 4 of the Corporations Code.

(e) A direct sales salesperson as described in Section 650 of the Unemployment Insurance Code, so long as the conditions for exclusion from employment under that section are met.

(f) A manufactured housing salesperson, subject to all obligations under Part 2 (commencing with Section 18000) of Division 13 of the Health and Safety Code, including all regulations promulgated by the Department of Housing and Community Development relating to manufactured home salespersons and all other obligations of manufactured housing salespersons to members of the public. The statutorily imposed duties of a manufactured housing dealer under Section 18060.5 of the Health and Safety Code are not factors to be considered under the Borello test.

(g) A commercial fisher working on an American vessel.

(1) For the purposes of this subdivision:

(A) "American vessel" has the same meaning as defined in Section 125.5 of the Unemployment Insurance Code.

(B) "Commercial fisher" means a person who has a valid, unrevoked commercial fishing license issued pursuant to Article 3 (commencing with Section 7850) of Chapter 1 of Part 3 of Division 6 of the Fish and Game Code.

(C) "Working on an American vessel" means the taking or the attempt to take fish, shellfish, or other fishery resources of the state by any means, and includes each individual aboard an American vessel operated for fishing purposes who participates directly or indirectly in the taking of these raw fishery products, including maintaining the vessel or equipment used aboard the vessel. However, "working on an American vessel" does not apply to anyone aboard a licensed commercial fishing vessel as a visitor or guest who does not directly or indirectly participate in the taking.

(2) For the purposes of this subdivision, a commercial fisher working on an American vessel is eligible for unemployment insurance benefits if they meet the definition of “employment” in Section 609 of the Unemployment Insurance Code and are otherwise eligible for those benefits pursuant to the provisions of the Unemployment Insurance Code.

(3) (A) On or before March 1, 2021, and each March 1 thereafter, the Employment Development Department shall issue an annual report to the Legislature on the use of unemployment insurance in the commercial fishing industry. This report shall include, but not be limited to, all of the following:

(i) Reporting the number of commercial fishers who apply for unemployment insurance benefits.

(ii) The number of commercial fishers who have their claims disputed.

(iii) The number of commercial fishers who have their claims denied.

(iv) The number of commercial fishers who receive unemployment insurance benefits.

(B) The report required by this subparagraph shall be submitted in compliance with Section 9795 of the Government Code.

(4) This subdivision shall become inoperative on January 1, 2023, unless extended by the Legislature.

(h) (1) A newspaper distributor working under contract with a newspaper publisher, as defined in paragraph (2), or a newspaper carrier.

(2) For purposes of this subdivision:

(A) “Newspaper” means a newspaper of general circulation, as defined in Section 6000 or 6008 of the Government Code, and any other publication circulated to the community in general as an extension of or substitute for that newspaper’s own publication, whether that publication be designated a “shoppers’ guide,” as a zoned edition, or otherwise. “Newspaper” may also be a publication that is published in print and that may be posted in a digital format, and distributed periodically at daily, weekly, or other short intervals, for the dissemination of news of a general or local character and of a general or local interest.

(B) “Publisher” means the natural or corporate person that manages the newspaper’s business operations, including circulation.

(C) “Newspaper distributor” means a person or entity that contracts with a publisher to distribute newspapers to the community.

(D) “Newspaper carrier” means a person who effects physical delivery of the newspaper to the customer or reader, who is not working as an app-based driver, as defined in Chapter 10.5 (commencing with Section 7448) of Division 3 of the Business and Professions Code, during the time when the newspaper carrier is performing the newspaper delivery services.

(3) (A) On or before March 1, 2022, March 1, 2023, and March 1, 2024, every newspaper publisher or distributor that hires or directly contracts with newspaper carriers shall submit to the Labor and Workforce Development Agency, in a manner prescribed by the agency and in conformity with existing law, the following information related to their workforce for the current year:

(i) The number of carriers for which the publisher or distributor paid payroll taxes in the previous year and the number of carriers for which the publisher or distributor did not pay payroll taxes in the previous year.

(ii) The average wage rate paid to carriers classified as independent contractors and as employees.

(iii) The number of carrier wage claims filed, if any, with the Labor Commissioner or in a court of law.

(B) For the March 1, 2022, reporting date only, every newspaper publisher and distributor shall also report the number of carrier wage claims filed with the Labor Commissioner or in a court of law for the preceding three years.

(C) Information that is submitted shall only be disclosed in accordance with Section 7927.705 of the Government Code, relating to trade secrets or other proprietary business information.

(4) This subdivision shall become inoperative on January 1, 2025, unless extended by the Legislature.

(i) An individual who is engaged by an international exchange visitor program that has obtained and maintains full official designation by the United States Department of State under Part 62 (commencing with Section 62.1) of Title 22 of the Code of Federal Regulations for the purpose of conducting, instead of participating in, international and cultural exchange visitor programs and is in full compliance with Part 62 (commencing with Section 62.1) of Title 22 of the Code of Federal Regulations.

(j) A competition judge with a specialized skill set or expertise providing services that require the exercise of discretion and independent judgment to an organization for the purposes of determining the outcome or enforcing the rules of a competition. This includes, but is not limited to, an amateur umpire or referee.

SEC. 122. Section 6403.1 of the Labor Code is amended to read:

6403.1. (a) The Legislature hereby finds that having access to a health care employer-level inventory of personal protective equipment in the event of a pandemic or other health emergency is vital to the health and safety of its health care workforce, as well as the general population, who both rely on the state's health care workforce for care and are susceptible to disease transmission should members of the health care workforce needlessly be infected with transmissible disease.

(b) For purposes of this section:

(1) "Department" means the Department of Industrial Relations.

(2) (A) "Health care employer" means a person or organization that employs workers in the public or private sector to provide direct patient care in a general acute care hospital setting as defined in subdivision (a) of Section 1250 of the Health and Safety Code, a health facility as defined in paragraphs (1) and (2) of subdivision (c) of Section 1250 of the Health and Safety Code, a medical practice that is operated or maintained as part of an integrated health system or health facility, or a dialysis clinic licensed in accordance with paragraph (2) of subdivision (b) of Section 1204 of the Health and Safety Code.

(B) "Health care employer" does not include an independent medical practice that is owned and operated, or maintained as a clinic or office, by one or more licensed physicians and used as an office for the practice of their profession, within the scope of their license, regardless of the name used publicly to identify the place or establishment unless the medical practice is operated or maintained exclusively as part of an integrated health system or health facility or is an entity described in subdivision (l) of Section 1206 of the Health and Safety Code.

(3) "PPE" and "health care worker" have the same meanings as defined in subdivision (c) of Section 131021 of the Health and Safety Code.

(c) Except as provided in paragraphs (1) and (2) of subdivision (h), a health care employer shall maintain an inventory of unexpired PPE, as specified in this section, for use in the event of a state of emergency declaration by the Governor, or a local emergency for a pandemic or other health emergency. Personal protective equipment in the inventory shall be new and not previously worn or used. A health care employer who violates the requirement to maintain an inventory of unexpired personal protective equipment prescribed by this section shall be assessed a civil penalty of up to twenty-five thousand dollars ($25,000) for each violation, as specified in Section 6428.

(d) (1) Commencing January 1, 2023, or 365 days after regulations are adopted pursuant to subdivision (h), whichever is later, health care employers shall have an inventory at least sufficient for 45 days of surge consumption, as determined by those regulations. The regulations shall not establish policies or standards that are less protective or prescriptive than any federal, state, or local law on PPE standards.

(2) A health care employer shall provide an inventory of its PPE to the Division of Occupational Safety and Health upon request. An employer who violates this requirement shall be assessed a civil penalty of up to twenty-five thousand dollars ($25,000) for each violation. This subdivision does not apply to a health care employer that provides services in a facility or other setting controlled or owned by another health care employer that is obligated to maintain a PPE inventory and report that inventory pursuant to this subdivision for all its owned or controlled facilities and settings.

(e) (1) If a health care employer provides services in a facility or other setting controlled or owned by another health care employer who is obligated to maintain a PPE inventory, the health care employer who controls or owns the facility or other setting shall be required to maintain the required PPE for the health care employer providing services in that facility or setting.

(2) A health care employer may apply for a waiver of some or all of the PPE inventory requirements of subdivision (d) by writing to the department, which may approve the waiver if the facility has 25 or fewer employees and the employer agrees to close in-person operations during a public health emergency in which increased use of PPE is recommended by the public health officer until sufficient PPE becomes available to return to in-person operations. This provision does not apply to health facilities as described in subdivisions (a), (b), and (c) of Section 1250 of the Health and Safety Code.

(3) If a health care employer's inventory of a type of PPE dips below the mandated level of supplies as a result of the health care employer's distribution of that type of PPE to its health care workers or another health care employer's workers during a state of emergency declared by the Governor or a declared local emergency for a pandemic or other health emergency, the health care employer shall not be subject to the civil penalty established by subdivision (c) for 30 days, provided the health care employer replenishes its inventory to the mandated level within 30 days if the department has determined there is not a supply limitation.

(f) The department may exempt a health care employer from a civil penalty prescribed by subdivision (c) if the department determines that supply chain limitations make meeting the mandated level of supplies infeasible and a health care employer has made a reasonable attempt, in the discretion of the department, to obtain PPE, or if the health care employer makes a showing that meeting the mandated level of supplies is not possible due to issues beyond their control, such as if the equipment was ordered from a manufacturer or distributor but the order was not fulfilled, or if the equipment was damaged or stolen.

(g) Consistent with existing law, a designated health care employer shall supply appropriate PPE to its health care workers, ensure that its health care workers use the PPE supplied to them, and provide appropriate PPE to its health care workers upon their request. This paragraph is declaratory of existing law.

(h) The department, by regulation and in consultation with the State Department of Public Health, shall set forth requirements for determining 45-day surge capacity levels for health care employer inventory as required by paragraph (1) of subdivision (d), including, but not limited to, the types and amount of PPE to be maintained by the health care employer based on the type and size of each health care employer, as well as the composition of health care workers in its workforce. The regulations shall require each health care employer to maintain sufficient PPE for all health care workers. The regulations shall consider the recommendations of the Personal Protective Equipment Advisory Committee established pursuant to Section 131021 of the Health and Safety Code.

SEC. 123. Section 6409.6 of the Labor Code is amended to read:

6409.6. (a) If an employer or representative of the employer receives a notice of potential exposure to COVID-19, the employer shall take all of the following actions within one business day of the notice of potential exposure:

(1) Provide a written notice to all employees, and the employers of subcontracted employees, who were on the premises at the same worksite as the qualifying individual within the infectious period that they may have been exposed to COVID-19 in a manner the employer normally uses to communicate employment-related information. Written notice may include, but is not limited to, personal service, email, or text message if it can reasonably be anticipated to be received by the employee within one business day of sending and shall be in both English and the language understood by the majority of the employees.

(2) Provide a written notice to the exclusive representative, if any, of qualifying individuals and employees who had close contact with the qualifying individuals under paragraph (1).

(3) Provide all employees who were on the premises at the same worksite as the qualifying individual within the infectious period and the exclusive representative, if any, with information regarding COVID-19-related benefits to which the employee may be entitled under applicable federal, state, or local laws, including, but not limited to, workers' compensation, and options for exposed employees, including COVID-19-related leave, company sick leave, state-mandated leave, supplemental sick leave, or negotiated leave provisions, as well as antiretaliation and antidiscrimination protections of the employee.

(4) Notify all employees who were on the premises at the same worksite as the qualifying individual within the infectious period, and the employers of subcontracted employees who were on the premises at the same worksite as the qualifying individual within the infectious period and the exclusive representative, if any, of the cleaning and disinfection plan that the employer is implementing per the guidelines of the federal Centers for Disease Control and Prevention and the COVID-19 prevention program per the Cal-OSHA COVID-19 Emergency Temporary Standards.

(b) If an employer or representative of the employer is notified of the number of cases that meet the definition of a COVID-19 outbreak, as defined by the State Department of Public Health, within 48 hours or one business day, whichever is later, the employer shall notify the local public health agency in the jurisdiction of the worksite of the names, number, occupation, and worksite of employees who meet the definition in subdivision (d) of a qualifying individual. An employer shall also report the business address and NAICS code of the worksite where the qualifying individuals work. An employer that has an outbreak subject to this section shall continue to give notice to the local health department of any subsequent laboratory-confirmed cases of COVID-19 at the worksite.

(c) The notice required pursuant to paragraph (2) of subdivision (a) shall contain the same information as would be required in an incident report in a Cal/OSHA Form 300 injury and illness log unless the information is inapplicable or unknown to the employer. This requirement shall apply regardless of whether the employer is required to maintain a Cal/OSHA Form 300 injury and illness log. Notifications required by this section shall not impact any determination of whether or not the illness is work related.

(d) For purposes of this section, the following definitions apply:

(1) "Close contact" means being within six feet of a COVID-19 case for a cumulative total of 15 minutes or greater in any 24-hour period within or overlapping with the high-risk exposure period as defined by this section. This definition applies regardless of the use of face coverings.

(2) "COVID-19" means severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2).

(3) “High-risk exposure period” means either of the following time periods:

(A) For persons who develop COVID-19 symptoms, from 2 days before they first develop symptoms until 10 days after the symptoms first appeared, and until 24 hours have passed with no fever, without the use of fever-reducing medications and symptoms have improved.

(B) For persons who test positive who never develop COVID-19 symptoms, from 2 days before until 10 days after the specimen for their first positive test for COVID-19 was collected.

(4) “Infectious period” means the time a qualifying individual is infectious, as defined by the State Department of Public Health.

(5) “Notice of potential exposure” means any of the following:

(A) Notification to the employer or representative from a public health official or licensed medical provider that an employee was exposed to a qualifying individual at the worksite.

(B) Notification to the employer or representative from an employee, or their emergency contact, that the employee is a qualifying individual.

(C) Notification through the testing protocol of the employer that the employee is a qualifying individual.

(D) Notification to an employer or representative from a subcontracted employer that a qualifying individual was on the worksite of the employer receiving notification.

(6) “Qualifying individual” means any person who has any of the following:

(A) A laboratory-confirmed case of COVID-19, as defined by the State Department of Public Health.

(B) A positive COVID-19 diagnosis from a licensed health care provider.

(C) A COVID-19-related order to isolate provided by a public health official.

(D) Died due to COVID-19, in the determination of a county public health department or per inclusion in the COVID-19 statistics of a county.

(7) “Worksite” means the building, store, facility, agricultural field, or other location where a worker worked during the infectious period. It does not apply to buildings, floors, or other locations of the employer that a qualified individual did not enter, locations where the worker worked by themselves without exposure to other employees, or to a worker’s personal residence or alternative work location chosen by the worker when working remotely. In a multiworksite environment, the employer need only notify employees who were at the same worksite as the qualified individual.

(e) An employer shall not require employees to disclose medical information unless otherwise required by law.

(f) An employer shall not retaliate against a worker for disclosing a positive COVID-19 test or diagnosis or order to quarantine or isolate. Workers who believe they have been retaliated against in violation of this section may file a complaint with the Division of Labor Standards Enforcement pursuant to Section 98.6. The complaint shall be investigated as provided in Section 98.7.

(g) The State Department of Public Health shall make workplace industry information received from local public health departments pursuant to this section available on its internet website in a manner that allows the public to track the number and frequency of COVID-19 outbreaks and the number of COVID-19 cases and outbreaks by industry reported by any workplace in accordance with subdivision (b). Local public health departments and the division shall provide a link to this page on their internet websites. No personally identifiable employee information shall be made public or posted.

(h) This section shall apply to both private and public employers, except that subdivision (b) shall not apply to any of the following:

(1) A “health facility,” as defined in Section 1250 of the Health and Safety Code.

(2) A “community clinic,” as defined in subdivision (a) of Section 1204 of the Health and Safety Code.

(3) An intermittent clinic exempt from licensure under subdivision (h) of Section 1206 of the Health and Safety Code.

(4) A tribal clinic exempt from licensure under subdivision (c) of Section 1206 of the Health and Safety Code.

(5) An outpatient setting conducted, maintained, or operated by a federally recognized “Indian tribe,” “tribal organization,” or “urban Indian organization,” as defined in Section 1603 of Title 25 of the United States Code.

(6) A “rural health clinic,” as defined in Section 1395x(aa)(2) of Title 42 of the United States Code.

(7) A “federally qualified health center,” as defined in Section 1395x(aa)(4) of Title 42 of the United States Code.

(8) A “chronic dialysis clinic,” as defined in paragraph (2) of subdivision (b) of Section 1204 of the Health and Safety Code.

(9) An employer that provides health care services and that has employees licensed pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code.

(10) An “adult day health center” as defined in subdivision (a) of Section 1570.7 of the Health and Safety Code.

(11) A “home health agency” as defined in subdivision (a) of Section 1727 of the Health and Safety Code.

(12) A “pediatric day health and respite care facility” as defined in paragraph (1) of subdivision (a) of Section 1760.2 of the Health and Safety Code.

(13) A “hospice” as defined in subdivision (d) of Section 1746 of the Health and Safety Code.

(14) A community care facility, as described in the California Community Care Facilities Act (Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code), and including an adult residential facility for persons with special health care needs, as described in Section 1567.50 of the Health and Safety Code.

(15) A residential care facility for persons with chronic life-threatening illness, as described in Chapter 3.01 (commencing with Section 1568.01) of Division 2 of the Health and Safety Code.

(16) A residential care facility for the elderly, as described in the California Residential Care Facilities for the Elderly Act (Chapter 3.2 (commencing with Section 1569) of Division 2 of the Health and Safety Code).

(17) A child day care facility, as described in the California Child Day Care Facilities Act (Chapter 3.4 (commencing with Section 1596.70), Chapter 3.5 (commencing with Section 1596.90), and Chapter 3.6 (commencing with 1597.30) of Division 2 of the Health and Safety Code).

(i) This section shall not apply to employees who, as part of their duties, conduct COVID-19 testing or screening or provide direct patient care or treatment to individuals who are known to have tested positive for COVID-19, are persons under investigation, or are in quarantine or isolation related to COVID-19, unless the qualifying individual is an employee at the same worksite.

(j) No personally identifiable employee information shall be subject to a California Public Records Act request or similar request, posted on a public internet website, or shared with any other state or federal agency.

(k) An employer shall maintain records of the written notifications required in subdivision (a) for a period of at least three years.

(l) The division shall enforce paragraphs (1), (2), and (4) of subdivision (a) by the issuance of a citation alleging a violation of these paragraphs and a notice of civil penalty in a manner consistent with Section 6317. Any person who receives a citation and penalty may appeal the citation and penalty to the appeals board in a manner consistent with Section 6319.

(m) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 124. Section 999.11 of the Military and Veterans Code is amended to read:

999.11. The Secretary of the Department of Veterans Affairs shall appoint the California Disabled Veteran Business Enterprise Program Advocate. The California Disabled Veteran Business Enterprise Program Advocate shall report directly to the secretary and shall do all of the following:

(a) Promote implementation of the California Disabled Veteran Business Enterprise Program.

(b) Support and facilitate the activities of administering agencies and existing and potential disabled veteran business enterprises to achieve the goals specified in Sections 999.1 and 999.2, including, but not limited to, both of the following:

(1) Assisting awarding departments in identifying certified disabled veteran business enterprises that can offer their services for contracts that contract procurement staff have difficulty identifying.

(2) Assisting disabled veteran business enterprises in effectively utilizing certification documents and the state electronic procurement system in identifying which products and services businesses have on offer.

(c) Coordinate with the agency Disabled Veteran Business Enterprise Program Advocate appointed in all awarding departments pursuant to Section 999.12.

(d) Establish a method of monitoring adherence to the goals specified in Sections 999.1 and 999.2.

(e) Establish and promote a system to track the effectiveness of promotional activities undertaken by state agencies.

SEC. 125. Section 832.5 of the Penal Code is amended to read:

832.5. (a) (1) Each department or agency in this state that employs peace officers shall establish a procedure to investigate complaints by members of the public against the personnel of these departments or agencies, and shall make a written description of the procedure available to the public.

(2) Each department or agency that employs custodial officers, as defined in Section 831.5, may establish a procedure to investigate complaints by members of the public against those custodial officers employed by these departments or agencies, provided, however, that any procedure so established shall comply with the provisions of this section and with the provisions of Section 832.7.

(b) Complaints and any reports or findings relating to these complaints, including all complaints and any reports currently in the possession of the department or agency, shall be retained for a period of no less than 5 years for records where there was not a sustained finding of misconduct and for not less than 15 years where there was a sustained finding of misconduct. A record shall not be destroyed while a request related to that record is being processed or any process or litigation to determine whether the record is subject to release is ongoing. All complaints retained pursuant to this subdivision may be maintained either in the peace or custodial officer's general personnel file or in a separate file designated by the department or agency as provided by department or agency policy, in accordance with all applicable requirements of law. However, prior to any official determination regarding promotion, transfer, or disciplinary action by an officer's employing department or agency, the complaints described by subdivision (c) shall be removed from the officer's general personnel file and placed in a separate file designated by the department or agency, in accordance with all applicable requirements of law.

(c) Complaints by members of the public that are determined by the peace or custodial officer's employing agency to be frivolous, as defined in Section 128.5 of the Code of Civil Procedure, or unfounded or exonerated, or any portion of a complaint that is determined to be frivolous, unfounded, or exonerated, shall not be maintained in that officer's general personnel file. However, these complaints shall be retained in other, separate files that shall be deemed personnel records for purposes of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and Section 1043 of the Evidence Code.

(1) Management of the peace or custodial officer's employing agency shall have access to the files described in this subdivision.

(2) Management of the peace or custodial officer's employing agency shall not use the complaints contained in these separate files for punitive or promotional purposes except as permitted by subdivision (f) of Section 3304 of the Government Code.

(3) Management of the peace or custodial officer's employing agency may identify any officer who is subject to the complaints maintained in these files which require counseling or additional training. However, if a complaint is removed from the officer's personnel file, any reference in the personnel file to the complaint or to a separate file shall be deleted.

(d) As used in this section, the following definitions apply:

(1) "General personnel file" means the file maintained by the agency containing the primary records specific to each peace or custodial officer's employment, including evaluations, assignments, status changes, and imposed discipline.

(2) "Unfounded" means that the investigation clearly established that the allegation is not true.

(3) "Exonerated" means that the investigation clearly established that the actions of the peace or custodial officer that formed the basis for the complaint are not violations of law or department policy.

SEC. 126. Section 832.7 of the Penal Code is amended to read:

832.7. (a) Except as provided in subdivision (b), the personnel records of peace officers and custodial officers and records maintained by a state or local agency pursuant to Section 832.5, or information obtained from these records, are confidential and shall not be disclosed in any criminal or civil proceeding except by discovery pursuant to Sections 1043 and 1046 of the Evidence Code. This section does not apply to investigations or proceedings concerning the conduct of peace officers or custodial officers, or an agency or department that employs those officers, conducted by a grand jury, a district attorney's office, or the Attorney General's office, or the Commission on Peace Officer Standards and Training.

(b) (1) Notwithstanding subdivision (a), Article 1 (commencing with Section 7923.600) of Chapter 1 of Part 5 of Division 10 of Title 1 of the Government Code, or any other law, the following peace officer or custodial officer personnel records and records maintained by a state or local agency shall not be confidential and shall be made available for public inspection pursuant to the California Public Records Act (Division 10 (commencing with 7920.000) of Title 1 of the Government Code):

(A) A record relating to the report, investigation, or findings of any of the following:

(i) An incident involving the discharge of a firearm at a person by a peace officer or custodial officer.

(ii) An incident involving the use of force against a person by a peace officer or custodial officer that resulted in death or in great bodily injury.

(iii) A sustained finding involving a complaint that alleges unreasonable or excessive force.

(iv) A sustained finding that an officer failed to intervene against another officer using force that is clearly unreasonable or excessive.

(B) (i) Any record relating to an incident in which a sustained finding was made by any law enforcement agency or oversight agency that a peace officer or custodial officer engaged in sexual assault involving a member of the public.

(ii) As used in this subparagraph, “sexual assault” means the commission or attempted initiation of a sexual act with a member of the public by means of force, threat, coercion, extortion, offer of leniency or other official favor, or under the color of authority. For purposes of this subparagraph, the propositioning for or commission of any sexual act while on duty is considered a sexual assault.

(iii) As used in this subparagraph, “member of the public” means any person not employed by the officer’s employing agency and includes any participant in a cadet, explorer, or other youth program affiliated with the agency.

(C) Any record relating to an incident in which a sustained finding was made by any law enforcement agency or oversight agency involving dishonesty by a peace officer or custodial officer directly relating to the reporting, investigation, or prosecution of a crime, or directly relating to the reporting of, or investigation of misconduct by, another peace officer or custodial officer, including, but not limited to, false statements, filing false reports, destruction, falsifying, or concealing of evidence, or perjury.

(D) Any record relating to an incident in which a sustained finding was made by any law enforcement agency or oversight agency that a peace officer or custodial officer engaged in conduct including, but not limited to, verbal statements, writings, online posts, recordings, and gestures, involving prejudice or discrimination against a person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status.

(E) Any record relating to an incident in which a sustained finding was made by any law enforcement agency or oversight agency that the peace officer made an unlawful arrest or conducted an unlawful search.

(2) Records that are subject to disclosure under clause (iii) or (iv) of subparagraph (A) of paragraph (1), or under subparagraph (D) or (E) of paragraph (1), relating to an incident that occurred before January 1, 2022, shall not be subject to the time limitations in paragraph (8) until January 1, 2023.

(3) Records that shall be released pursuant to this subdivision include all investigative reports; photographic, audio, and video evidence; transcripts or recordings of interviews; autopsy reports; all materials compiled and presented for review to the district attorney or to any person or body charged with determining whether to file criminal charges against an officer in connection with an incident, or whether the officer’s action was consistent with law and agency policy for purposes of discipline or administrative action, or what discipline to impose or corrective action to take; documents setting forth findings or recommended findings; and copies of disciplinary records relating to the incident, including any letters of intent to impose discipline, any documents reflecting modifications of discipline due to the Skelly or grievance process, and letters indicating final imposition of discipline or other documentation reflecting implementation of corrective action. Records that shall be released pursuant to this subdivision also include records relating to an incident specified in paragraph (1) in which the peace officer or custodial officer resigned before the law enforcement agency or oversight agency concluded its investigation into the alleged incident.

(4) A record from a separate and prior investigation or assessment of a separate incident shall not be released unless it is independently subject to disclosure pursuant to this subdivision.

(5) If an investigation or incident involves multiple officers, information about allegations of misconduct by, or the analysis or disposition of an investigation of, an officer shall not be released pursuant to subparagraph (B), (C), (D), or (E) of paragraph (1), unless it relates to a sustained finding regarding that officer that is itself subject to disclosure pursuant to this section. However, factual information about that action of an officer during an incident, or the statements of an officer about an incident, shall be released if they are relevant to a finding against another officer that is subject to release pursuant to subparagraph (B), (C), (D), or (E) of paragraph (1).

(6) An agency shall redact a record disclosed pursuant to this section only for any of the following purposes:

(A) To remove personal data or information, such as a home address, telephone number, or identities of family members, other than the names and work-related information of peace and custodial officers.

(B) To preserve the anonymity of whistleblowers, complainants, victims, and witnesses.

(C) To protect confidential medical, financial, or other information of which disclosure is specifically prohibited by federal law or would cause an unwarranted invasion of personal privacy that clearly outweighs the strong public interest in records about possible misconduct and use of force by peace officers and custodial officers.

(D) Where there is a specific, articulable, and particularized reason to believe that disclosure of the record would pose a significant danger to the physical safety of the peace officer, custodial officer, or another person.

(7) Notwithstanding paragraph (6), an agency may redact a record disclosed pursuant to this section, including personal identifying information, where, on the facts of the particular case, the public interest served by not disclosing the information clearly outweighs the public interest served by disclosure of the information.

(8) An agency may withhold a record of an incident described in paragraph (1) that is the subject of an active criminal or administrative investigation, in accordance with any of the following:

(A) (i) During an active criminal investigation, disclosure may be delayed for up to 60 days from the date the misconduct or use of force occurred or until the district attorney determines whether to file criminal charges related to the misconduct or use of force, whichever occurs sooner. If an agency delays disclosure pursuant to this clause, the agency shall provide, in writing, the specific basis for the agency's determination that the interest in delaying disclosure clearly outweighs the public interest in disclosure. This writing shall include the estimated date for disclosure of the withheld information.

(ii) After 60 days from the misconduct or use of force, the agency may continue to delay the disclosure of records or information if the disclosure could reasonably be expected to interfere with a criminal enforcement proceeding against an officer who engaged in misconduct or used the force. If an agency delays disclosure pursuant to this clause, the agency shall, at 180-day intervals as necessary, provide, in writing, the specific basis for the agency's determination that disclosure could reasonably be expected to interfere with a criminal enforcement proceeding. The writing shall include the estimated date for the disclosure of the withheld information. Information withheld by the agency shall be disclosed when the specific basis for withholding is resolved, when the investigation or proceeding is no longer active, or by no later than 18 months after the date of the incident, whichever occurs sooner.

(iii) After 60 days from the misconduct or use of force, the agency may continue to delay the disclosure of records or information if the disclosure could reasonably be expected to interfere with a criminal enforcement proceeding against someone other than the officer who engaged in misconduct or used the force. If an agency delays disclosure under this clause, the agency shall, at 180-day intervals, provide, in writing, the specific basis why disclosure could reasonably be expected to interfere with a criminal enforcement proceeding, and shall provide an estimated date for the disclosure of the withheld information. Information withheld by the agency shall be disclosed when the specific basis for withholding is resolved, when the investigation or proceeding is no longer active, or by no later than 18 months after the date of the incident, whichever occurs sooner, unless extraordinary circumstances warrant continued delay due to the ongoing criminal investigation or proceeding. In that case, the agency must show by clear and convincing evidence that the interest in preventing prejudice to the active and ongoing criminal investigation or proceeding outweighs the public interest in prompt disclosure of records about misconduct or use of force by peace officers and custodial officers. The agency shall release all information subject to disclosure that does not cause substantial prejudice, including any documents that have otherwise become available.

(iv) In an action to compel disclosure brought pursuant to Section 7923.000 of the Government Code, an agency may justify delay by filing an application to seal the basis for withholding, in accordance with Rule 2.550 of the California Rules of Court, or any successor rule, if disclosure of the written basis itself would impact a privilege or compromise a pending investigation.

(B) If criminal charges are filed related to the incident in which misconduct occurred or force was used, the agency may delay the disclosure of records or information until a verdict on those charges is returned at trial or, if a plea of guilty or no contest is entered, the time to withdraw the plea pursuant to Section 1018.

(C) During an administrative investigation into an incident described in paragraph (1), the agency may delay the disclosure of records or information until the investigating agency determines whether misconduct or the use of force violated a law or agency policy, but no longer than 180 days after the date of the employing agency's discovery of the misconduct or use of force, or allegation of misconduct or use of force, by a person authorized to initiate an investigation.

(9) A record of a complaint, or the investigations, findings, or dispositions of that complaint, shall not be released pursuant to this section if the complaint is frivolous, as defined in Section 128.5 of the Code of Civil Procedure, or if the complaint is unfounded.

(10) The cost of copies of records subject to disclosure pursuant to this subdivision that are made available upon the payment of fees covering direct costs of duplication pursuant to subdivision (a) of Section 7922.530 of the Government Code shall not include the costs of searching for, editing, or redacting the records.

(11) Except to the extent temporary withholding for a longer period is permitted pursuant to paragraph (8), records subject to disclosure under this subdivision shall be provided at the earliest possible time and no later than 45 days from the date of a request for their disclosure.

(12) (A) For purposes of releasing records pursuant to this subdivision, the lawyer-client privilege does not prohibit the disclosure of either of the following:

(i) Factual information provided by the public entity to its attorney or factual information discovered in any investigation conducted by, or on behalf of, the public entity's attorney.

(ii) Billing records related to the work done by the attorney so long as the records do not relate to active and ongoing litigation and do not disclose information for the purpose of legal consultation between the public entity and its attorney.

(B) This paragraph does not prohibit the public entity from asserting that a record or information within the record is exempted or prohibited from disclosure pursuant to any other federal or state law.

(c) Notwithstanding subdivisions (a) and (b), a department or agency shall release to the complaining party a copy of the complaining party's own statements at the time the complaint is filed.

(d) Notwithstanding subdivisions (a) and (b), a department or agency that employs peace or custodial officers may disseminate data regarding the number, type, or disposition of complaints (sustained, not sustained, exonerated, or unfounded) made against its officers if that information is in a form that does not identify the individuals involved.

(e) Notwithstanding subdivisions (a) and (b), a department or agency that employs peace or custodial officers may release factual information concerning a disciplinary investigation if the officer who is the subject of the disciplinary investigation, or the officer's agent or representative, publicly makes a statement that they know to be false concerning the investigation or the imposition of disciplinary action. Information may not be disclosed by the peace or custodial officer's employer unless the false statement was published by an established medium of communication, such as television, radio, or a newspaper. Disclosure of factual information by the employing agency pursuant to this subdivision is limited to facts contained in the officer's personnel file concerning the disciplinary investigation or imposition of disciplinary action that specifically refute the false statements made public by the peace or custodial officer or their agent or representative.

(f) (1) The department or agency shall provide written notification to the complaining party of the disposition of the complaint within 30 days of the disposition.

(2) The notification described in this subdivision is not conclusive or binding or admissible as evidence in any separate or subsequent action or proceeding brought before an arbitrator, court, or judge of this state or the United States.

(g) This section does not affect the discovery or disclosure of information contained in a peace or custodial officer's personnel file pursuant to Section 1043 of the Evidence Code.

(h) This section does not supersede or affect the criminal discovery process outlined in Chapter 10 (commencing with Section 1054) of Title 6 of Part 2, or the admissibility of personnel records pursuant to subdivision (a), which codifies the court decision in Pitchess v. Superior Court (1974) 11 Cal.3d 531.

(i) Nothing in this chapter is intended to limit the public's right of access as provided for in Long Beach Police Officers Association v. City of Long Beach (2014) 59 Cal.4th 59.

SEC. 127. Section 2807 of the Penal Code is amended to read:

2807. (a) The authority is hereby authorized and empowered to operate industrial, agricultural, and service enterprises which will provide products and services needed by the state, or any political subdivision thereof, or by the federal government, or any department, agency, or corporation thereof, or for any other public use. Products may be purchased by state agencies to be offered for sale to inmates of the department and to any other person under the care of the state who resides in state-operated institutional facilities. Fresh meat may be purchased by food service operations in state-owned facilities and sold for onsite consumption.

(b) All things authorized to be produced under subdivision (a) shall be purchased by the state, or any agency thereof, and may be purchased by any county, city, district, or political subdivision, or any agency thereof, or by any state agency to offer for sale to persons residing in state-operated institutions, at the prices fixed by the authority. State agencies shall make maximum utilization of these products, and shall consult with the staff of the authority to develop new products and adapt existing products to meet their needs.

(c) All products and services provided by the authority may be offered for sale to a nonprofit organization, provided that all of the following conditions are met:

(1) The nonprofit organization is located in California and is exempt from taxation under Section 501(c)(3) of Title 26 of the United States Code.

(2) The nonprofit organization has entered into a memorandum of understanding with a local educational agency. As used in this section, “local educational agency” means a school district, county office of education, state special school, or charter school.

(3) The products and services are provided to public school students at no cost to the students or their families.

(d) Notwithstanding subdivision (b), the Department of Forestry and Fire Protection may purchase personal protective equipment from the authority or private entities, based on the Department of Forestry and Fire Protection’s needs and assessment of quality and value.

SEC. 128. Section 16106 of the Probate Code is amended to read:

16106. (a) On and after July 1, 2022, a trustee holding assets subject to a charitable trust shall give written notice to the Attorney General at least 20 days before the trustee sells, leases, conveys, exchanges, transfers, or otherwise disposes of all or substantially all of the charitable assets.

(b) On or after January 1, 2022, the Attorney General shall establish rules and regulations necessary to administer this section.

SEC. 129. Section 10112.3 of the Public Contract Code is amended to read:

10112.3. Construction Manager/General Contractor method projects shall progress as follows:

(a) (1) The department shall establish a procedure for the evaluation and selection of a construction manager through a request for qualifications (RFQ). The RFQ shall include, but not be limited to, the following:

(A) If the construction manager is a partnership, limited partnership, or other association, a list of all of the partners, general partners, or association members known at the time of the statement of qualifications submission who will participate in the Construction Manager/General Contractor method contract.

(B) Evidence that the members of the construction manager have completed, or demonstrated the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity, and that proposed key personnel have sufficient experience and training to competently manage and complete the construction of the project, as well as a financial statement that assures the department that the construction manager has the capacity to complete the project, construction expertise, and an acceptable safety record.

(C) The licenses, registration, and credentials required to construct the project, including information on the revocation or suspension of any license, registration, or credential.

(D) Evidence that establishes that the construction manager has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

(E) Any prior serious or willful violation of the California Occupational Safety and Health Act of 1973 (Part 1 (commencing with Section 6300) of Division 5 of the Labor Code), or the federal Occupational Safety and Health Act of 1970 (Public Law 91-596), settled against any member of the construction manager, and information concerning workers’ compensation experience history and worker safety program.

(F) Information concerning any debarment, disqualification, or removal from a federal, state, or local government public works project. Any instance in which a construction manager, its owners, officers, or managing employees submitted a bid on a public works project and were found to be nonresponsive or were found by an awarding body not to be a responsible bidder.

(G) Any instance in which the construction manager, or its owners, officers, or managing employees, defaulted on a construction contract.

(H) Any violations of the Contractors' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code), excluding alleged violations of federal or state law including the payment of wages, benefits, apprenticeship requirements, or personal income tax withholding, or of the Federal Insurance Contributions Act (26 U.S.C. Sec. 3101, et seq.) withholding requirements settled against any member of the construction manager.

(I) Information concerning the bankruptcy or receivership of any member of the construction manager, including information concerning any work completed by a surety.

(J) Information concerning all settled adverse claims, disputes, or lawsuits between the owner of a public works project and any member of the construction manager during the five years preceding submission of a bid pursuant to this section, in which the claim, settlement, or judgment exceeds fifty thousand dollars ($50,000). Information shall also be provided concerning any work completed by a surety during this period.

(K) In the case of a partnership or other association that is not a legal entity, a copy of the agreement creating the partnership or association and specifying that all partners or association members agree to be fully liable for the performance under the contract.

(L) For the purposes of this paragraph, a construction manager's safety record shall be deemed acceptable if their experience modification rate for the most recent three-year period is an average of 1.00 or less, and their average total recordable injury/illness rate and average lost work rate for the most recent three-year period does not exceed the applicable statistical standards for its business category.

(2) The information required pursuant to this subdivision shall be verified under oath by the construction manager and its members in the manner in which civil pleadings in civil actions are verified. Information that is not a public record pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) shall not be open to public inspection.

(b) For each RFQ, the department shall generate a final list of qualified persons or firms that participated in the RFQ prior to entering into negotiations on the contract or contracts to which the RFQ applies.

(c) (1) For each contract included in the RFQ, the department shall enter into separate negotiations for the contract with the highest qualified person or firm on the final list for that contract. However, if the RFQ is for multiple contracts and specifies that all of the multiple contracts will be awarded to a single construction manager, there may be a single negotiation for all of the multiple contracts. The negotiations shall include consideration of compensation and other contract terms that the department determines to be fair and reasonable to the department. In making this decision, the department shall take into account the estimated value, the scope, the complexity, and the nature of the professional services or construction services to be rendered. If the department is not able to negotiate a satisfactory contract with the highest qualified person or firm on the final list, regarding compensation and on other contract terms the department determines to be fair and reasonable, the department shall formally terminate negotiations with that person or firm. The department may undertake negotiations with the next most qualified person or firm on the final list in sequence until an agreement is reached, or a determination is made to reject all persons or firms on the final list.

(2) If a contract for construction services is entered into pursuant to this article and includes preconstruction services by the construction manager, the department shall enter into a written contract with the construction manager for preconstruction services under which contract the department shall pay the construction manager a fee for preconstruction services in an amount agreed upon by the department and the construction manager. The preconstruction services contract may include fees for services to be performed during the contract period provided, however, the department shall not request or obtain a fixed price or a guaranteed maximum price for the construction contract from the construction manager or enter into a construction contract with the construction manager until after the department has entered into a preconstruction services contract that shall provide for the subsequent negotiation for construction of all or any discreet phase or phases of the project.

(3) A contract for construction services shall be awarded after the plans have been sufficiently developed and either a fixed price or a guaranteed maximum price has been successfully negotiated. If a fixed price or a guaranteed maximum price is not negotiated, the department shall not award the contract for construction services.

(4) The department is not required to award the construction services contract.

(5) Construction shall not commence on any phase, package, or element until the department and construction manager agree in writing on either a fixed price that the department will pay for the construction to be commenced or a guaranteed maximum price for the construction to be commenced and construction schedule for the project. The construction manager shall perform not less than 30 percent of the work covered by the fixed price or guaranteed maximum price agreement reached. Work that is not performed directly by the construction manager shall be bid to subcontractors pursuant to Section 10112.5.

SEC. 130. Section 10208 of the Public Contract Code is amended to read:

10208. The procurement process for the design-build projects shall progress as follows:

(a) (1) The director shall prepare a set of documents setting forth the scope and estimated price of the project. The documents may include, but need not be limited to, the size, type, and desired design character of the project, performance specifications covering the quality of materials, equipment, workmanship, preliminary plans or building layouts, or any other information deemed necessary to describe adequately the department's needs. The performance specifications and any plans shall be prepared by a design professional who is duly licensed and registered in California.

(2) The documents shall not include a design-build-operate contract for any project. The documents, however, may include operations during a training or transition period but shall not include long-term operations for any project.

(b) The director shall prepare and issue a request for qualifications in order to prequalify or short-list the design-build entities whose proposals shall be evaluated for final selection. The request for qualifications shall include, but need not be limited to, the following elements:

(1) Identification of the basic scope and needs of the project or contract, the expected cost range, the methodology that will be used by the department to evaluate proposals, the procedure for final selection of the design-build entity, and any other information deemed necessary by the director to inform interested parties of the contracting opportunity.

(2) Significant factors that the department reasonably expects to consider in evaluating qualifications, including technical design and construction expertise, and all other non-price-related factors.

(3) A standard template request for statements of qualifications prepared by the department. In preparing the standard template, the department may consult with the construction industry, the building trades and surety industry, and other agencies interested in using the authorization provided by this article. The template shall require the following information:

(A) If the design-build entity is a privately held corporation, limited liability company, partnership, or joint venture, a listing of all of the shareholders, partners, or members known at the time of statement of qualification submission who will perform work on the project.

(B) Evidence that the members of the design-build team have completed, or demonstrated the experience, competency, capability, and capacity to complete projects of similar size, scope, or complexity, and that proposed key personnel have sufficient experience and training to competently manage and complete the design and construction of the project, and a financial statement that ensures that the design-build entity has the capacity to complete the project.

(C) The licenses, registration, and credentials required to design and construct the project, including, but not limited to, information on the revocation or suspension of any license, credential, or registration.

(D) Evidence that establishes that the design-build entity has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

(E) Information concerning workers' compensation experience history and a worker safety program.

(F) If the proposed design-build entity is a corporation, limited liability company, partnership, joint venture, or other legal entity, a copy of the organizational documents or agreement committing to form the organization.

(G) An acceptable safety record. A proposer's safety record shall be deemed acceptable if its experience modification rate for the most recent three-year period is an average of 1.00 or less, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period does not exceed the applicable statistical standards for its business category or if the proposer is a party to an alternative dispute resolution system as provided for in Section 3201.5 of the Labor Code.

(4) (A) The information required under this subdivision shall be certified under penalty of perjury by the design-build entity and its general partners or joint venture members.

(B) Information required under this subdivision that is not otherwise a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) shall not be open to public inspection.

(c) (1) A design-build entity shall not be prequalified or short-listed unless the entity provides an enforceable commitment to the director that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades, in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1.

(2) This subdivision shall not apply if any of the following requirements are met:

(A) The department has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the department prior to January 1, 2017.

(C) The entity has entered into a project labor agreement that will bind the entity and all its subcontractors at every tier performing the project or contract to use a skilled and trained workforce.

(3) For purposes of this subdivision, “project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500.

(d) Based on the documents prepared as described in subdivision (a), the director shall prepare a request for proposals that invites prequalified or short-listed entities to submit competitive sealed proposals in the manner prescribed by the department. The request for proposals shall include, but need not be limited to, the following elements:

(1) Identification of the basic scope and needs of the project or contract, the estimated cost of the project, the methodology that will be used by the department to evaluate proposals, whether the contract will be awarded on the basis of low bid or best value, and any other information deemed necessary by the department to inform interested parties of the contracting opportunity.

(2) Significant factors that the department reasonably expects to consider in evaluating proposals, including, but not limited to, cost or price and all non-price-related factors.

(3) The relative importance or the weight assigned to each of the factors identified in the request for proposals.

(4) Where a best value selection method is used, the department may reserve the right to request proposal revisions and hold discussions and negotiations with responsive proposers, in which case the department shall so specify in the request for proposals and shall publish separately or incorporate into the request for proposals applicable procedures to be observed by the department to ensure that any discussions or negotiations are conducted in good faith.

(e) For those projects utilizing low bid as the final selection method, the competitive bidding process shall result in lump-sum bids by the prequalified or short-listed design-build entities, and awards shall be made to the design-build entity that is the lowest responsible bidder.

(f) For those projects utilizing best value as a selection method, the design-build competition shall progress as follows:

(1) Competitive proposals shall be evaluated by using only the criteria and selection procedures specifically identified in the request for proposals. The following minimum factors, however, shall be weighted as deemed appropriate by the department:

(A) Price, unless a stipulated sum is specified.

(B) Technical design and construction expertise.

(C) Life-cycle costs over 15 or more years.

(2) Pursuant to subdivision (d), the department may hold discussions or negotiations with responsive proposers using the process articulated in the department’s request for proposals.

(3) When the evaluation is complete, the responsive proposers shall be ranked based on a determination of value provided, provided that no more than three proposers are required to be ranked.

(4) The award of the contract shall be made to the responsible design-build entity whose proposal is determined by the director to have offered the best value to the public.

(5) Notwithstanding any other provision of this code, upon issuance of a contract award, the director shall publicly announce its award, identifying the design-build entity to which the award is made, along with a statement regarding the basis of the award.

(6) The statement regarding the director’s contract award, described in paragraph (5), and the contract file shall provide sufficient information to satisfy an external audit.

SEC. 131. Section 20665.24 of the Public Contract Code is amended to read:

20665.24. Bidding for job order contracts shall progress as follows:

(a) (1) A community college district shall prepare a set of documents for job order contracts. The documents shall include a unit price catalog and preestablished unit prices, job order contract technical specifications, and any other information deemed necessary to describe adequately the community college district's needs.

(2) Any architect, engineer, consultant, or contractor retained by the community college district to assist in the development of the job order contract documents shall not be eligible to bid or to participate in the preparation of a bid with any job order contractor.

(b) Based on the documents prepared under subdivision (a), a community college district shall prepare a request for bid that invites prequalified job order contractors to submit competitive sealed bids in the manner prescribed by the community college district.

(1) (A) The prequalified job order contractors, as determined by a community college district, shall bid one or more adjustment factors to the unit prices listed in the unit price catalog based on the job order contract technical specifications. Awards shall be made to the prequalified bidders that the community college district determines to be the most qualified based upon preestablished criteria made by a community college district. The prequalified bidders shall be in compliance with a community college district's project labor agreement.

(B) Compliance shall constitute no more than three major violations on any community college district projects within the last three years. If a contractor has more than three violations within a three-year period of time, the community college district shall seek administrative review of the violations. Violations will include, but are not limited to, the following:

(i) Failure to register core workers with the appropriate building trade union.

(ii) Failure to assign apprentices in accordance with Section 1777.5 of the Labor Code.

(iii) Failure to comply with subdivision (c) of Section 20665.25.

(iv) Incorrect assignment of work in accordance with the community college district's project labor agreement.

(2) The community college district may award multiple job order contracts through a request for bid. Job order contracts shall be awarded to the most qualified prequalified bidders described in this subdivision.

(3) The request for bids may encourage the participation of local construction firms and the use of local subcontractors.

(c) (1) A community college district shall establish a procedure to prequalify job order contractors using a standard questionnaire that includes, at a minimum, the issues covered by the standardized questionnaire and model guidelines for rating bidders developed by the Department of Industrial Relations pursuant to subdivision (a) of Section 20101. This questionnaire shall require information including, but not limited to, all of the following:

(A) If the job order contractor is a partnership, limited partnership, or other association, a listing of all of the partners or association members known at the time of bid submission who will participate in the job order contract.

(B) Evidence that the members of the job order contractor have the capacity to complete projects of similar size, scope, or complexity, and that proposed key personnel have sufficient experience and training to competently manage the construction of the project, as well as a financial statement that assures the community college district that the job order contractor has the capacity to complete the project.

(C) The licenses, registration, and credentials required to perform construction, including, but not limited to, information on the revocation or suspension of any license, credential, or registration.

(D) Evidence that establishes that the job order contractor has the capacity to obtain all required payment and performance bonding and liability insurance.

(E) Information concerning workers' compensation experience history, worker safety programs, and apprenticeship programs.

(F) A full disclosure regarding all of the following that are applicable:

(i) Any serious or willful violation of Part 1 (commencing with Section 6300) of Division 5 of the Labor Code or the federal Occupational Safety and Health Act of 1970 (Public Law 91-596), settled against any member of the job order contractor.

(ii) Any debarment, disqualification, or removal from a federal, state, or local government public works project.

(iii) Any instance where the job order contractor, or its owners, officers, or managing employees submitted a bid on a public works project and were found to be nonresponsive, or were found by an awarding body not to be a responsible

bidder.

(iv) Any instance where the job order contractor, or its owners, officers, or managing employees defaulted on a construction contract.

(v) Any violations of the Contractors' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code), excluding alleged violations of federal or state law regarding the payment of wages, benefits, apprenticeship requirements, or personal income tax withholding, or of Federal Insurance Contribution Act (FICA) withholding requirements settled against any member of the job order contractor.

(vi) Any bankruptcy or receivership of any member of the job order contractor, including, but not limited to, information concerning any work completed by a surety.

(vii) Any settled adverse claims, disputes, or lawsuits between the owner of a public works project and any member of the job order contractor during the five years preceding submission of a bid under this article, in which the claim, settlement, or judgment exceeds fifty thousand dollars ($50,000). Information shall also be provided concerning any work completed by a surety during this period.

(G) In the case of a partnership or any association that is not a legal entity, a copy of the agreement creating the partnership or association and specifying that all partners or association members agree to be fully liable for the performance under the job order contract.

(2) The information required under this subdivision shall be verified under oath by the entity and its members in the manner in which civil pleadings in civil actions are verified. Information that is not a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) shall not be open to public inspection.

SEC. 132. Section 20919.24 of the Public Contract Code is amended to read:

20919.24. Bidding for job order contracts shall progress as follows:

(a) (1) The school district shall prepare a set of documents for job order contracts. The documents shall include a unit price catalog and preestablished unit prices, job order contract technical specifications, and any other information deemed necessary to describe adequately the school district's needs.

(2) Any architect, engineer, consultant, or contractor retained by the school district to assist in the development of the job order contract documents shall not be eligible to bid or to participate in the preparation of a bid with any job order contractor.

(b) Based on the documents prepared under subdivision (a), the school district shall prepare a request for bid that invites prequalified job order contractors to submit competitive sealed bids in the manner prescribed by the school district.

(1) (A) The prequalified job order contractors, as determined by the school district, shall bid one or more adjustment factors to the unit prices listed in the unit price catalog based on the job order contract technical specifications. Awards shall be made to the prequalified bidders that the school district determines to be the most qualified based upon preestablished criteria made by the school district. The prequalified bidders shall be in compliance with the school district's project labor agreement.

(B) Compliance shall constitute no more than three major violations on any school district projects within the last three years. If a contractor has more than three violations within a three-year period of time, the school district shall seek administrative review of the violations. Violations will include, but are not limited to, the following:

(i) Failure to register core workers with the appropriate building trade union.

(ii) Failure to assign apprentices in accordance with Section 1777.5 of the Labor Code.

(iii) Failure to comply with subdivision (c) of Section 20919.25.

(iv) Incorrect assignment of work in accordance with the school district's project labor agreement.

(2) The school district may award multiple job order contracts through a request for bid. Job order contracts shall be awarded to the most qualified prequalified bidders described in this subdivision.

(3) The request for bids may encourage the participation of local construction firms and the use of local subcontractors.

(c) (1) The school district shall establish a procedure to prequalify job order contractors using a standard questionnaire that includes, at a minimum, the issues covered by the standardized questionnaire and model guidelines for rating bidders developed by the Department of Industrial Relations pursuant to subdivision (a) of Section 20101. This questionnaire shall require information including, but not limited to, all of the following:

(A) If the job order contractor is a partnership, limited partnership, or other association, a listing of all of the partners or association members known at the time of bid submission who will participate in the job order contract.

(B) Evidence that the members of the job order contractor have the capacity to complete projects of similar size, scope, or complexity, and that proposed key personnel have sufficient experience and training to competently manage the construction of the project, as well as a financial statement that assures the school district that the job order contractor has the capacity to complete the project.

(C) The licenses, registration, and credentials required to perform construction, including, but not limited to, information on the revocation or suspension of any license, credential, or registration.

(D) Evidence that establishes that the job order contractor has the capacity to obtain all required payment and performance bonding and liability insurance.

(E) Information concerning workers' compensation experience history, worker safety programs, and apprenticeship programs.

(F) A full disclosure regarding all of the following that are applicable:

(i) Any serious or willful violation of Part 1 (commencing with Section 6300) of Division 5 of the Labor Code or the federal Occupational Safety and Health Act of 1970 (Public Law 91-596), settled against any member of the job order contractor.

(ii) Any debarment, disqualification, or removal from a federal, state, or local government public works project.

(iii) Any instance where the job order contractor, or its owners, officers, or managing employees submitted a bid on a public works project and were found to be nonresponsive, or were found by an awarding body not to be a responsible bidder.

(iv) Any instance where the job order contractor, or its owners, officers, or managing employees defaulted on a construction contract.

(v) Any violations of the Contractors' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code), excluding alleged violations of federal or state law regarding the payment of wages, benefits, apprenticeship requirements, or personal income tax withholding, or of Federal Insurance Contribution Act (FICA) withholding requirements settled against any member of the job order contractor.

(vi) Any bankruptcy or receivership of any member of the job order contractor, including, but not limited to, information concerning any work completed by a surety.

(vii) Any settled adverse claims, disputes, or lawsuits between the owner of a public works project and any member of the job order contractor during the five years preceding submission of a bid under this article, in which the claim, settlement, or judgment exceeds fifty thousand dollars ($50,000). Information shall also be provided concerning any work completed by a surety during this period.

(G) In the case of a partnership or any association that is not a legal entity, a copy of the agreement creating the partnership or association and specifying that all partners or association members agree to be fully liable for the performance under the job order contract.

(2) The information required under this subdivision shall be verified under oath by the entity and its members in the manner in which civil pleadings in civil actions are verified. Information that is not a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) shall not be open to public inspection.

SEC. 133. Section 4584 of the Public Resources Code is amended to read:

4584. Upon determining that this exemption is consistent with the purposes of this chapter, the board may exempt from this chapter, or portions of this chapter, a person engaged in forest management whose activities are limited to any of the following:

(a) The cutting or removal of trees for the purpose of constructing or maintaining a right-of-way for utility lines.

(b) The planting, growing, nurturing, shaping, shearing, removal, or harvest of immature trees for Christmas trees or other ornamental purposes or minor forest products, including fuelwood.

(c) The cutting or removal of dead, dying, or diseased trees of any size.

(d) Site preparation.

(e) Maintenance of drainage facilities and soil stabilization treatments.

(f) Timber operations on land managed by the Department of Parks and Recreation.

(g) (1) The one-time conversion of less than three acres to a nontimber use. A person, whether acting as an individual, as a member of a partnership, or as an officer or employee of a corporation or other legal entity, shall not obtain more than one exemption pursuant to this subdivision in a five-year period. If a partnership has as a member, or if a corporation or other legal entity has as an officer or employee, a person who has received this exemption within the past five years, whether as an individual, as a member of a partnership, or as an officer or employee of a corporation or other legal entity, then that partnership, corporation, or other legal entity is not eligible for this exemption. “Person,” for purposes of this subdivision, means an individual, partnership, corporation, or other legal entity.

(2) (A) Notwithstanding Section 4554.5, the board shall adopt regulations that do all of the following:

(i) Identify the required documentation of a bona fide intent to complete the conversion that an applicant will need to submit in order to be eligible for the exemption in paragraph (1).

(ii) Authorize the department to inspect the sites approved in conversion applications that have been approved on or after January 1, 2002, in order to determine that the conversion was completed within the two-year period described in subparagraph (B) of paragraph (2) of subdivision (a) of Section 1104.1 of Title 14 of the California Code of Regulations.

(iii) Require the exemption pursuant to this subdivision to expire if there is a change in timberland ownership. The person who originally submitted an application for an exemption pursuant to this subdivision shall notify the department of a change in timberland ownership on or before five calendar days after a change in ownership.

(iv) The board may adopt regulations allowing a waiver of the five-year limitation described in paragraph (1) upon finding that the imposition of the five-year limitation would impose an undue hardship on the applicant for the exemption. The board may adopt a process for an appeal of a denial of a waiver.

(B) The application form for the exemption pursuant to paragraph (1) shall prominently advise the public that a violation of the conversion exemption, including a conversion applied for in the name of someone other than the person or entity implementing the conversion in bona fide good faith, is a violation of this chapter and penalties may accrue up to ten thousand dollars ($10,000) for each violation pursuant to Article 8 (commencing with Section 4601).

(h) An easement granted by a right-of-way construction agreement administered by the federal government if timber sales and operations within or affecting the area are reviewed and conducted pursuant to the federal National Environmental Policy Act of 1969 (42 U.S.C. Sec. 4321 et seq.).

(i) (1) The cutting or removal of trees in compliance with Sections 4290 and 4291 that eliminates the vertical continuity of vegetative fuels and the horizontal continuity of tree crowns for the purpose of reducing flammable materials and maintaining a fuel break for a distance of not more than 150 feet on each side from an approved and legally permitted structure that complies with the California Building Standards Code, when that cutting or removal is conducted in compliance with this subdivision. For purposes of this subdivision, an “approved and legally permitted structure” includes only structures that are designed for human occupancy, garages, barns, stables, and structures used to enclose fuel tanks.

(2) (A) The cutting or removal of trees pursuant to this subdivision is limited to cutting or removal that will result in a reduction in the rate of fire spread, fire duration and intensity, fuel ignitability, or ignition of the tree crowns and shall be in accordance with any regulations adopted by the board pursuant to this section.

(B) Trees shall not be cut or removed pursuant to this subdivision by the clearcutting regeneration method, by the seed tree removal step of the seed tree regeneration method, or by the shelterwood removal step of the shelterwood regeneration method.

(3) (A) All fuel treatments conducted pursuant to this subdivision that do not comply with board rules and regulations may be determined to be a nuisance and subject to abatement by the department or the city or county having jurisdiction.

(B) The costs incurred by the department, city, or county, as the case may be, to abate the nuisance upon a parcel of land subject to the timber operations, including, but not limited to, investigation, boundary determination, measurement, and other related costs, may be recovered by special assessment and lien against the parcel of land by the department, city, or county. The assessment may be collected at the same time and in the same manner as ordinary ad valorem taxes, and shall be subject to the same penalties and the same procedure and sale in case of delinquency as is provided for ad valorem taxes.

(4) All timber operations conducted pursuant to this subdivision shall conform to applicable city or county general plans, city or county implementing ordinances, and city or county zoning ordinances. This paragraph does not authorize the cutting, removal, or sale of timber or other solid wood forest products within an area where timber harvesting is prohibited or otherwise restricted pursuant to the rules or regulations adopted by the board.

(5) (A) The board shall adopt regulations, initially as emergency regulations in accordance with subparagraph (B), that the board considers necessary to implement and to obtain compliance with this subdivision.

(B) The emergency regulations adopted pursuant to subparagraph (A) shall be adopted in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code). The adoption of emergency regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health, and safety, or general welfare.

(j) (1) The cutting or removal of trees on the person's property that eliminates the vertical continuity of vegetative fuels and the horizontal continuity of tree crowns for the purpose of reducing flammable materials and maintaining a fuel break. An exemption pursuant to this subdivision shall be known as the Small Timberland Owner Exemption. The cutting or removal of trees in compliance with this subdivision shall be subject to all of the following conditions:

(A) The notice of exemption is prepared, signed, and submitted by a registered professional forester to the department.

(B) The residual stocking standards are consistent with the following standards and shall be achieved through uneven-aged management, as defined in Section 895.1 of Title 14 of the California Code of Regulations excluding group selection:

(i) On Site I lands at least 150 square feet of basal area shall be retained within the Coast Forest District, as defined in Section 907 of Title 14 of the California Code of Regulations, while at least 100 square feet of basal area shall be retained within the northern and southern districts, as defined in Section 908 or 909, respectively, of Title 14 of the California Code of Regulations.

(ii) On Site II lands at least 100 square feet of basal area shall be retained within the coast district, while at least 75 square feet of basal area shall be retained within the northern and southern districts.

(iii) On Site III lands at least 75 square feet of basal area shall be retained.

(C) (i) Forest management activities will increase the quadratic mean diameter of the stand.

(ii) Increases in quadratic mean diameter shall only consider trees greater than eight inches in diameter at breast height. The registered professional forester responsible for preparation of the notice of exemption shall report the expected postharvest increase in quadratic mean diameter.

(D) (i) The residual stand consists primarily of healthy and vigorous dominant and codominant trees from the preharvest stand, well distributed through the harvested area.

(ii) No trees of the genus quercus that are greater than 26 inches in diameter at stump height, measured 8 inches above ground level, shall be harvested under a notice of exemption submitted pursuant to this subdivision.

(iii) No trees greater than 32 inches in diameter at stump height, measured 8 inches above ground level, shall be harvested under a notice of exemption submitted pursuant to this subdivision.

(iv) The six largest trees per acre within the boundaries of a notice of exemption submitted pursuant to this subdivision shall not be harvested.

(v) The postharvest composition of tree species shall be representative of the preharvest stand condition and demonstrate progression towards climax forest conditions, unless the registered professional forester provides justification explaining how modification of species diversity will benefit forest health and resiliency.

(E) The submitted notice of exemption shall include a description of the preharvest stand structure and a statement of the minimum expected postharvest stocking.

(F) All trees harvested or all trees retained shall be marked by, or under the supervision of, a registered professional forester before felling operations begin.

(G) The board shall adopt regulations for the treatment of understory vegetation and standing dead fuels, canopy closure, clearance to base of live crown, or ladder fuels, that could promote the spread of wildfire. A fuel reduction effort conducted under a submitted notice of exemption pursuant to this subdivision shall comply with the canopy closure regulations adopted by the board on June 10, 2004, and as those regulations may be amended.

(H) A notice of exemption submitted to the department that is within the Coast Forest District is submitted for a small forestland owner who owns 60 acres or less of timberland within a single planning watershed.

(I) A notice of exemption submitted to the department that is within the Northern Forest District or the Southern Forest District is submitted for a small forestland owner who owns 100 acres or less of timberland within a single planning watershed.

(2) (A) All timber operations conducted pursuant to this subdivision may only occur once on any given acre per any 10-year period of time. The department shall only grant a maximum of three exemptions under the Small Timberland Owner Exemption per landowner.

(B) Except for the harvesting of dead, diseased, or dying trees, during this 10-year period the department shall not approve a plan, as defined in Section 895.1 of Title 14 of the California Code of Regulations, that allows even-aged silviculture prescriptions. During this 10-year period of time a registered professional forester shall not submit a notice of exemption pursuant to subdivision (k) on portions of the property subject to an exemption pursuant to this subdivision.

(3) The department may conduct an onsite inspection to determine compliance with this subdivision. The department may notify the regional water quality control board, the Department of Fish and Wildlife, and the California Geologic Survey before conducting the onsite inspection. The regional water quality control board, the Department of Fish and Wildlife, and the California Geologic Survey may conduct an inspection with the department.

(4) (A) This subdivision shall be operative for a period of five years after the effective date of emergency regulations as adopted by the board and as of that date is inoperative.

(B) The board shall notify the Secretary of State when emergency regulations have been adopted.

(k) (1) The harvesting of trees, limited to those trees that eliminate the vertical continuity of vegetative fuels and the horizontal continuity of tree crowns, for the purpose of reducing the rate of fire spread, duration and intensity, fuel ignitability, or ignition of tree crowns. An exemption pursuant to this paragraph shall be known as the Forest Fire Prevention Exemption.

(2) The board may authorize an exemption pursuant to paragraph (1) only if the tree harvesting will decrease fuel continuity and increase the quadratic mean diameter of the stand, and the tree harvesting area will not exceed 300 acres. Increases in quadratic mean diameter shall only consider trees greater than eight inches in diameter at breast height. The notice of exemption may be authorized only if all of the conditions specified in paragraphs (3) to (9), inclusive, are met.

(3) A registered professional forester shall prepare the notice of exemption and submit it to the director.

(4) (A) The submitted notice of exemption shall include a description of the preharvest stand structure and a statement of the postharvest stand stocking levels and the expected postharvest increase in quadratic mean diameter.

(B) The level of residual stocking shall be consistent with maximum sustained production of high-quality timber products. The residual stand shall consist primarily of healthy and vigorous dominant and codominant trees from the preharvest stand. Stocking shall not be reduced below the standards required by the following provisions that apply to the exemption at issue:

(i) Clauses 1 to 4, inclusive, of subparagraph (A) of paragraph (1) of subdivision (a) of Sections 913.3, 933.3, and 953.3 of Title 14 of the California Code of Regulations, where appropriate.

(C) If the preharvest dominant and codominant crown canopy is occupied by trees less than 14 inches in diameter at breast height, a minimum of 100 trees over four inches in diameter at breast height shall be retained per acre for Site I, II, and III lands, and a minimum of 75 trees over four inches in diameter at breast height shall be retained per acre for Site IV and V lands.

(D) All trees that are harvested or all trees that are retained shall be marked or sample marked by, or under the supervision of, a registered professional forester before felling operations begin. The board shall adopt regulations for sample marking for this section in Title 14 of the California Code of Regulations. Sample marking shall be limited to homogenous forest stand conditions typical of plantations.

(5) (A) The board shall adopt regulations for the treatment of understory vegetation and standing dead fuels, canopy closure, clearance to base of live crown, or ladder fuels, that could promote the spread of wildfire. A fuel reduction effort conducted under a submitted notice of exemption pursuant to this subdivision shall comply with the canopy closure regulations adopted by the board on June 10, 2004, and as those regulations may be amended.

(B) The postharvest stand shall not contain more than 200 trees over three inches in diameter per acre.

(C) Vertical spacing shall be achieved by treating dead fuels to a minimum clearance distance of eight feet measured from the base of the live crown of the postharvest dominant and codominant trees to the top of the dead surface fuels.

(D) The standards required by subparagraphs (A) to (C), inclusive, shall be achieved on approximately 80 percent of the treated area.

(6) Before the submission of a notice of exemption to the department, the registered professional forester responsible for submitting the notice shall designate temporary road locations, landing locations, tractor road crossings of class III watercourses, unstable areas, or connected headwall swales on the ground and map their locations.

(7) The construction or reconstruction of temporary roads on slopes of 30 percent or less shall be allowed if all of the following conditions are met:

(A) Temporary roads or landings shall not be located on unstable areas, as defined in Section 895.1 of Title 14 of the California Code of Regulations.

(B) Temporary roads shall be single-lane in width.

(C) Temporary roads shall not be located across a connected headwall swale, as defined in Section 895.1 of Title 14 of the California Code of Regulations.

(D) Construction or reconstruction of temporary roads, landings, or watercourse crossings shall not occur during the winter operating period. Pursuant to subdivision (g) of Sections 923.6, 943.6, and 963.6, as applicable, of Title 14 of the California Code of Regulations, roads and landings used for log hauling or other heavy equipment uses during the winter period shall occur on a stable operating surface and, where necessary, be surfaced with rock to a depth and quantity sufficient to maintain the stable operating surface. Use shall be prohibited on roads that are not hydrologically disconnected and exhibit saturated soil conditions. Timber operations during the winter period shall comply with paragraphs (1) and (2) of subdivision (c) of Sections 914.7, 934.7, and 954.7, as applicable, of Title 14 of the California Code of Regulations.

(E) Use of temporary roads shall comply with the operational provisions of Article 12 (commencing with Section 923) of Subchapter 4 of Chapter 4 of Division 1.5 of Title 14 of the California Code of Regulations, and recognize guidance on hydrologic disconnection in Technical Rule Addendum Number 5.

(F) No logging road or landings construction or reconstruction activities of any kind shall occur within 200 feet of class I and class II watercourses or within 50 feet of a class III watercourse.

(G) The landowner shall retain a registered professional forester who is available to provide professional advice to the licensed timber operator and timberland owner throughout the active timber operations. The name, address, telephone number, and registration number of the retained registered professional forester shall be provided on the submitted notice of exemption. This professional advice shall include overseeing the construction or reconstruction of any temporary roads or landings and advising on necessary mitigation to avoid potential impacts to associated watershed and forest resources. The registered professional forester shall also comply with Section 1035.2 of Title 14 of the California Code of Regulations, relating to interaction between the licensed timber operator and the registered professional forester.

(H) The registered professional forester responsible for submitting the notice of exemption shall affirm that the construction or reconstruction of each temporary road is necessary to provide access to harvest areas where no feasible alternative exists. The submitted notice of exemption shall include the number and cumulative length of temporary roads that will be constructed or reconstructed.

(I) (i) Temporary road construction or reconstruction, shall be limited to no more than two miles of road per ownership in a planning watershed per any five-year period.

(ii) For each exemption affecting less than 40 acres, all temporary roads constructed or reconstructed under this exemption shall not exceed a cumulative length of 300 feet.

(iii) For each exemption affecting between 40 and 80 acres, all temporary roads constructed or reconstructed under this exemption shall not exceed a cumulative length of between 300 and 600 feet, as determined on a pro rata basis by the total acreage affected by the exemption.

(iv) For each exemption affecting over 80 acres, all temporary roads constructed or reconstructed under the exemption shall not exceed a cumulative length of 600 feet. The submitted notice of exemption shall list the number of acres affected and the cumulative length of the road in feet.

(v) Temporary roads constructed or reconstructed under this exemption shall not be connected to other temporary roads constructed under previous or subsequent exemptions filed under this paragraph.

(vi) All temporary roads shall be abandoned using proactive measures that have been applied to effectively remove them from the permanent road network, in accordance with the definition of abandoned road as defined in Section 895.1 of Title 14 of the California Code of Regulations.

(vii) This paragraph shall not be interpreted to permit road construction or reconstruction except as authorized under the Forest Fire Prevention Exemption, pursuant to this paragraph.

(viii) No trees larger than 36 inches in diameter at stump height, measured 8 inches above ground level, shall be removed for the purposes of road construction or reconstruction under a notice of exemption submitted pursuant to this subdivision. A tree that is between 30 and 36 inches in diameter at stump height, measured 8 inches above ground level, may be removed for the purposes of road construction or reconstruction under a notice of exemption submitted pursuant to this subdivision only if there are no feasible alternatives for the road placement.

(8) Except within constructed or reconstructed temporary road prisms, only trees less than 30 inches in stump diameter, measured at 8 inches above ground level, may be removed.

(9) All timber operations conducted pursuant to this subdivision shall only occur within the most recent version of the department's Fire Hazard Severity Zone Map in the moderate, high, and very high fire threat zones.

(10) If pesticides or herbicides will be used within the boundaries of an area covered by a notice of exemption pursuant to this paragraph within one year of director acceptance, the timberland owner shall notify the appropriate regional water quality control board 10 days before application of any pesticides or herbicides.

(11) After the timber operations are complete, the department shall conduct an onsite inspection to determine compliance with this subdivision and whether appropriate enforcement action should be initiated. The department shall notify the appropriate regional water quality control board, the Department of Fish and Wildlife, and the California Geologic Survey seven days prior to conducting the onsite inspection. The regional water quality control board, the Department of Fish and Wildlife, and the California Geologic Survey may conduct an inspection with the department.

(12) (A) This subdivision shall be operative for a period of five years after the effective date of emergency regulations as adopted by the board and as of that date is inoperative.

(B) The board shall notify the Secretary of State when emergency regulations have been adopted.

(l) The cutting or removal of trees to restore and conserve California black or Oregon white oak woodlands and associated grasslands, if all of the following requirements are met:

(1) A registered professional forester shall prepare the notice of exemption and submit it to the director. The notice shall include all of the following:

(A) A certification signed by the registered professional forester that a minimum of 35 square feet of basal area per acre of California black or Oregon white oak, or both, occupy the proposed treatment area at the time the notice is prepared and the timber operation is designed to restore and conserve California black and Oregon white oak woodlands and associated grasslands.

(B) A description of the preharvest stand structure and a statement of the postharvest stand stocking levels.

(2) No tree larger than 26 inches in diameter at stump height shall be harvested for commercial purposes, which includes use for saw logs, posts and poles, fuelwood, biomass, or other forest products.

(3) Only conifers within 300 feet of a California black or Oregon white oak that are at minimum 4 inches in diameter at breast height may be harvested.

(4) The total area exempted pursuant to this subdivision shall not exceed 300 acres per property per five-year period.

(5) Conifer shall be reduced to less than 25 percent of the combined hardwood and conifer postharvest stand stocking levels.

(6) No more than 20 percent of the total basal area of preexisting oak stock shall be cut or removed during harvest and a minimum of 35 square feet of basal area per acre of California black or Oregon white oak, or both, shall be maintained postharvest.

(7) Slash shall be configured so as to minimize the risk of fire mortality to the remaining oak trees.

(8) The board shall adopt regulations to implement this subdivision.

(9) This subdivision shall not apply to the Southern Subdistrict of the Coast Forest District, as defined in Section 895.1 of Title 14 of the California Code of Regulations, or the Southern Forest District, as defined in Section 909 of Title 14 of the California Code of Regulations.

(m) (1) The board may exempt from this chapter, or portions of this chapter, a person engaged in forest management whose activities are limited to the cutting or removal of trees on the person's property in compliance with Sections 4290 and 4291 that eliminates the vertical continuity of vegetative fuels and the horizontal continuity of tree crowns for the purpose of reducing flammable materials and maintaining a fuelbreak for a distance of not more than 300 feet on each side from an approved and legally permitted habitable structure, when that cutting or removal is conducted in compliance with this subdivision and all of the following conditions are met:

(A) The notice of exemption is prepared, signed, and submitted by a registered professional forester to the department.

(B) For the areas between 150 and 300 feet from the habitable structure, the operations meet all of the following provisions:

(i) The residual stocking standards are consistent with Sections 913.2, 933.2, and 953.2 of Title 14 of the California Code of Regulations, as appropriate.

(ii) Activities within this area will increase the quadratic mean diameter of the stand.

(iii) The residual stand consists primarily of healthy and vigorous dominant and codominant trees from the preharvest stand, well distributed throughout the harvested area.

(iv) Postharvest slash treatment and stand conditions will lead to more moderate fire behavior in the professional judgment of the registered professional forester who submits the notice of exemption.

(v) Any additional guidance for slash treatment and postharvest stand conditions and any other issues deemed necessary that are consistent with this section, as established by the board.

(2) For purposes of this subdivision, "habitable structure" means a building that contains one or more dwelling units or that can be occupied for residential use. Buildings occupied for residential use include single-family homes, multidwelling structures, mobile and manufactured homes, and condominiums. For purposes of this subdivision, "habitable structure" does not include commercial, industrial, or incidental buildings such as detached garages, barns, outdoor sanitation facilities, and sheds.

(3) This subdivision shall become inoperative on January 1, 2026.

SEC. 134. Section 21080.47 of the Public Resources Code is amended to read:

21080.47. (a) For purposes of this section, the following definitions apply:

(1) "Community water system" means a public water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents within the area served by the public water system.

(2) "Disadvantaged community" means a community with an annual median household income that is less than 80 percent of the statewide annual median household income.

(3) "Nontransient noncommunity water system" means a public water system that is not a community water system and that regularly serves at least 25 of the same persons more than six months per year.

(4) (A) "Project" means a project that consists solely of the installation, repair, or reconstruction of one or more of the following:

(i) Drinking water groundwater wells with a maximum flow rate of up to 250 gallons per minute.

(ii) Drinking water treatment facilities with a footprint of less than 2,500 square feet that are not located in an environmentally sensitive area.

(iii) Drinking water storage tanks with a capacity of up to 250,000 gallons.

(iv) Booster pumps and hydropneumatic tanks.

(v) Pipelines of less than one mile in length in a road right-of-way or up to seven miles in length in a road right-of-way when the project is required to address threatened or current drinking water violations.

(vi) Water service lines.

(vii) Minor drinking water system appurtenances, including, but not limited to, system and service meters, fire hydrants, water quality sampling stations, valves, air releases and vacuum break valves, emergency generators, backflow prevention devices, and appurtenance enclosures.

(B) “Project” does not include either of the following categories of projects:

(i) Facilities that are constructed primarily to serve irrigation or future growth.

(ii) Facilities that are used to dam, divert, or convey surface water.

(5) “Project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(6) “Public water system” means a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year, and shall include, but not be limited to, any of the following:

(A) Any collection, treatment, storage, and distribution facilities under the control of, and used primarily in connection with, the public water system.

(B) Any collection or pretreatment storage facilities not under the control of the operator of the public water system, but that are used primarily in connection with the public water system.

(C) Any system for the provision of water for human consumption through pipes or other constructed conveyances that treats water on behalf of one or more public water systems for the purpose of rendering it safe for human consumption.

(7) “Skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(8) “Small community water system” means a community water system that serves no more than 3,300 service connections or a yearlong population of no more than 10,000 persons.

(9) “Small disadvantaged community water system” means either a small community water system that serves one or more disadvantaged communities or a nontransient noncommunity water system that primarily serves one or more schools that serve one or more disadvantaged communities.

(10) “State small water system” means a system for the provision of piped water to a disadvantaged community for human consumption that serves at least 5, but not more than 14, service connections and does not regularly serve drinking water to more than an average of 25 individuals daily for more than 60 days out of the year.

(b) (1) This division does not apply to a project that meets the requirements of subdivision (c) and subdivision (d) or (e), as appropriate, and that primarily benefits a small disadvantaged community water system or a state small water system in any of the following ways:

(A) Improving the small disadvantaged community water system’s or state small water system’s water quality, water supply, or water supply reliability.

(B) Encouraging water conservation.

(C) Providing drinking water service to existing residences within a disadvantaged community, a small disadvantaged community water system, or a state small water system where there is evidence that the water exceeds maximum contaminant levels for primary or secondary drinking water standards or where the drinking water well is no longer able to produce an adequate supply of safe drinking water.

(2) Before determining a project is exempt under this section, the lead agency shall contact the State Water Resources Control Board to determine whether claiming the exemption under this section will affect the ability of the small disadvantaged community water system or the state small water system to receive federal financial assistance or federally capitalized financial assistance.

(c) The project meets all of the following:

(1) Does not affect wetlands or sensitive habitats.

(2) Unusual circumstances do not exist that would cause a significant effect on the environment.

(3) Is not located on a hazardous waste site that is included on any list compiled pursuant to Section 65962.5 of the Government Code.

(4) Does not have the potential to cause a substantial adverse change in the significance of a historical resource.

(5) The construction impacts are fully mitigated consistent with applicable law.

(6) The cumulative impact of successive reasonably anticipated projects of the same type as the project, in the same place, over time, is not significant.

(d) (1) For a project undertaken by a public agency that is exempt from this division pursuant to this section, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the project unless the entity provides an enforceable commitment to the public agency that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:

(A) The public agency has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the public agency before January 1, 2021.

(C) The entity has entered into a project labor agreement that will bind the entity and all of its subcontractors at every tier performing the project or contract to use a skilled and trained workforce.

(e) For a project undertaken by a private entity that is exempt from this division pursuant to this section, the project applicant shall do both of the following:

(1) Certify to the lead agency that either of the following is true:

(A) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the project is not in its entirety a public work, all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this subparagraph, then, for those portions of the project that are not a public work, all of the following shall apply:

(i) The project applicant shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(iii) (I) Except as provided in subclause (III), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(II) Except as provided in subclause (III), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(III) Subclauses (I) and (II) do not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers

employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure.

(iv) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(2) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the project. All of the following requirements shall apply to the project:

(A) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the project.

(B) Every contractor and subcontractor shall use a skilled and trained workforce to complete the project.

(C) (i) Except as provided in clause (ii), the applicant shall provide to the lead agency, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency pursuant to this clause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(ii) Clause (i) does not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

(f) If the lead agency determines that a project is not subject to this division pursuant to this section, and the lead agency determines to approve or carry out that project, the lead agency shall file a notice of exemption with the Office of Planning and Research and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152.

(g) This section shall remain in effect only until January 1, 2028, and as of that date is repealed.

SEC. 135. Section 21108 of the Public Resources Code is amended to read:

21108. (a) If a state agency approves or determines to carry out a project that is subject to this division, the state agency shall file a notice of determination with the Office of Planning and Research. The notice shall identify the person or persons in subdivision (b) or (c) of Section 21065, as reflected in the agency's record of proceedings, and indicate the determination of the state agency whether the project will, or will not, have a significant effect on the environment and shall indicate whether an environmental impact report has been prepared pursuant to this division.

(b) If a state agency determines that a project is not subject to this division pursuant to subdivision (b) of Section 21080 and the state agency approves or determines to carry out the project, the state agency or the person specified in subdivision (b) or (c) of Section 21065 may file a notice of exemption with the Office of Planning and Research. A notice filed pursuant to this subdivision shall identify the person or persons in subdivision (b) or (c) of Section 21065, as reflected in the agency's record of proceedings. A notice filed pursuant to this subdivision by a person specified in subdivision (b) or (c) of Section 21065 shall have a certificate of determination attached to it issued by the state agency responsible for making the determination that the project is not subject to this division pursuant to subdivision (b) of Section 21080. The certificate of determination may be in the form of a certified copy of an existing document or record of the state agency.

(c) A notice filed pursuant to this section shall be available for public inspection on the internet website of the Office of Planning and Research for not less than 12 months.

(d) A notice filed by a state agency pursuant to this section shall be filed electronically with the Office of Planning and Research. The state agency is not required to mail a printed copy of the notice to the Office of Planning and Research.

SEC. 136. Section 21168.6.9 of the Public Resources Code is amended to read:

21168.6.9. (a) For purposes of this section, the following definitions apply:

(1) “Environmental leadership transit project” or “project” means a project to construct a fixed guideway and related fixed facilities that meets all of the following conditions:

(A) The fixed guideway operates at zero emissions.

(B) (i) If the project is more than two miles in length, the project reduces emissions by no less than 400,000 metric tons of greenhouse gases directly in the corridor of the project defined in the applicable environmental document over the useful life of the project, without using offsets.

(ii) If the project is no more than two miles in length, the project reduces emissions by no less than 50,000 metric tons of greenhouse gases directly in the corridor of the project defined in the applicable environmental document over the useful life of the project, without using offsets.

(C) The project reduces no less than 30,000,000 vehicle miles traveled in the corridor of the project defined in the applicable environmental document over the useful life of the project.

(D) The project is consistent with the applicable sustainable communities strategy or alternative planning strategy.

(E) The project is consistent with the applicable regional transportation plan.

(F) The project applicant demonstrates how it has incorporated sustainable infrastructure practices to achieve sustainability, resiliency, and climate change mitigation and adaptation goals in the project, including principles, frameworks, or guidelines as recommended by one or more of the following:

(i) The sustainability, resiliency, and climate change policies and standards of the American Society of Civil Engineers.

(ii) The Envision Rating System of the Institute for Sustainable Infrastructure.

(iii) The Leadership in Energy and Environment Design (LEED) rating system of the United States Green Building Council.

(G) The environmental leadership transit project is located wholly within the County of Los Angeles or connects to an existing transit project wholly located in the County of Los Angeles.

(H) For a project meeting the requirements of subparagraphs (A) to (G), inclusive, for which the environmental review pursuant to this division has commenced before January 1, 2022, the project applicant demonstrates that the record of proceedings is being, or has been, prepared in accordance with subdivision (f).

(2) “Fixed guideway” has the same meaning as defined in Section 5302 of Title 49 of the United States Code.

(3) “Project applicant” means a public or private entity or its affiliates that proposes an environmental leadership transit project, and its successors, heirs, and assignees.

(4) “Project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(5) “Skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(b) This section applies to an environmental leadership transit project if the project applicant does all of the following:

(1) The project applicant demonstrates compliance with the requirements of Chapter 12.8 (commencing with Section 42649) and Chapter 12.9 (commencing with Section 42649.8) of Part 3 of Division 30, as applicable.

(2) (A) Except as provided in subparagraph (B), the project applicant has entered into a binding and enforceable agreement that all mitigation measures required under this division shall be conditions of approval of the project, and those conditions will be fully enforceable by the lead agency or another agency designated by the lead agency. In the case of environmental mitigation measures, the project applicant agrees, as an ongoing obligation, that those measures will be monitored and enforced by the lead agency for the life of the obligation.

(B) For a project applicant that is a public agency and is also the lead agency, the public agency conditions the approval of the environmental leadership transit project on, and performs, all mitigation measures required under this division. In the

case of environmental mitigation measures, the public agency, as an ongoing obligation, shall monitor those measures for the life of the obligation.

(3) The project applicant agrees to pay the costs of the trial court and the court of appeal in hearing and deciding any case challenging a lead agency's action on an environmental leadership transit project under this division, including payment of the costs for the appointment of a special master if deemed appropriate by the court, in a form and manner specified by the Judicial Council, as provided in the California Rules of Court adopted by the Judicial Council under subdivision (d).

(4) The project applicant agrees to bear the costs of preparing the record of proceedings for the project concurrent with review and consideration of the project under this division, in a form and manner specified by the lead agency for the project.

(c) (1) (A) If the project applicant is a public agency, the project applicant of an environmental leadership transit project shall obtain an enforceable commitment that any bidder, contractor, or other entity undertaking the project will use a skilled and trained workforce to complete the project.

(B) Subparagraph (A) does not apply if either of the following are met:

(i) The project applicant has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project to use a skilled and trained workforce.

(ii) The bidder, contractor, or other entity has entered into a project labor agreement that will bind all contractors and subcontractors at every tier performing work on the project to use a skilled and trained workforce.

(2) If the project applicant is a private entity, the project applicant of an environmental leadership transit project shall do both of the following:

(A) Certify to the lead agency that either of the following is true:

(i) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the project is not in its entirety a public work and the project applicant is not required to pay prevailing wages to all construction workers under Article 2 (commencing with Section 1770) of Chapter 1 of Part 2 of Division 2 of the Labor Code, all construction workers employed on construction of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this clause, then for those portions of the project that are not a public work all of the following shall apply:

(I) The project applicant shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(II) All contractors and subcontractors at every tier shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors at every tier shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors at every tier to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) do not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the project. All of the following requirements shall apply to the project:

(i) The project applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the project.

(ii) Every contractor and subcontractor at every tier shall use a skilled and trained workforce to construct the project.

(iii) (I) Except as provided in subclause (II), the project applicant shall provide to the lead agency, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency pursuant to this subclause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. A project applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per calendar day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(II) Subclause (I) shall not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

(d) On or before January 1, 2023, the Judicial Council shall adopt rules of court that apply to any action or proceeding brought to attack, review, set aside, void, or annul the certification of an environmental impact report for an environmental leadership transit project or the granting of any project approval that require the action or proceeding, including any potential appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 365 calendar days of the filing of the certified record of proceedings with the court.

(e) (1) (A) The draft and final environmental impact report for an environmental leadership transit project shall include a notice in not less than 12-point type stating the following:

THIS ENVIRONMENTAL IMPACT REPORT IS SUBJECT TO SECTION 21168.6.9 OF THE PUBLIC RESOURCES CODE, WHICH PROVIDES, AMONG OTHER THINGS, THAT THE LEAD AGENCY NEED NOT CONSIDER CERTAIN COMMENTS FILED AFTER THE CLOSE OF THE PUBLIC COMMENT PERIOD, IF ANY, FOR THE DRAFT ENVIRONMENTAL IMPACT REPORT. ANY JUDICIAL ACTION CHALLENGING THE CERTIFICATION OR ADOPTION OF THE ENVIRONMENTAL IMPACT REPORT OR THE APPROVAL OF THE PROJECT DESCRIBED IN SECTION 21168.6.9 OF THE PUBLIC RESOURCES CODE IS SUBJECT TO THE PROCEDURES SET FORTH IN THAT SECTION. A COPY OF SECTION 21168.6.9 OF THE PUBLIC RESOURCES CODE IS INCLUDED IN THE APPENDIX TO THIS ENVIRONMENTAL IMPACT REPORT.

(B) For an environmental leadership transit project for which a draft environmental impact report was issued before January 1, 2022, the lead agency shall, before February 1, 2022, or before the public hearing on the certification of the environmental impact report, whichever is earlier, provide the notice specified in subparagraph (A), in writing, to all parties that have requested notification regarding the project. The lead agency shall include that notice and the appendix required pursuant to paragraph (2) in the final environmental impact report for the project.

(C) For an environmental leadership transit project for which a final environmental impact report was issued before January 1, 2022, the lead agency shall, before February 1, 2022, or before the issuance of the notice of determination, whichever is earlier, do both of the following:

(i) Issue an addendum to the final environmental impact report containing the notice specified in subparagraph (A) and the appendix required pursuant to paragraph (2).

(ii) Provide notice, in writing, of the addendum to all parties that have requested notification regarding the project.

(2) The draft environmental impact report and final environmental impact report shall contain, as an appendix, the full text of this section.

(3) Within 10 calendar days after the release of the draft environmental impact report, the lead agency shall conduct an informational workshop to inform the public of the key analyses and conclusions of that document, as applicable.

(4) Within 10 calendar days before the close of the public comment period, the lead agency shall hold a public hearing to receive testimony on the draft environmental impact report. A transcript of the hearing shall be included as an appendix to the final environmental impact report, as applicable.

(5) (A) Within five calendar days following the close of the public comment period, a commenter on the draft environmental impact report may submit to the lead agency a written request for nonbinding mediation, as applicable. The lead agency shall participate in nonbinding mediation with all commenters who submitted timely comments on the draft environmental impact report and who requested the mediation. Mediation conducted pursuant to this paragraph shall end no later than 35 calendar days after the close of the public comment period.

(B) A request for mediation shall identify all areas of dispute raised in the comment submitted by the commenter that are to be mediated.

(C) The lead agency shall select one or more mediators who shall be retired judges or recognized experts with at least five years' experience in land use and environmental law or science, or mediation. The lead agency shall bear the costs of mediation.

(D) A mediation session shall be conducted on each area of dispute with the parties requesting mediation on that area of dispute.

(E) The lead agency shall adopt, as a condition of approval, any measures agreed upon by the lead agency and any commenter who requested mediation. A commenter who agrees to a measure pursuant to this subparagraph shall not raise the issue addressed by that measure as a basis for an action or proceeding challenging the lead agency's decision to certify the environmental impact report or to grant project approval.

(6) The lead agency need not consider written comments on the draft environmental impact report submitted after the close of the public comment period, unless those comments address any of the following:

(A) New issues raised in the response to comments by the lead agency.

(B) New information released by the lead agency subsequent to the release of the draft environmental impact report, such as new information set forth or embodied in a staff report, proposed permit, proposed resolution, ordinance, or similar documents.

(C) Changes made to the project after the close of the public comment period.

(D) Proposed conditions for approval, mitigation measures, or proposed findings required by Section 21081 or a proposed reporting or monitoring program required by paragraph (1) of subdivision (a) of Section 21081.6, if the lead agency releases those documents subsequent to the release of the draft environmental impact report.

(E) New information that was not reasonably known and could not have been reasonably known during the public comment period.

(7) The lead agency shall file the notice required by subdivision (a) of Section 21152 within five calendar days after the last initial project approval.

(f) (1) The lead agency shall prepare and certify the record of proceedings in accordance with this subdivision and in accordance with Rule 3.2205 of the California Rules of Court.

(2) No later than three business days following the date of the release of the draft environmental impact report, the lead agency shall make available to the public in a readily accessible electronic format the draft environmental impact report and all other documents relied on by the lead agency in the preparation of the draft environmental impact report. A document prepared by the lead agency after the date of the release of the draft environmental impact report that is a part of the record of proceedings shall be made available to the public in a readily accessible electronic format within five business days after the document is prepared by the lead agency.

(3) Notwithstanding paragraph (2), documents relied on by the lead agency that were not prepared specifically for the project and are copyright protected are not required to be made readily accessible in an electronic format. For those copyright protected documents, the lead agency shall make an index of the documents available in an electronic format no later than the date of the release of the draft environmental impact report, or within five business days if the document is received or relied on by the lead agency after the release of the draft environmental impact report. The index shall specify the libraries or lead agency offices in which hardcopies of the copyrighted materials are available for public review.

(4) The lead agency shall encourage written comments on the project to be submitted in a readily accessible electronic format, and shall make any such comments available to the public in a readily accessible electronic format within five calendar days of their receipt.

(5) Within seven business days after the receipt of any comment that is not in an electronic format, the lead agency shall convert that comment into a readily accessible electronic format and make it available to the public in that format.

(6) The lead agency shall indicate in the record of proceedings comments received that were not considered by the lead agency pursuant to paragraph (6) of subdivision (e) and need not include the content of the comments as a part of the record of proceedings.

(7) Within five calendar days after the filing of the notice required by subdivision (a) of Section 21152, the lead agency shall certify the record of proceedings for the approval or determination and shall provide an electronic copy of the record of proceedings to a party that has submitted a written request for a copy. The lead agency may charge and collect a reasonable fee from a party requesting a copy of the record of proceedings for the electronic copy, which shall not exceed the reasonable cost of reproducing that copy.

(8) Within 10 calendar days after being served with a complaint or a petition for a writ of mandate, the lead agency shall lodge a copy of the certified record of proceedings with the superior court.

(9) Any dispute over the content of the record of proceedings shall be resolved by the superior court. Unless the superior court directs otherwise, a party disputing the content of the record of proceedings shall file a motion to augment the record of proceedings at the time it files its initial brief.

(10) The contents of the record of proceedings shall be as set forth in subdivision (e) of Section 21167.6.

(g) This section applies only to an environmental leadership transit project that is approved by the lead agency on or before January 1, 2024.

(h) This section shall only apply to the first seven projects obtaining a certified environmental impact report and meeting the requirements of this section.

(i) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 137. Section 21183.5 of the Public Resources Code is amended to read:

21183.5. (a) For purposes of this section, the following definitions apply:

(1) “Project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(2) “Skilled and trained workforce” has the same meaning as set forth in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(b) (1) For a project undertaken by a public agency that is certified under this chapter, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the project unless the entity provides an enforceable commitment to the public agency that the entity and its contractors and subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:

(A) The public agency has entered into a project labor agreement that will bind all contractors and subcontractors at every tier performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the public agency before January 1, 2021.

(C) The entity has entered into a project labor agreement that will bind the entity and all of its contractors and subcontractors at every tier performing work on the project or contract to use a skilled and trained workforce.

(c) For a project undertaken by a private entity that is certified under this chapter, the applicant shall do both of the following:

(1) Certify to the lead agency that either of the following is true:

(A) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the project is not in its entirety a public work, all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations under Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this subparagraph, then, for those portions of the project that are not a public work, all of the following shall apply:

(i) The applicant shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) All contractors and subcontractors at every tier shall pay to all construction workers employed in the execution of the work on the project or contract at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(iii) (I) Except as provided in subclause (III), all contractors and subcontractors at every tier shall maintain and verify payroll records under Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(II) Except as provided in subclause (III), the obligation of all contractors and subcontractors at every tier to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment under Section 1741 of the Labor Code, which may be reviewed under Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages under Section 1742.1 of the Labor Code.

(III) Subclauses (I) and (II) do not apply if all contractors and subcontractors at every tier performing work on the project or contract are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project or contract and provides for enforcement of that obligation through an arbitration procedure.

(iv) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted under Section 511 or 514 of the Labor Code.

(2) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the project or contract. All of the following requirements shall apply to the project:

(A) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the project.

(B) Every contractor and subcontractor at every tier shall use a skilled and trained workforce to complete the project.

(C) (i) Except as provided in clause (ii), the applicant shall provide to the lead agency, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency under this clause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been

provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments under Section 1741 of the Labor Code, and may be reviewed under the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(ii) Clause (i) does not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

SEC. 138. Section 21189.70.8 of the Public Resources Code is amended to read:

21189.70.8. (a) (1) For a transit and transportation facilities project undertaken by a public agency, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the transit and transportation facilities project unless the entity provides an enforceable commitment to the public agency that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the transit and transportation facilities project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:

(A) The public agency has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the transit and transportation facilities project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The transit and transportation facilities project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the public agency before January 1, 2021.

(C) The entity has entered into a project labor agreement that will bind the entity and all of its subcontractors at every tier performing the transit and transportation facilities project or contract to use a skilled and trained workforce.

(b) For a transit and transportation facilities project undertaken by a private entity, the transit and transportation facilities project proponent shall do both of the following:

(1) Certify to the lead agency that either of the following is true:

(A) The entirety of the transit and transportation facilities project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the transit and transportation facilities project is not in its entirety a public work, all construction workers employed in the execution of the transit and transportation facilities project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the transit and transportation facilities project is subject to this subparagraph, then, for those portions of the transit and transportation facilities project that are not a public work, all of the following shall apply:

(i) The transit and transportation facilities project proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(iii) (I) Except as provided in subclause (III), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(II) Except as provided in subclause (III), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the transit and transportation facilities project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor,

and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(III) Subclauses (I) and (II) do not apply if all contractors and subcontractors performing work on the transit and transportation facilities project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the transit and transportation facilities project and provides for enforcement of that obligation through an arbitration procedure.

(iv) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(2) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the transit and transportation facilities project. All of the following requirements shall apply to the transit and transportation facilities project:

(A) The transit and transportation facilities project proponent shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the transit and transportation facilities project.

(B) Every contractor and subcontractor shall use a skilled and trained workforce to complete the transit and transportation facilities project.

(C) (i) Except as provided in clause (ii), the transit and transportation facilities project proponent shall provide to the lead agency, on a monthly basis while the transit and transportation facilities project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency pursuant to this clause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. A transit and transportation facilities project proponent that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the transit and transportation facilities project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(ii) Clause (i) does not apply if all contractors and subcontractors performing work on the transit and transportation facilities project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

SEC. 139. Section 25711.5 of the Public Resources Code is amended to read:

25711.5. In administering moneys in the fund for research, development, and demonstration programs under this chapter, the commission shall develop and implement the Electric Program Investment Charge (EPIC) program to do all of the following:

(a) Award funds for projects that will benefit electricity ratepayers and lead to either of the following:

(1) Technological advancement and breakthroughs to overcome the barriers that prevent the achievement of the state's statutory energy goals and that result in a portfolio of projects that is strategically focused and sufficiently narrow to make advancement on the most significant technological challenges that shall include, but not be limited to, energy storage, renewable energy and its integration into the electrical grid, energy efficiency, integration of electric vehicles into the electrical grid, and accurately forecasting the availability of renewable energy for integration into the grid.

(2) Technological advancements to reduce the costs of building electrification, including by reducing or avoiding costs of expanding electrical service and electrical panel upgrades for existing buildings.

(b) In consultation with the Treasurer, establish terms that shall be imposed as a condition to receipt of funding for the state to accrue any intellectual property interest or royalties that may derive from projects funded by the EPIC program. The commission, when determining if imposition of the proposed terms is appropriate, shall balance the potential benefit to the state from those terms and the effect those terms may have on the state achieving its statutory energy goals. The commission shall require each reward recipient, as a condition of receiving moneys pursuant to this chapter, to agree to any terms the commission determines

are appropriate for the state to accrue any intellectual property interest or royalties that may derive from projects funded by the EPIC program.

(c) Require each applicant to report how the proposed project may lead to technological advancement and potential breakthroughs to overcome barriers to achieving the state's statutory energy goals.

(d) Take into account, when applicable, the adverse localized health impacts of proposed projects to the greatest extent possible.

(e) Establish a process for tracking the progress and outcomes of each funded project, including an accounting of the amount of funds spent by program administrators and individual grant recipients on administrative and overhead costs and whether the project resulted in any technological advancement or breakthrough to overcome barriers to achieving the state's statutory energy goals.

(f) Notwithstanding Section 10231.5 of the Government Code, prepare and submit to the Legislature no later than April 30 of each year an annual report in compliance with Section 9795 of the Government Code that shall include all of the following:

(1) A brief description of each project for which funding was awarded in the immediately prior calendar year, including the name of the recipient and the amount of the award, a description of how the project is thought to lead to technological advancement or breakthroughs to overcome barriers to achieving the state's statutory energy goals, and a description of why the project was selected.

(2) A brief description of each project funded by the EPIC program that was completed in the immediately prior calendar year, including the name of the recipient, the amount of the award, and the outcomes of the funded project.

(3) A brief description of each project funded by the EPIC program for which an award was made in the previous years but that is not completed, including the name of the recipient and the amount of the award, and a description of how the project will lead to technological advancement or breakthroughs to overcome barriers to achieving the state's statutory energy goals.

(4) Identification of the award recipients that are California-based entities, small businesses, or businesses owned by women, minorities, or disabled veterans.

(5) Identification of which awards were made through a competitive bid, interagency agreement, or sole source method, and the action of the Joint Legislative Budget Committee pursuant to paragraph (2) of subdivision (h) for each award made through an interagency agreement or sole source method.

(6) Identification of the total amount of administrative and overhead costs incurred for each project.

(7) A brief description of the impact on program administration from the allocations required to be made pursuant to Section 25711.6, including any information that would help the Legislature determine whether to reauthorize those allocations beyond June 30, 2023.

(8) A brief description of each project for which follow-on funding was awarded in the immediately prior calendar year, including the amount of follow-on funding awarded for the project and the method and criteria used to select that project.

(g) Establish requirements to minimize program administration and overhead costs, including costs incurred by program administrators and individual grant recipients. Each program administrator and grant recipient, including a public entity, shall be required to justify actual administration and overhead costs incurred, even if the total costs incurred do not exceed a cap on those costs that the commission may adopt.

(h) (1) Use a competitive bid as the preferred method to solicit project applications and award funds pursuant to the EPIC program, except as specified in paragraphs (2) and (4).

(2) (A) The commission may use a sole source or interagency agreement method to noncompetitively award funding for a project if the project has a reasonable cost, the project satisfies one or more of the criteria described in subdivision (f) of Section 25620.5, and both of the following conditions are met:

(i) The commission, at least 60 days before making an award pursuant to this subdivision, notifies the Joint Legislative Budget Committee and the relevant policy committees in both houses of the Legislature, in writing, of its intent to take the proposed action.

(ii) The Joint Legislative Budget Committee either approves or does not disapprove the proposed action within 60 days from the date of notification required by clause (i).

(B) It is the intent of the Legislature to enact this paragraph to ensure legislative oversight for awards made on a sole source basis, or through an interagency agreement.

(3) Notwithstanding any other law, standard terms and conditions that generally apply to contracts between the commission and any entities, including state entities, do not automatically preclude the award of moneys from the fund through the competitive bid method.

(4) (A) Notwithstanding any other law, the commission may award, through a noncompetitive method, follow-on funding for projects that meet all of the following requirements:

(i) The project is eligible to receive an award of funds from the EPIC program.

(ii) The project has been funded, at least in part, through the EPIC program.

(iii) The project has a prime recipient that is located in California.

(iv) The project will spend a minimum of 80 percent of its funding from the program in California.

(v) The project has received funding for the original project or technology through a competitive bid process from a state or federal agency.

(vi) The project has demonstrated significant results under its previous award.

(vii) The project has technology breakthrough potential that can enable the state to achieve its statutory energy policy goals on or ahead of schedule.

(viii) The project can address near-term priorities impacting the electricity sector and its ratepayers, such as mitigating wildfires and reducing the occurrence of deenergization events.

(ix) Absent follow-on funding, the project would experience a gap in funding that would likely prevent the technology from achieving significant advancement, negatively impact the ability of the project to attract sufficient private investment, or prevent the project's commercialization and associated sales revenue.

(x) The project has not previously received follow-on funding through a noncompetitive method.

(B) The commission shall approve any award of follow-on funding at a business meeting.

(C) Follow-on funding is not subject to the requirements of paragraph (2).

(D) A project's follow-on funding shall not exceed the project's most recent competitively bid award through the EPIC program.

(E) The commission may adopt guidelines for follow-on funding awards. The Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) does not apply to the adoption of these guidelines.

(F) This paragraph shall become inoperative on July 1, 2025.

SEC. 140. Section 41821.5 of the Public Resources Code is amended to read:

41821.5. (a) Disposal facility operators shall submit information on the disposal tonnages by jurisdiction or region of origin that are disposed of at each disposal facility to the department, and to counties that request the information, in a form prescribed by the department. To enable disposal facility operators to provide that information, solid waste handlers and transfer station operators shall provide information to disposal facility operators on the origin of the solid waste that they deliver to the disposal facility.

(b) (1) Recycling and composting operations and facilities shall submit periodic information to the department on the types and quantities of materials that are disposed of, sold, or transferred to other recycling or composting facilities, end users inside of the state or outside of the state, or exporters, brokers, or transporters for sale inside of the state or outside of the state.

(2) Exporters, brokers, self-haulers, and transporters of recyclables or compost shall submit periodic information to the department on the types, quantities, and destinations of materials that are disposed of, sold, or transferred. The department shall develop regulations implementing this section that define "self-hauler" to include, at a minimum, a person or entity that generates and transports, utilizing its own employees and equipment, more than one cubic yard per week of its own food waste to a location or facility that is not owned and operated by that person or entity.

(3) The information in the reports submitted pursuant to this subdivision may be provided to the department on an aggregated facilitywide basis and may exclude financial data, such as contract terms and conditions (including information on pricing, credit terms, volume discounts, and other proprietary business terms), the jurisdiction of the origin of the materials, or information on

the entities from which the materials are received. The department may provide this information to jurisdictions, aggregated by company, upon request. The aggregated information, other than that aggregated by company, is public information.

(4) (A) Notwithstanding paragraph (3), the information in the report submitted pursuant to this subdivision shall include the jurisdiction or region of origin for exported materials that are a mixture of plastic wastes. This subparagraph does not apply to plastic waste consisting of only plastic resin 1, 2, or 5, as assigned to resin types under Section 18015, or a mixture of plastic waste consisting only of a combination of those resins.

(B) The department shall make publicly available information on the jurisdiction or region of origin and tonnage information for exported materials that are a mixture of plastic wastes.

(C) For purposes of this subdivision, “export” has the same definition as set forth in Section 41781.4.

(c) The department shall adopt regulations pursuant to this section requiring practices and procedures that are reasonable and necessary to implement this section, and that provide a representative accounting of solid wastes and recyclable materials that are handled, processed, or disposed. Those regulations approved by the department shall not impose an unreasonable burden on waste and recycling handling, processing, or disposal operations or otherwise interfere with the safe handling, processing, and disposal of solid waste and recyclables. The department shall include in those regulations both of the following:

(1) Procedures to ensure that an opportunity to comply is provided prior to initiation of enforcement authorized by Section 41821.7.

(2) Factors to be considered in determining penalty amounts that are similar to those provided in Section 45016.

(d) Any person who refuses or fails to submit information required by regulations adopted pursuant to this section is liable for a civil penalty of not less than five hundred dollars ($500) and not more than five thousand dollars ($5,000) for each violation of a separate provision or, for continuing violations, for each day that the violation continues.

(e) Any person who knowingly or willfully files a false report, or any person who refuses to permit the department or any of its representatives to make inspection or examination of records, or who fails to keep any records for the inspection of the department, or who alters, cancels, or obliterates entries in the records for the purpose of falsifying the records as required by regulations adopted pursuant to this section, is liable for a civil penalty of not less than five hundred dollars ($500) and not more than ten thousand dollars ($10,000) for each violation of a separate provision or, for continuing violations, for each day that the violation continues.

(f) Liability under this section may be imposed in a civil action, or liability may be imposed administratively pursuant to this article.

(g) (1) Notwithstanding Title 5 (commencing with Section 3426) of Part 1 of Division 4 of the Civil Code and Article 11 (commencing with Section 1060) of Chapter 4 of Division 8 of the Evidence Code, all records that the facility or operator is reasonably required to keep to allow the department to verify information in, or verification of, the reports required pursuant to subdivisions (a) and (b) and implementing regulations shall be subject to inspection and copying by the department, but shall be confidential and shall not be subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(2) Notwithstanding Title 5 (commencing with Section 3426) of Part 1 of Division 4 of the Civil Code and Article 11 (commencing with Section 1060) of Chapter 4 of Division 8 of the Evidence Code, an employee of a government entity may, at the disposal facility, inspect and copy records related to tonnage received at the facility on or after July 1, 2015, and originating within the government entity’s geographic jurisdiction. Those records shall be limited to weight tags that identify the hauler, vehicle, quantity, date, type, and origin of waste received at a disposal facility. Those records shall be available to those government entities for the purposes of subdivision (a) and as necessary to enforce the collection of local fees, but those records shall be confidential and shall not be subject to disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code). Names of haulers using specific landfills shall not be disclosed by a government entity unless necessary as part of an administrative or judicial enforcement proceeding to fund local programs or enforce local franchises.

(3) A government entity may petition the superior court for injunctive or declaratory relief to enforce its authority under paragraph (2). The times for responsive pleadings and hearings in these proceedings shall be set by the judge of the court with the object of securing a decision as to these matters at the earliest possible time.

(4) For purposes of this section, a government entity is an entity identified in Section 40145 or an entity formed pursuant to Section 40976.

(5) For purposes of this subdivision, “disposal” and “disposal facility” have the same meanings as prescribed by Sections 40120.1 and 40121, respectively.

(6) Nothing in this subdivision shall be construed to limit or expand the authority of a government entity that may have been provided by this section and implementing regulations as they read on December 31, 2015.

(7) The records subject to inspection and copying by the department pursuant to paragraph (1) or by an employee of a government entity pursuant to paragraph (2) may be redacted by the operator before inspection to exclude confidential pricing information contained in the records, such as contract terms and conditions (including information on pricing, credit terms, volume discounts, and other proprietary business terms), if the redacted information is not information that is otherwise required to be reported to the department.

(h) Notwithstanding the Uniform Electronic Transactions Act (Title 2.5 (commencing with Section 1633.1) of Part 2 of Division 3 of the Civil Code), reports required by this section shall be submitted electronically, using an electronic reporting format system established by the department.

(i) All records provided in accordance with this section shall be subject to Section 40062.

SEC. 141. Section 42355.51 of the Public Resources Code is amended to read:

42355.51. (a) A person shall not offer for sale, sell, distribute, or import into the state any product or packaging for which a deceptive or misleading claim about the recyclability of the product or packaging is made.

(b) (1) Subject to paragraph (2), a product or packaging that displays a chasing arrows symbol, a chasing arrows symbol surrounding a resin identification code, or any other symbol or statement indicating the product or packaging is recyclable, or otherwise directing the consumer to recycle the product or packaging, is deemed to be a deceptive or misleading claim pursuant to this section and Section 17580.5 of the Business and Professions Code unless the product or packaging is considered recyclable in the state pursuant to subdivision (d) and is of a material type and form that routinely becomes feedstock used in the production of new products or packaging.

(2) Paragraph (1) does not apply to either of the following:

(A) Any product or packaging that is manufactured up to 18 months after the date the department publishes the first material characterization study required pursuant to subparagraph (B) of paragraph (1) of subdivision (d), or before January 1, 2024, whichever is later.

(B) Any product or packaging manufactured up to 18 months after the date the department updates the material characterization study pursuant to subparagraph (B) of paragraph (1) of subdivision (d), if the product or packaging satisfied or, for a new product or packaging, would have satisfied, the requirements to be considered recyclable in the state pursuant to subdivision (d) before the publication of the updated study.

(3) Subject to paragraph (2), for a product or packaging that is not considered to be recyclable in the state pursuant to subdivision (d), all of the following apply:

(A) Displaying a chasing arrows symbol or any other statement indicating the product is recyclable directly on the product shall be deemed to be deceptive or misleading pursuant to this section and Section 17580.5 of the Business and Professions Code.

(B) If a product or packaging has multiple material types, a chasing arrows symbol or statement indicating recyclability may be displayed on the external packaging that is considered to be recyclable in the state pursuant to subdivision (d) if the chasing arrows symbol or statement makes clear in the same or greater font, font size, or symbol size which other components of the product or packaging are not recyclable.

(C) Displaying a chasing arrows symbol or any other statement indicating recyclability on packaging containing a consumable product shall, for purposes of this section, be deemed to refer only to the packaging. For purposes of this subparagraph, “consumable product” means a commodity that is intended to be used and not disposed of.

(c) For purposes of this section, the following do not constitute a deceptive or misleading claim about the recyclability of the product or packaging pursuant to this section or Section 17580.5 of the Business and Professions Code:

(1) A person using a chasing arrows symbol in combination with a clearly visible line placed at a 45-degree angle over the chasing arrows symbol to convey that an item is not recyclable.

(2) A consumer good that is required by any federal or California law or regulation to display a chasing arrows symbol, including, but not limited to, Section 103(b)(1) of the federal Mercury-Containing and Rechargeable Battery Management Act (42 U.S.C. Sec. 14322(b)(1)) and Section 25215.65 of the Health and Safety Code.

(3) Directing a consumer to compost or properly dispose of a consumer good through an organics recycling program.

(4) A resin identification code placed inside a solid equilateral triangle.

(d) (1) On or before January 1, 2024, in order to provide information to the public sufficient for evaluating whether a product or packaging is recyclable in the state according to the criteria set forth in paragraph (2) and is of a material type and form that routinely becomes feedstock used in the production of new products or packaging, the department shall do both of the following:

(A) (i) Update the regulations promulgated pursuant to Section 41821.5 to include both of the following in the information to be submitted to the department pursuant to that section:

(I) How the material collected or processed by the operations and facilities was collected.

(II) What material types and forms are actively recovered, and not considered contaminants, by the operation or facility.

(ii) The department shall publish the information required pursuant to clause (i) in a form the department deems appropriate for achieving the purpose of this section consistent with the requirements of paragraph (3) of subdivision (b) of Section 41821.5.

(B) (i) To get a representative sample of recycling programs in the state, the department shall conduct and publish on its internet website a characterization study of material types and forms that are collected, sorted, sold, or transferred by solid waste facilities deemed appropriate by the department for inclusion in the study. The department's activities pursuant to this subparagraph, including the department's determination of the appropriate facilities to include in the study, are exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(ii) The department shall update the material characterization study required pursuant to this subparagraph every five years, with the first update being issued by the department in 2027.

(iii) Notwithstanding clauses (i) and (ii), the department may publish additional information that was not available at the time of the most recent periodic material characterization study regarding the appropriate characterization of material types and forms.

(iv) For purposes of studying a representative sample of material types and forms in the state, within 90 days of a department request, a facility shall allow for periodic sampling conducted by a designated representative of the department on a mutually-agreed upon date and time. The department shall not request a periodic sampling of a facility if that facility was sampled during the previous 24 months.

(v) For each material characterization study conducted pursuant to this subparagraph, the department shall publish on its internet website the preliminary findings of the study and conduct a public meeting to present the preliminary findings and receive public comments. The public meeting shall occur at least 30 days after the department publishes the preliminary findings. After receiving and considering public comments, and within 60 days of the public meeting, the department shall finalize and publish on its internet website the findings of the study.

(2) Subject to paragraph (3), a product or packaging is considered recyclable in the state if, based on information published by the department pursuant to subparagraph (B) of paragraph (1), the product or packaging is of a material type and form that meets both of the following requirements:

(A) The material type and form is collected for recycling by recycling programs for jurisdictions that collectively encompass at least 60 percent of the population of the state.

(B) (i) The material type and form is sorted into defined streams for recycling processes by large volume transfer or processing facilities, as defined in regulations adopted pursuant to Section 43020, that process materials and collectively serve at least 60 percent of recycling programs statewide, with the defined streams sent to and reclaimed at a reclaiming facility consistent with the requirements of the Basel Convention.

(ii) The department may adopt regulations modifying this requirement to encompass transfer or processing facilities other than large volume transfer or processing facilities, as the department deems appropriate for achieving the purposes of this section.

(3) A product or packaging shall not be considered recyclable in the state unless the product or packaging meets all of the following criteria, as applicable:

(A) For plastic packaging, the plastic packaging is designed to not include any components, inks, adhesives, or labels that prevent the recyclability of the packaging according to the APR Design® Guide published by the Association of Plastic

Recyclers.

(B) For plastic products and non-plastic products and packaging, the product or packaging is designed to ensure recyclability and does not include any components, inks, adhesives, or labels that prevent the recyclability of the product or packaging.

(C) The product or packaging does not contain an intentionally added chemical identified pursuant to the regulations implementing subparagraph (4) of subdivision (g) of Section 42370.2.

(D) The product or packaging is not made from plastic or fiber that contains perfluoroalkyl or polyfluoroalkyl substances or PFAS that meets either of the following criteria:

(i) PFAS that a manufacturer has intentionally added to a product or packaging and that have a functional or technical effect in the product or packaging, including the PFAS components of intentionally added chemicals and PFAS that are intentional breakdown products of an added chemical that also have a functional or technical effect in the product.

(ii) The presence of PFAS in a product or product component or packaging or packaging component at or above 100 parts per million, as measured in total organic flourine.

(4) Notwithstanding paragraphs (2) and (3), a product or packaging is recyclable in the state if the product or packaging has a demonstrated recycling rate of at least 75 percent, meaning that not less than 75 percent of the product or packaging sorted and aggregated in the state is reprocessed into new products or packaging.

(5) (A) Before January 1, 2030, notwithstanding paragraphs (2) and (3), a product or packaging not collected pursuant to a curbside collection program is recyclable in the state if the non-curbside collection program recovers at least 60 percent of the product or packaging in the program and the material has sufficient commercial value to be marketed for recycling and be transported at the end of its useful life to a transfer, processing, or recycling facility to be sorted and aggregated into defined streams by material type and form.

(B) After January 1, 2030, notwithstanding paragraphs (2) and (3), a product or packaging not collected pursuant to a curbside collection program is recyclable in the state if the non-curbside collection program recovers at least 75 percent of the product or packaging in the program and the material has sufficient commercial value to be marketed for recycling and be transported at the end of its useful life to a transfer, processing, or recycling facility to be sorted and aggregated into defined streams by material type and form.

(6) Notwithstanding paragraphs (2) and (3), a product or packaging is recyclable in the state if the product or packaging is part of, and in compliance with, a program established pursuant to state or federal law on or after January 1, 2022, governing the recyclability or disposal of that product or packaging if the director determines that the product or packaging will not increase contamination of curbside recycling or deceive consumers as to the recyclability of the product or packaging.

(7) The information published by the department pursuant to paragraph (1) shall not limit the discretion of a local agency under existing law to decide whether, and to what extent, a material type or form shall be accepted by a local recycling program.

(e) For purposes of this section, “chasing arrows symbol” has the meaning set forth in subdivision (f) of Section 17580 of the Business and Professions Code.

(f) Consistent with the waste hierarchy established pursuant to Section 40051, and pursuant to Section 40180, for purposes of this section, “recycling,” “recyclable,” and “recyclability” do not include transformation, as defined in Section 40201, EMSW conversion, or production of fuels.

SEC. 142. Section 42653 of the Public Resources Code is amended to read:

42653. (a) No later than July 1, 2020, the department, in consultation with the State Air Resources Board, shall analyze the progress that the waste sector, state government, and local governments have made in achieving the organic waste reduction goals for 2020 and 2025 established in Section 39730.6 of the Health and Safety Code. The analysis shall include all of the following:

(1) The status of new organics recycling infrastructure development, including the commitment of state funding and appropriate rate increases for solid waste and recycling services to support infrastructure expansion.

(2) The progress in reducing regulatory barriers to the siting of organics recycling facilities and the timing and effectiveness of policies that will facilitate the permitting of organics recycling infrastructure.

(3) The status of markets for the products generated by organics recycling facilities, including cost-effective electrical interconnection and common carrier pipeline injection of digester biomethane and the status of markets for compost,

biomethane, and other products from the recycling of organic waste.

(b) If the department determines that significant progress has not been made on the items analyzed pursuant to subdivision (a), the department may include incentives or additional requirements in the regulations described in Section 42652.5 to facilitate progress towards achieving the organic waste reduction goals for 2020 and 2025 established in Section 39730.6 of the Health and Safety Code. The department may, upon consultation with stakeholders, recommend to the Legislature revisions to those organic waste reduction goals.

SEC. 143. Section 75230 of the Public Resources Code is amended to read:

75230. (a) The Low Carbon Transit Operations Program is hereby created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities.

(b) Funding for the program is continuously appropriated pursuant to Section 39719 of the Health and Safety Code from the Greenhouse Gas Reduction Fund established pursuant to Section 16428.8 of the Government Code.

(c) Except as provided in subdivision (v), funding shall be allocated by the Controller on a formula basis consistent with the requirements of this part and with Section 39719 of the Health and Safety Code, upon a determination by the Department of Transportation that the expenditures proposed by a recipient transit agency meet the requirements of this part and guidelines developed pursuant to this section, and that the amount of funding requested is currently available.

(d) A recipient transit agency shall demonstrate that each expenditure of program moneys allocated to the agency reduces greenhouse gas emissions.

(e) A recipient transit agency shall demonstrate that each expenditure of program moneys does not supplant another source of funds.

(f) Moneys for the program shall be expended to provide transit operating or capital assistance that meets any of the following:

(1) Expenditures that directly enhance or expand transit service by supporting new or expanded bus or rail services, new or expanded water-borne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities.

(2) Operational expenditures that increase transit mode share.

(3) Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support these zero-emission buses.

(g) (1) For recipient transit agencies whose service areas include disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code, at least 50 percent of the total moneys received pursuant to this chapter shall be expended on projects or services that meet the requirements of subdivisions (d), (e), and (f) and benefit the disadvantaged communities, as identified consistent with the guidance developed by the State Air Resources Board pursuant to Section 39715 of the Health and Safety Code.

(2) The requirement of paragraph (1) is waived if the recipient transit agencies expend the funding provided pursuant to this section on any of the following:

(A) New or expanded transit service that connects with transit service serving disadvantaged communities, as identified in Section 39711 of, or in low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713 of, the Health and Safety Code.

(B) Transit fare subsidies and network and fare integration technology improvements, including, but not limited to, discounted or free student transit passes.

(C) The purchase of zero-emission transit buses and supporting infrastructure.

(3) Expenditures made pursuant to paragraph (2) shall be deemed to have met all applicable requirements established pursuant to Section 39713 of the Health and Safety Code.

(4) This section does not require a recipient transit agency to provide individual rider data to the Department of Transportation or the State Air Resources Board.

(h) The Department of Transportation, in coordination with the State Air Resources Board, shall develop guidelines that describe the methodologies that recipient transit agencies shall use to demonstrate that proposed expenditures will meet the criteria in subdivisions (d), (e), (f), and (g) and establish the reporting requirements for documenting ongoing compliance with those criteria.

(i) Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development of guidelines for the program pursuant to this section.

(j) A recipient transit agency shall submit the following information to the Department of Transportation before seeking a disbursement of funds pursuant to this part:

(1) A list of proposed expense types for anticipated funding levels.

(2) The documentation required by the guidelines developed pursuant to this section to demonstrate compliance with subdivisions (d), (e), (f), and (g).

(k) For capital projects, the recipient transit agency shall also do all of the following:

(1) Specify the phases of work for which the agency is seeking an allocation of moneys from the program.

(2) Identify the sources and timing of all moneys required to undertake and complete any phase of a project for which the recipient agency is seeking an allocation of moneys from the program.

(3) Describe intended sources and timing of funding to complete any subsequent phases of the project, through construction or procurement.

(l) A recipient transit agency that has used program moneys for any type of operational assistance allowed by subdivision (f) in a previous fiscal year may use program moneys to continue the same service or program in any subsequent fiscal year if the agency can demonstrate that reductions in greenhouse gas emissions can be realized.

(m) Before authorizing the disbursement of funds, the Department of Transportation, in coordination with the State Air Resources Board, shall determine the eligibility, in whole or in part, of the proposed list of expense types, based on the documentation provided by the recipient transit agency to ensure ongoing compliance with the guidelines developed pursuant to this section.

(n) The Department of Transportation shall notify the Controller of approved expenditures for each recipient transit agency, and the amount of the allocation for each agency determined to be available at that time of approval.

(o) A recipient transit agency that does not submit an expenditure for funding in a particular fiscal year may retain its funding share, and may accumulate and use that funding share in a subsequent fiscal year for a larger expenditure, including operating assistance. The recipient transit agency must first specify the number of fiscal years that it intends to retain its funding share and the expenditure for which the agency intends to use these moneys. A recipient transit agency may only retain its funding share for a maximum of four fiscal years.

(p) A recipient transit agency may, in any particular fiscal year, loan or transfer its funding share to another recipient transit agency within the same region for any identified eligible expenditure under the program, including operating assistance, in accordance with procedures incorporated by the Department of Transportation in the guidelines developed pursuant to this section, which procedures shall be consistent with the requirement in subdivision (g).

(q) A recipient transit agency may apply to the Department of Transportation to reassign any savings of surplus moneys allocated under this section to the agency for an expenditure that has been completed to another eligible expenditure under the program, including operating assistance. A recipient transit agency may also apply to the Department of Transportation to reassign to another eligible expenditure any moneys from the program previously allocated to the agency for an expenditure that the agency has determined is no longer a priority for the use of those moneys.

(r) The recipient transit agency shall provide annual reports to the Department of Transportation, in the format and manner prescribed by the department, consistent with the internal administrative procedures for the use of the fund proceeds developed by the State Air Resources Board.

(s) The Department of Transportation and recipient transit agencies shall comply with the guidelines developed by the State Air Resources Board pursuant to Section 39715 of the Health and Safety Code to ensure that the requirements of Section 39713 of the Health and Safety Code are met to maximize the benefits to disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code.

(t) A recipient transit agency shall comply with all applicable legal requirements, including the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000)), and civil rights and environmental justice obligations under state and federal law. This section does not expand or extend the applicability of those laws to recipient transit agencies.

(u) The audit of public transportation operator finances already required under the Transportation Development Act (Chapter 4 (commencing with Section 99200) of Part 11 of Division 10 of the Public Utilities Code) pursuant to Section 99245 of that code shall be expanded to include verification of receipt and appropriate expenditure of moneys from the program. Each recipient

transit agency receiving moneys from the program in a fiscal year for which an audit is conducted shall transmit a copy of the audit to the Department of Transportation, and the department shall make the audits available to the Legislature and the Controller for review on request.

(v) Notwithstanding subdivision (c), the Controller shall allocate funding pursuant to this section for the 2019–20 to 2022–23, inclusive, fiscal years to recipient transit agencies pursuant to the individual operator ratios described in Section 99314.10 of the Public Utilities Code.

SEC. 144. Section 3420 of the Public Utilities Code is amended to read:

3420. (a) The Governor, or the Governor's designee, may incorporate Golden State Energy as a nonprofit public benefit corporation pursuant to the Nonprofit Public Benefit Corporation Law (Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code) for the purpose of owning, controlling, operating, or managing electrical and gas services for its ratepayers and for the benefit of all Californians.

(b) (1) Golden State Energy's initial board of directors shall consist of nine members.

(2) (A) The initial board members shall be appointed as follows: five members appointed by the Governor, two members appointed by the Senate Committee on Rules, and two members appointed by the Speaker of the Assembly.

(B) Of the initial board members, one appointee from each of the appointing authorities shall initially serve a two-year term, three appointees by the Governor shall initially serve four-year terms, and one appointee from each of the appointing authorities shall initially serve a six-year term.

(3) (A) The initial board of directors shall amend Golden State Energy's bylaws to include procedures for the transition to a board consisting of three appointed members, with one member appointed by each of the appointing authorities specified in paragraph (2), who shall serve four-year terms, and six members elected by Golden State Energy's customers, who shall serve a maximum of six-year terms. The procedures for the transition shall provide for the following:

(i) The initial board members serving the two-year term shall be replaced by elected members.

(ii) The initial board members serving the four-year term shall be replaced by elected members.

(iii) The initial board members serving the six-year term shall be replaced by appointed members, with one member appointed by each of the appointing authorities. The appointing authority may reappoint a board member whose term has expired.

(B) Election procedures adopted by the initial board shall include all of the following:

(i) Nomination of members for election to the board shall be based on a matrix of skills, including the following expertise and experience:

(I) Wildfire safety, preparedness, prevention, mitigation, response, or recovery.

(II) Workforce safety and safety culture.

(III) Nuclear generation safety.

(IV) Leadership in the energy or utility industry.

(V) Utility operations and engineering.

(VI) Innovation and technology in renewable energy.

(VII) Risk management, including enterprise risk management.

(VIII) Climate change mitigation or climate resilience.

(IX) Financial performance and planning.

(X) Legal, regulatory, or government experience related to utilities.

(XI) Audit.

(XII) Corporate governance or executive compensation.

(XIII) Labor relations.

(XIV) Large-scale customer experience.

(XV) Utility board experience.

(ii) Measures to maximize board member diversity and the selection of California residents located in the service territory of Golden State Energy.

(iii) Selection by the board, or a committee of the board, of a slate of candidates for election that shall include no less than two candidates for each open board seat using search firms to identify, evaluate, and recommend the most qualified candidates for election.

(iv) Incorporation of stakeholder input into the board selection process.

(C) All elected or appointed members of the board, including those appointed pursuant to paragraph (2), shall be free of conflicts of interest that violate state law or the by-laws of Golden State Energy, and shall have demonstrated expertise or experience in one or more of the areas listed in subclauses (I) to (XV), inclusive, of clause (i) of subparagraph (B).

(4) The initial board of directors shall amend Golden State Energy's bylaws to include provisions that do all of the following:

(A) Ensure that the purposes and functions of Golden State Energy are consistent with the purposes and functions of nonprofit, public benefit corporations in the state, including duties of care and conflict-of-interest standards for officers and board members of a corporation.

(B) Maintain open meeting standards and meeting notice requirements consistent with the general policies of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) and affording the public the greatest possible access, consistent with other duties of the corporation.

(C) Provide public access to corporate records consistent with the general policies of the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and affording the public the greatest possible access, consistent with the other duties of the corporation.

(5) Upon the adoption or amendment of Golden State Energy's bylaws, the board shall submit the adopted or amended bylaws to the Governor, the Legislature, and the commission.

SEC. 145. Section 17053.99 of the Revenue and Taxation Code is amended to read:

17053.99. A taxpayer seeking certification of a certified studio construction project by the California Film Commission shall do both of the following:

(a) Certify to the California Film Commission that either of the following is true:

(1) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(2) The project is not in its entirety a public work for which prevailing wages must be paid under Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code, but all construction workers employed on the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this paragraph, then for those portions of the project that are not a public work all of the following shall apply:

(A) The taxpayer shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(B) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(C) Except as provided in subparagraph (E), all contractors and subcontractors performing construction work shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(D) Except as provided in subparagraph (E), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months

after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(E) Subparagraphs (C) and (D) shall not apply if all contractors and subcontractors performing construction work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(b) Certify to the California Film Commission that a skilled and trained workforce will be used to perform all construction work on the proposed project.

(1) For purposes of this section, "skilled and trained workforce" has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(2) If the taxpayer has certified that a skilled and trained workforce will be used to construct all work on the project, the following shall apply:

(A) The taxpayer shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the project.

(B) Every contractor and subcontractor shall use a skilled and trained workforce to construct the project.

(C) For purposes of this subdivision, "taxpayer" has the same meaning as "awarding body" as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(D) Contractors and subcontractors that fail to use a skilled and trained workforce shall be subject to the penalties provided in Section 2603 of the Public Contract Code. Penalties for a contractor's or subcontractor's failure to comply with the requirement to use a skilled and trained workforce may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 2603 of the Public Contract Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(E) The taxpayer shall provide copies of the monthly reports demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code to the California Film Commission on a monthly basis while the project or contract is being performed. These reports shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection.

(F) Subparagraphs (C) to (E), inclusive, shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

SEC. 146. Section 18410.2 of the Revenue and Taxation Code is amended to read:

18410.2. (a) The California Competes Tax Credit Committee is hereby established. The committee shall consist of the Treasurer, the Director of Finance, and the Director of the Governor's Office of Business and Economic Development, who shall serve as chair of the committee, or their designated representatives, and one appointee each by the Speaker of the Assembly and the Senate Committee on Rules. A Member of the Legislature shall not be appointed.

(b) For purposes of Article 4.4 (commencing with Section 12096.6) of Chapter 1.6 of Part 2 of Division 3 of Title 2 of the Government Code and Sections 17059.2 and 23689, the California Competes Tax Credit Committee shall do all of the following:

(1) Approve or reject any written agreement for a tax credit or grant allocation by resolution at a duly noticed public meeting held in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), but only after receipt of the fully executed written agreement between the taxpayer and the Governor's Office of Business and Economic Development.

(2) Approve or reject any recommendation to recapture, in whole or in part, a tax credit or grant allocation by resolution at a duly noticed public meeting held in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), but only after receipt of the recommendation

from the Governor's Office of Business and Economic Development pursuant to the terms of the fully executed written agreement.

(c) For purposes of Article 4.4 (commencing with Section 12096.6) of Chapter 1.6 of Part 2 of Division 3 of Title 2 of the Government Code and Sections 17059.2 and 23689, the Governor's Office of Business and Economic Development shall provide a member of the committee, or their designated representatives, listed in subdivision (a), upon request of that member, with any information necessary to fulfill their duties or otherwise comply with the requirements of this section. Nothing in this subdivision shall be construed to require the Governor's Office of Business and Economic Development to provide information to the member or their designated representative that the applicant considers to be a trade secret, confidential, privileged, or otherwise exempt from disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

SEC. 147. Section 18897 of the Revenue and Taxation Code is amended to read:

18897. (a) All moneys transferred to the School Supplies for Homeless Children Voluntary Tax Contribution Fund, notwithstanding Section 13340 of the Government Code, shall be continuously appropriated and allocated as follows:

(1) To the Franchise Tax Board, the State Department of Social Services, and the Controller for reimbursement of all costs incurred by the Franchise Tax Board, the Controller, and the State Department of Social Services in connection with their duties under this article.

(2) To the State Department of Social Services as follows:

(A) For the 2014–15 fiscal year, the Controller shall transfer the funds appropriated to the State Department of Education for this purpose from Budget Items 6110-001-8075 and 6110-101-8075 to the State Department of Social Services. Funds transferred may be used for state operations or local assistance expenditures and for distribution to a nonprofit organization exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code for the sole purpose of assisting pupils in California on a statewide basis pursuant to the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.) by providing school supplies and health-related products to partnering local education agencies for distribution to homeless children, as defined by the federal McKinney-Vento Homeless Assistance Act (42 U.S.C. Sec. 11434a). The nonprofit organization shall provide a minimum 100 percent match for all funds received from the School Supplies for Homeless Children Voluntary Tax Contribution Fund. If the nonprofit organization provides in-kind materials towards the 100 percent match, then the value of the in-kind materials contributing to a 100 percent match shall be verified by the donor donating the in-kind materials and cannot exceed the market value of the materials if sold at retail. The State Department of Social Services shall enter into a subvention services or grant agreement with the nonprofit organization.

(B) The State Department of Social Services' first designation of a nonprofit organization shall be valid until January 1, 2017. On that date, and every three calendar years thereafter, while this section is operative and in effect, the State Department of Social Services shall designate the same or a different nonprofit organization pursuant to this section. The State Department of Social Services may revoke the designation if the nonprofit organization fails to comply with the provisions of this article. If a designation is revoked, the State Department of Social Services shall designate a new nonprofit organization within three calendar months or as soon as administratively feasible.

(C) Funds shall be distributed by the State Department of Social Services only after evidence is presented to the State Department of Social Services that demonstrates that the local education agencies, domestic violence shelters, or eligible basic living centers and transitional living centers, as specified in subparagraph (C) of paragraph (2), have received the materials described in subparagraph (A).

(3) (A) Funds distributed to the nonprofit organization pursuant to this section shall be used only for costs incurred to procure, assemble, and ship school supplies and health-related products. Funds made available pursuant to this section shall not be used for administrative purposes, to reimburse costs associated with administering grants of school supplies and health-related products to local education agencies or domestic violence shelters, or for any purpose relating to the operation of the nonprofit organization.

(B) The nonprofit organization may provide school supplies and health-related products to children living in domestic violence shelters.

(C) The nonprofit organization may provide school supplies and health-related products to homeless children and homeless youth, as defined in Section 11139.3 of the Government Code, residing in or receiving services from eligible basic living centers and transitional living centers eligible for assistance as specified in the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.), as that act read on January 1, 2015.

(b) The State Department of Social Services shall verify that the designated nonprofit organization procured school supplies and health-related products and provided matching funds or in-kind materials as described in this section.

(c) The State Department of Social Services shall annually report on its internet website information on the process for the distribution of funds, the amount of moneys distributed to the designated nonprofit organization, the matching funds or in-kind materials provided by the designated nonprofit organization, and the amount of money spent on administration.

SEC. 148. Section 19777 of the Revenue and Taxation Code is amended to read:

19777. (a) If a taxpayer has been contacted by the Franchise Tax Board regarding an abusive tax avoidance transaction, and has a deficiency attributable to an abusive tax avoidance transaction, there shall be added to the tax an amount equal to 100 percent of the interest payable under Section 19101 for the period beginning on the last date prescribed by law for the payment of that tax, determined without regard to extensions, and ending on the date the notice of proposed assessment is mailed.

(b) For purposes of this section, "abusive tax avoidance transaction" means any of the following:

(1) A tax shelter as defined in Section 6662(d)(2)(C) of the Internal Revenue Code, relating to reduction not to apply to tax shelters. For purposes of this chapter, Section 6662(d)(2)(C) of the Internal Revenue Code is modified by substituting the phrase "income or franchise tax" for "Federal income tax."

(2) A reportable transaction, as defined in Section 6707A(c)(1) of the Internal Revenue Code, relating to reportable transaction, with respect to which the requirements of Section 6664(d)(3)(A) of the Internal Revenue Code are not met.

(3) A listed transaction, as defined in Section 6707A(c)(2) of the Internal Revenue Code, relating to listed transaction.

(4) A gross misstatement, within the meaning of Section 6404(g)(2)(D) of the Internal Revenue Code.

(5) Any transaction to which Section 19774 applies.

(c) The penalty imposed by this section is in addition to any other penalty imposed under Part 10 (commencing with Section 17001), Part 11 (commencing with Section 23001), or this part.

(d) (1) If a taxpayer files an amended return reporting an abusive tax avoidance transaction, described in subdivision (b), after the taxpayer is contacted by the Franchise Tax Board regarding that abusive tax avoidance transaction but before a notice of proposed assessment is issued under Section 19033, then the amount of the penalty under this section shall be 50 percent of the interest payable under Section 19101 with respect to the amount of any additional tax reflected in the amended return attributable to that abusive tax avoidance transaction.

(2) If a notice of proposed assessment under Section 19033, with respect to an abusive tax avoidance transaction as described in subdivision (a), is issued after the amended return described in paragraph (1) is filed, the penalty imposed pursuant to subdivision (a) shall be applicable to the additional tax reflected in the notice of proposed assessment attributable to that abusive tax avoidance transaction in excess of the additional tax shown on the amended return.

(e) The amendments made to this section by Chapter 14 of the Statutes of 2011 shall apply to notices mailed on or after the effective date of that act and to amended returns filed more than 90 days after that effective date with respect to taxable years for which the statute of limitations for mailing a notice of proposed assessment has not expired as of that date.

SEC. 149. Section 60495 of the Revenue and Taxation Code is amended to read:

60495. (a) A collection cost recovery fee shall be imposed on any person that fails to pay an amount of tax, interest, penalty, or other amount due and payable under this part. The collection cost recovery fee shall be in an amount less than or equal to the California Department of Tax and Fee Administration's costs for collection, as reasonably determined by the California Department of Tax and Fee Administration. The collection cost recovery fee shall be imposed only if the California Department of Tax and Fee Administration has mailed its demand notice, to that person for payment, that advises that continued failure to pay the amount due may result in collection action, including the imposition of a collection cost recovery fee.

(b) Interest shall not accrue with respect to the collection cost recovery fee provided by this section.

(c) The collection cost recovery fee imposed pursuant to this section shall be collected in the same manner as the collection of any other tax imposed by this part.

(d) (1) If the California Department of Tax and Fee Administration finds that a person's failure to pay any amount under this part is due to reasonable cause and circumstances beyond the person's control, and occurred notwithstanding the exercise of ordinary care and the absence of willful neglect, the person shall be relieved of the collection cost recovery fee provided by this section.

(2) Any person seeking to be relieved of the collection cost recovery fee shall file with the California Department of Tax and Fee Administration a statement under penalty of perjury setting forth the facts upon which the person bases the claim for relief.

(e) Subdivision (a) shall be operative with respect to a demand notice for payment which is mailed on or after January 1, 2011.

(f) Collection cost recovery fee revenues shall be deposited in the same manner as revenues derived from any other tax imposed by this part.

SEC. 150. Section 91.41 of the Streets and Highways Code is amended to read:

91.41. (a) The Clean California Local Grant Program of 2021 is hereby established, to be administered by the department, to provide funding, upon appropriation by the Legislature, for the purpose of allocating grants to local and regional public agencies, transit agencies, and tribal governments for purposes of beautifying and cleaning up local streets and roads, tribal lands, parks, pathways, transit centers, and other public spaces.

(b) It is the intent of the Legislature that the program established pursuant to subdivision (a) achieves all of the following goals:

(1) Reduce the amount of waste and debris within public rights-of-way, tribal lands, parks, pathways, transit centers, and other public spaces.

(2) Enhance, rehabilitate, restore, or install measures to beautify and improve public spaces.

(3) Enhance public health, cultural connection, and community placemaking by improving public spaces for walking and recreation.

(4) Advance equity for underserved communities.

(c) The department shall expedite the award of grants pursuant to this section by issuing a call for projects within six months of the effective date of this section. The department shall announce grant awards within three months following the call for projects.

(d) (1) Within six months of the effective date of this section, the department shall develop guidelines, including project selection criteria and program evaluation metrics, to implement the program. The guidelines shall be exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(2) In developing guidelines pursuant to paragraph (1), the department shall solicit input from local communities through at least two public workshops.

(3) The guidelines shall include, but shall not be limited to, all of the following:

(A) A process for allocating no less than 50 percent of the program funds to projects that benefit underserved communities. The department shall establish a definition for underserved communities that may include, but need not be limited to, disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code, and low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713 of the Health and Safety Code. A project eligible pursuant to this process shall clearly demonstrate a benefit to an underserved community or be directly located in an underserved community.

(B) Requirements for local matching funds of no more than 50 percent of the total project cost. The department may establish a lower percent or zero-match requirement for applicants based on severity of disadvantage.

(C) Project selection criteria that includes, but is not limited to, all of the following:

(i) The demonstrated need of the applicant to address the goals of the program as described in subdivision (b).

(ii) The potential for the project to enhance and beautify a public space or spaces.

(iii) The potential for greening to provide shade, reduce the urban heat island effect, and use native, low-water plants.

(iv) The potential for abatement of litter and debris that improves access to use of a public space or spaces.

(v) Identification of the local public engagement process that culminated in the project proposal and reflects community priorities.

(vi) The benefit to underserved communities.

(D) Project types eligible for funding pursuant to the program that include, but are not limited to, both of the following:

(i) Community litter abatement projects, events, and educational programming.

(ii) Greening and landscaping projects.

(E) A limit of five million dollars ($5,000,000) maximum per grant awarded pursuant to the program.

(F) A prohibition on grants that fund projects that displace persons experiencing homelessness.

(G) A funding distribution that takes into account the population that each project is intended to benefit relative to the total population that all projects awarded grants pursuant to the program will benefit, and the needs of underserved communities.

(e) The department may authorize, and develop guidelines related to, an advance payment for a project funded by a grant awarded pursuant to the program. A grant applicant shall be eligible for an advance payment from the department for a project funded by a grant awarded pursuant to the program only if all of the following conditions are met:

(1) The grant applicant is a public agency.

(2) The grant applicant requests an advance payment in its initial grant application.

(3) The project or project component for which the advance payment is requested is well defined and can be delivered by an agreed upon date.

(4) The grant applicant has a record of good financial management and has not been sanctioned by any state or federal agency.

(5) Upon request of the department, the grant applicant offers sufficient capital, as determined by the department, as security for an advance payment.

(6) Upon request of the department, the grant applicant provides a finding approved by its governing body that demonstrates a financial need for an advance payment pursuant to the program to deliver the project.

SEC. 151. Section 91.42 of the Streets and Highways Code is amended to read:

91.42. (a) The Clean California State Beautification Program of 2021 is hereby established, to be administered by the department, to provide funding, upon appropriation by the Legislature, for purposes of beautifying and cleaning up state highways.

(b) It is the intent of the Legislature that the program established pursuant to subdivision (a) achieves all of the following goals:

(1) Reduce the amount of waste and debris within public rights-of-way, tribal lands, pathways, parks, transit centers, and other public spaces.

(2) Enhance, rehabilitate, restore, or install measures to beautify and improve public spaces.

(3) Enhance public health, cultural connection, and community placemaking by improving public spaces for walking and recreation.

(4) Advance equity for underserved communities.

(c) (1) Within six months of the effective date of this section, the department shall develop project selection criteria and program evaluation metrics and identify eligible projects.

(2) The project selection criteria shall include, but shall not be limited to, all of the following:

(A) The demonstrated need of the applicant to address the goals of the program as described in subdivision (b).

(B) The potential for the project to enhance and beautify a public space or spaces.

(C) The potential for greening to provide shade, reduce the urban heat island effect, and use native, low-water plants.

(D) The potential for abatement of litter and debris that improves access to use of a public space or spaces.

(E) Identification of the local public engagement process that culminated in the project proposal and reflects community priorities.

(F) The benefit to underserved communities. The department shall establish a definition for underserved communities that may include, but need not be limited to, disadvantaged communities, as identified pursuant to Section 39711 of the Health and Safety Code, and low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713 of the Health and Safety Code.

(G) Project types eligible for funding pursuant to the program that include, but are not limited to, all of the following:

(i) Greening and landscaping projects.

(ii) Gateway community identification projects.

(iii) Enhanced infrastructure safety measures.

(d) Consistent with applicable department policies and guidelines, program funds shall not be used to displace persons experiencing homelessness.

SEC. 152. Section 118.9 of the Streets and Highways Code is amended to read:

118.9. (a) For purposes of this section, the following definitions apply:

(1) (A) Except as provided in subparagraph (B), "Blues Beach property" means the property that meets the following description:

(i) The department acquired the property for state highway purposes.

(ii) The property is located along State Route 1 between post mile 73.65 and post mile 75.62 in the unincorporated community of Westport in the County of Mendocino.

(B) "Blues Beach property" does not include property that is part of the highway-operating right-of-way.

(2) "California Native American tribe" means the Sherwood Valley Band of Pomo Indians, the Round Valley Indian Tribes, or the Coyote Valley Band of Pomo Indians.

(3) "Qualified nonprofit corporation" means a nonprofit corporation that is qualified pursuant to Section 501(c)(3) of the Internal Revenue Code and is organized by one or more California Native American tribes for the purpose of environmental protection, including the protection of Native American cultural resources. A qualified nonprofit corporation may include other Native American tribes besides California Native American tribes if their participation in the nonprofit is approved by a majority of the California Native American tribes organizing the nonprofit.

(b) The department may, upon terms, standards, and conditions approved by the commission, transfer the Blues Beach property at no cost to a qualified nonprofit corporation in accordance with this section.

(c) The conditions of the transfer of the Blues Beach property pursuant to subdivision (b) shall require the Blues Beach property to be maintained as a natural habitat and for protection of Native American cultural resources.

(d) As a condition to the transfer of the Blues Beach property pursuant to subdivision (b), the department may enter into an agreement with the transferee on a written plan to manage the Blues Beach property in accordance with this section.

(e) The department shall provide the fiscal and transportation policy committees of the Legislature with at least 30 days prior written notice of the transfer to facilitate the Legislature's review of the transfer.

(f) (1) The qualified nonprofit corporation to which the department transfers the Blues Beach property shall assume the long-term responsibility for the future maintenance of the property.

(2) (A) If the qualified nonprofit corporation fails to maintain the Blues Beach property in the manner required by this section, or if the qualified nonprofit corporation ceases to exist, the property shall automatically revert to the department.

(B) Any costs, including legal costs, associated with reversion pursuant to this paragraph shall not accrue to the department.

(g) (1) All deeds conveying the Blues Beach property in accordance with this section shall include a restriction limiting the use of the property to public access, natural habitat, and the protection of Native American cultural resources.

(2) All deeds conveying the Blues Beach property in accordance with this section and deeds related to a transfer or assignment of property under this section shall be filed with the county recorder's office in the county where the property is located and shall be consistent with Section 30609.5 of the Public Resources Code.

(h) A qualified nonprofit corporation to which the department transfers the Blues Beach property pursuant to this section shall not do any of the following:

(1) Transfer or assign the Blues Beach property to another entity without approval from the department and compliance with this section.

(2) Transfer or use the property for any other purpose than the purposes authorized in this section.

(3) Subdivide the property.

(4) Allow the property to be used to obtain development approval for other property or to provide mitigation for the development of other property.

(5) Charge monetary fees to access the property.

(6) Permit commercial or retail development on the property.

(7) Permit gaming on the property.

(i) A qualified nonprofit corporation to which the department transfers the Blues Beach property pursuant to this section shall allow public access to the Blues Beach property consistent with the requirement to provide public access, maintain natural habitat, and protect Native American cultural resources, but may restrict public access to any portion of the property that contains a Native American burial ground and shall restrict public access from sunset to sunrise. The restriction on public access from sunset to sunrise does not apply to Native American cultural activities, including, but not limited to, conducting cultural activities, harvesting native plants, and fishing.

(j) The Legislature finds and declares both of the following:

(1) This section serves the public purpose of conserving highly vulnerable natural and cultural resources that must be preserved and protected from damage due to unauthorized activities.

(2) Due to the remoteness of the Blues Beach property and the exceptional vulnerability of the resources, it is necessary to restrict public coastal access to the hours between sunrise and sunset.

SEC. 153. Section 383 of the Streets and Highways Code is amended to read:

383. (a) Route 83 is from Route 71 to Route 10 near the City of Upland.

(b) The relinquished former portion of Route 83 within the City of Upland is not a state highway and is not eligible for adoption under Section 81. For the relinquished former portion of Route 83, the City of Upland shall ensure the continuity of traffic flow, including any traffic signal progression, and maintain signs directing motorists to the continuation of Route 83.

(c) (1) Upon a determination by the commission that it is in the best interests of the state to do so, the commission may, upon terms and conditions approved by it, relinquish to the City of Ontario all or a portion of Route 83 within its jurisdiction, if the department and the city enter into an agreement providing for that relinquishment.

(2) The following conditions apply upon relinquishment:

(A) The relinquishment shall become effective on the date following the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(B) On and after the effective date of the relinquishment, the relinquished portion of Route 83 shall cease to be a state highway.

(C) The entirety of Route 83 relinquished under this section shall be ineligible for future adoption under Section 81.

SEC. 154. Section 21101 of the Vehicle Code is amended to read:

21101. Local authorities, for those highways under their jurisdiction, may adopt rules and regulations by ordinance or resolution, except as provided in subdivision (f), on the following matters:

(a) Closing any highway to vehicular traffic when, in the opinion of the legislative body having jurisdiction, the highway is either of the following:

(1) No longer needed for vehicular traffic.

(2) The closure is in the interests of public safety and all of the following conditions and requirements are met:

(A) The street proposed for closure is located in a county with a population of 6,000,000 or more.

(B) The street has an unsafe volume of traffic and a significant incidence of crime.

(C) The affected local authority conducts a public hearing on the proposed street closure.

(D) Notice of the hearing is provided to residents and owners of property adjacent to the street proposed for closure.

(E) The local authority makes a finding that closure of the street likely would result in a reduced rate of crime.

(b) Designating any highway as a through highway and requiring that all vehicles observe official traffic control devices before entering or crossing the highway or designating any intersection as a stop intersection and requiring all vehicles to stop at one or more entrances to the intersection.

(c) Prohibiting the use of particular highways by certain vehicles, except as otherwise provided by the Public Utilities Commission pursuant to Article 2 (commencing with Section 1031) of Chapter 5 of Part 1 of Division 1 of the Public Utilities Code.

(d) Closing particular streets during regular school hours for the purpose of conducting automobile driver training programs in the secondary schools and colleges of this state.

(e) Temporarily closing a portion of any street for celebrations, parades, local special events, and other purposes when, in the opinion of local authorities having jurisdiction or a public officer or employee that the local authority designates by resolution, the closing is necessary for the safety and protection of persons who are to use that portion of the street during the temporary closing.

(f) Implementing a slow streets program. For purposes of this section, a “slow streets program” may include closures to vehicular traffic or through vehicular traffic of neighborhood local streets with connections to citywide bicycle networks, destinations, such as a business district, that are within walking distance, or green space. A local authority may implement a slow streets program by adopting an ordinance that provides for the closing of streets to vehicular traffic or limiting access and speed on a street using roadway design features, including, but not limited to, islands, curbs, or traffic barriers. A local authority may implement a slow streets program if it meets all of the following requirements:

(1) Conducts an outreach and engagement process that includes notification to residents and owners of property abutting any street being considered for inclusion in the slow streets program.

(2) Determines that the closure or traffic restriction leaves a sufficient portion of the streets in the surrounding area for other public uses, including vehicular, pedestrian, and bicycle traffic.

(3) Provides advance notice of the closure or traffic restriction to residents and owners of property abutting the street.

(4) Clearly designates the street closure or traffic restriction with signage in compliance with the California Manual on Uniform Traffic Control Devices.

(5) Determines that the closure or traffic restriction is necessary for the safety and protection of persons who are to use that portion of the street during the closure or traffic restriction.

(6) Maintains a publically available internet website with information about its slow streets program, a list of streets that are included in the program or are being evaluated for inclusion in the program, and instructions for participating in the public engagement process.

(g) Prohibiting entry to, or exit from, or both, from any street by means of islands, curbs, traffic barriers, or other roadway design features to implement the circulation element of a general plan adopted pursuant to Article 6 (commencing with Section 65350) of Chapter 3 of Division 1 of Title 7 of the Government Code. The rules and regulations authorized by this subdivision shall be consistent with the responsibility of local government to provide for the health and safety of its citizens.

SEC. 155. Section 40240 of the Vehicle Code, as amended by Section 1 of Chapter 709 of the Statutes of 2021, is amended to read:

40240. (a) A public transit operator, as defined in Section 99210 of the Public Utilities Code, may install automated forward facing parking control devices on city-owned or district-owned public transit vehicles, as defined by Section 99211 of the Public Utilities Code, for the purpose of video imaging of parking violations occurring in transit-only traffic lanes and at transit stops. Citations shall be issued only for violations captured during the posted hours of operation for a transit-only traffic lane or during the scheduled operating hours at transit stops. The devices shall be angled and focused so as to capture video images of parking violations and not unnecessarily capture identifying images of other drivers, vehicles, and pedestrians. The devices shall record the date and time of the violation at the same time as the video images are captured. Transit agencies may share the relevant data, video, and images of parking violations collected by automated forward facing parking control devices with the local parking enforcement entity and local agency in the jurisdiction where the violation occurred. A transit operator, including the City and County of San Francisco and the Alameda-Contra Costa Transit District, may only install forward facing cameras pursuant to this section if the examiner or issuing agency, as described in Section 40215, includes options to reduce or waive the payment of a parking penalty if the examiner or issuing agency determines that the person is an indigent person as defined in Section 40220.

(b) Prior to issuing notices of parking violations pursuant to subdivision (a) of Section 40241, a public transit operator, in partnership with a city, county, city and county, or local enforcement authority, shall commence a program to issue only warning notices for 60 days and shall also make a public announcement of the program and provide the public with information about the enforcement program, existing parking regulations, and the payment options available for low-income persons at least 60 days prior to commencement of issuing notices of parking violations.

(c) A designated employee of a city, county, city and county, or a contracted law enforcement agency for a special transit district, who is qualified by a city, county, city and county, or district to issue parking citations, shall review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane or at a transit stop. A violation of a statute, regulation, or ordinance governing vehicle parking under this code, under a federal or state statute or regulation, or under an ordinance enacted by a city, county, city and county, or special transit district occurring in a transit-only traffic lane or at a transit stop observed by the designated employee in the recordings is subject to a civil penalty.

(d) The registered owner shall be permitted to review the video image evidence of the alleged violation during normal business hours at no cost.

(e) (1) Except as it may be included in court records described in Section 68152 of the Government Code, or as provided in paragraph (2), the video image evidence may be retained for up to six months from the date the information was first obtained, or 60 days after final disposition of the citation, whichever date is later, after which time the information shall be destroyed.

(2) Notwithstanding Section 26202.6 of the Government Code, video image evidence from forward facing automated enforcement devices that does not contain evidence of a parking violation occurring in a transit-only traffic lane or at a transit stop shall be destroyed within 15 days after the information was first obtained. Video image data and records collected pursuant to this section shall not be used or processed by an automated license plate recognition system, as defined in Section 1798.90.5 of the Civil Code, unless the public transit operator, city, county, city and county, or local enforcement authority meets the requirements in this paragraph and paragraph (1), the requirements of subdivision (f), and the requirements of subdivision (e) of Section 40241.

(f) Notwithstanding Article 1 (commencing with Section 7922.500) and Article 2 (commencing with Section 7922.525) of Chapter 1 of Part 3 of Division 10 of Title 1 of the Government Code, or any other law, the video image records are confidential. Public agencies shall use and allow access to these records only for the purposes authorized by this article.

(g) The following definitions shall apply for purposes of this article:

(1) “Local agency” means a public transit operator as defined in Section 99210 of the Public Utilities Code or a local city, county, or city and county parking enforcement authority.

(2) “Transit-only traffic lane” means any designated transit-only lane on which use is restricted to mass transit vehicles, or other designated vehicles including taxis and vanpools, during posted times.

(h) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 156. Section 40240 of the Vehicle Code, as added by Section 2 of Chapter 709 of the Statutes of 2021, is amended to read:

40240. (a) The City and County of San Francisco may install automated forward facing parking control devices on city-owned or district-owned public transit vehicles, as defined in Section 99211 of the Public Utilities Code, for the purpose of video imaging of parking violations occurring in transit-only traffic lanes and at transit stops. Citations shall be issued only for violations captured during the posted hours of operation for a transit-only traffic lane or during the scheduled operating hours at transit stops. The devices shall be angled and focused so as to capture video images of parking violations and not unnecessarily capture identifying images of other drivers, vehicles, and pedestrians. The devices shall record the date and time of the violation at the same time as the video images are captured. Transit agencies may share the relevant data, video, and images of parking violations collected by automated forward facing parking control devices with the local parking enforcement entity and local agency in the jurisdiction where the violation occurred. The City and County of San Francisco may only install forward facing cameras pursuant to this section if the examiner or issuing agency, as described in Section 40215, includes options to reduce or waive the payment of a parking penalty if the examiner or issuing agency determines that the person is an indigent person as defined in Section 40220.

(b) Prior to issuing notices of parking violations pursuant to subdivision (a) of Section 40241, the City and County of San Francisco shall commence a program to issue only warning notices for 60 days and shall also make a public announcement of the program and provide the public with information about the enforcement program, existing parking regulations, and the payment options available for low-income persons at least 60 days prior to commencement of issuing notices of parking violations.

(c) A designated employee of the City and County of San Francisco who is qualified to issue parking citations shall review video image recordings for the purpose of determining whether a parking violation occurred in a transit-only traffic lane or at a transit stop. A violation of a statute, regulation, or ordinance governing vehicle parking under this code, under a federal or state statute or regulation, or under an ordinance enacted by the City and County of San Francisco occurring in a transit-only traffic lane or at a transit stop observed by the designated employee in the recordings is subject to a civil penalty.

(d) The registered owner shall be permitted to review the video image evidence of the alleged violation during normal business hours at no cost.

(e) (1) Except as it may be included in court records described in Section 68152 of the Government Code, or as provided in paragraph (2), the video image evidence may be retained for up to six months from the date the information was first obtained, or 60 days after final disposition of the citation, whichever date is later, after which time the information shall be destroyed.

(2) Notwithstanding Section 26202.6 of the Government Code, video image evidence from forward facing automated enforcement devices that does not contain evidence of a parking violation occurring in a transit-only traffic lane or at a transit stop shall be destroyed within 15 days after the information was first obtained. Video image data and records collected pursuant to this section shall not be used or processed by an automated license plate recognition system, as defined in Section 1798.90.5 of the Civil Code, unless the public transit operator, city, county, city and county, or local enforcement authority meets the requirements of this paragraph and paragraph (1), the requirements of subdivision (f), and the requirements of subdivision (e) of Section 40241.

(f) Notwithstanding Article 1 (commencing with Section 7922.500) and Article 2 (commencing with Section 7922.525) of Chapter 1 of Part 3 of Division 10 of Title 1 of the Government Code or any other law, the video image records are confidential. Public agencies shall use and allow access to these records only for the purposes authorized by this article.

(g) For purposes of this article, “transit-only traffic lane” means any designated transit-only lane on which use is restricted to mass transit vehicles or other designated vehicles, including taxis and vanpools, during posted times.

(h) This section shall become operative on January 1, 2027.

SEC. 157. Section 10609.51 of the Water Code is amended to read:

10609.51. For purposes of this part, the following definitions apply:

(a) “Community water system” has the same meaning as defined in Section 116275 of the Health and Safety Code.

(b) “County Drought Advisory Group” means the group created by the department to implement Chapter 10 (commencing with Section 10609.40) of Part 2.55.

(c) “Department” means the Department of Water Resources.

(d) “Domestic well” has the same meaning as defined in Section 116681 of the Health and Safety Code.

(e) “Groundwater sustainability agency” has the same meaning as defined in Section 10721.

(f) “Nontransient noncommunity water system” has the same meaning as defined in Section 116275 of the Health and Safety Code.

(g) “Public water system” has the same meaning as defined in Section 116275 of the Health and Safety Code.

(h) “Risk vulnerability tool” means the tool created by the department to implement Chapter 10 (commencing with Section 10609.40) of Part 2.55.

(i) “Rural community” means a community with fewer than 15 service connections, or regularly serving less than 25 individuals daily at least 60 days out of the year.

(j) “Small water supplier” means a community water system serving 15 to 2,999 service connections, inclusive, and that provides less than 3,000 acre-feet of water annually.

(k) “State board” means the State Water Resources Control Board.

(l) “State small water system” has the same meaning as defined in Section 116275 of the Health and Safety Code.

SEC. 158. Section 300 of the Welfare and Institutions Code is amended to read:

300. A child who comes within any of the following descriptions is within the jurisdiction of the juvenile court which may adjudge that person to be a dependent child of the court:

(a) The child has suffered, or there is a substantial risk that the child will suffer, serious physical harm inflicted nonaccidentally upon the child by the child's parent or guardian. For purposes of this subdivision, a court may find there is a substantial risk of serious future injury based on the manner in which a less serious injury was inflicted, a history of repeated inflictions of injuries on the child or the child's siblings, or a combination of these and other actions by the parent or guardian that indicate the child is at risk of serious physical harm. For purposes of this subdivision, "serious physical harm" does not include reasonable and age-appropriate spanking to the buttocks if there is no evidence of serious physical injury.

(b) (1) The child has suffered, or there is a substantial risk that the child will suffer, serious physical harm or illness, as a result of the failure or inability of the child's parent or guardian to adequately supervise or protect the child, or the willful or negligent failure of the child's parent or guardian to adequately supervise or protect the child from the conduct of the custodian with whom the child has been left, or by the willful or negligent failure of the parent or guardian to provide the child with adequate food, clothing, shelter, or medical treatment, or by the inability of the parent or guardian to provide regular care for the child due to the parent's or guardian's mental illness, developmental disability, or substance abuse. A child shall not be found to be a person described by this subdivision solely due to the lack of an emergency shelter for the family. A child shall not be found to be a person described by this subdivision solely due to the failure of the child's parent or alleged parent to seek court orders for custody of the child. Whenever it is alleged that a child comes within the jurisdiction of the court on the basis of the parent's or guardian's willful failure to provide adequate medical treatment or specific decision to provide spiritual treatment through prayer, the court shall give deference to the parent's or guardian's medical treatment, nontreatment, or spiritual treatment through prayer alone in accordance with the tenets and practices of a recognized church or religious denomination, by an accredited practitioner thereof, and shall not assume jurisdiction unless necessary to protect the child from suffering serious physical harm or illness. In making its determination, the court shall consider (1) the nature of the treatment proposed by the parent or guardian, (2) the risks to the child posed by the course of treatment or nontreatment proposed by the parent or guardian, (3) the risk, if any, of the course of treatment being proposed by the petitioning agency, and (4) the likely success of the courses of treatment or nontreatment proposed by the parent or guardian and agency. The child shall continue to be a dependent child pursuant to this subdivision only so long as is necessary to protect the child from risk of suffering serious physical harm or illness.

(2) The Legislature finds and declares that a child who is sexually trafficked, as described in Section 236.1 of the Penal Code, or who receives food or shelter in exchange for, or who is paid to perform, sexual acts described in Section 236.1 or 11165.1 of the Penal Code, and whose parent or guardian failed to, or was unable to, protect the child, is within the description of this subdivision, and that this finding is declaratory of existing law. These children shall be known as commercially sexually exploited children.

(c) The child is suffering serious emotional damage, or is at substantial risk of suffering serious emotional damage, evidenced by severe anxiety, depression, withdrawal, or untoward aggressive behavior toward self or others, as a result of the conduct of the parent or guardian or who has no parent or guardian capable of providing appropriate care. A child shall not be found to be a person described by this subdivision if the willful failure of the parent or guardian to provide adequate mental health treatment is based on a sincerely held religious belief and if a less intrusive judicial intervention is available.

(d) The child has been sexually abused, or there is a substantial risk that the child will be sexually abused, as defined in Section 11165.1 of the Penal Code, by the child's parent or guardian or a member of the child's household, or the parent or guardian has failed to adequately protect the child from sexual abuse when the parent or guardian knew or reasonably should have known that the child was in danger of sexual abuse.

(e) The child is under five years of age and has suffered severe physical abuse by a parent, or by any person known by the parent, if the parent knew or reasonably should have known that the person was physically abusing the child. For the purposes of this subdivision, "severe physical abuse" means any of the following: any single act of abuse that causes physical trauma of sufficient severity that, if left untreated, would cause permanent physical disfigurement, permanent physical disability, or death; any single act of sexual abuse that causes significant bleeding, deep bruising, or significant external or internal swelling; or more than one act of physical abuse, each of which causes bleeding, deep bruising, significant external or internal swelling, bone fracture, or unconsciousness; or the willful, prolonged failure to provide adequate food. A child shall not be removed from the physical custody of the child's parent or guardian on the basis of a finding of severe physical abuse unless the social worker has made an allegation of severe physical abuse pursuant to Section 332.

(f) The child's parent or guardian caused the death of another child through abuse or neglect.

(g) The child has been left without any provision for support; physical custody of the child has been voluntarily surrendered pursuant to Section 1255.7 of the Health and Safety Code and the child has not been reclaimed within the 14-day period specified in subdivision (g) of that section; the child's parent has been incarcerated or institutionalized and cannot arrange for the care of the child; or a relative or other adult custodian with whom the child resides or has been left is unwilling or unable to

provide care or support for the child, the whereabouts of the parent are unknown, and reasonable efforts to locate the parent have been unsuccessful.

(h) The child has been freed for adoption by one or both parents for 12 months by either relinquishment or termination of parental rights or an adoption petition has not been granted.

(i) The child has been subjected to an act or acts of cruelty by the parent or guardian or a member of the child's household, or the parent or guardian has failed to adequately protect the child from an act or acts of cruelty when the parent or guardian knew or reasonably should have known that the child was in danger of being subjected to an act or acts of cruelty.

(j) The child's sibling has been abused or neglected, as defined in subdivision (a), (b), (d), (e), or (i), and there is a substantial risk that the child will be abused or neglected, as defined in those subdivisions. The court shall consider the circumstances surrounding the abuse or neglect of the sibling, the age and gender of each child, the nature of the abuse or neglect of the sibling, the mental condition of the parent or guardian, and any other factors the court considers probative in determining whether there is a substantial risk to the child.

It is the intent of the Legislature that this section not disrupt the family unnecessarily or intrude inappropriately into family life, prohibit the use of reasonable methods of parental discipline, or prescribe a particular method of parenting. Further, this section is not intended to limit the offering of voluntary services to those families in need of assistance but who do not come within the descriptions of this section. To the extent that savings accrue to the state from child welfare services funding obtained as a result of the enactment of the act that enacted this section, those savings shall be used to promote services which support family maintenance and family reunification plans, such as client transportation, out-of-home respite care, parenting training, and the provision of temporary or emergency in-home caretakers and persons teaching and demonstrating homemaking skills. The Legislature further declares that a physical disability, such as blindness or deafness, is no bar to the raising of happy and well-adjusted children and that a court's determination pursuant to this section shall center upon whether a parent's disability prevents the parent from exercising care and control. The Legislature further declares that a child whose parent has been adjudged a dependent child of the court pursuant to this section shall not be considered to be at risk of abuse or neglect solely because of the age, dependent status, or foster care status of the parent.

As used in this section, "guardian" means the legal guardian of the child.

SEC. 159. Section 8257 of the Welfare and Institutions Code is amended to read:

8257. (a) The Governor shall create an Interagency Council on Homelessness.

(b) The council shall have all of the following goals:

(1) To oversee implementation of this chapter.

(2) To identify mainstream resources, benefits, and services that can be accessed to prevent and end homelessness in California.

(3) To create partnerships among state agencies and departments, local government agencies, participants in the United States Department of Housing and Urban Development's Continuum of Care Program, federal agencies, the United States Interagency Council on Homelessness, nonprofit entities working to end homelessness, homeless services providers, and the private sector, for the purpose of arriving at specific strategies to end homelessness.

(4) To promote systems integration to increase efficiency and effectiveness while focusing on designing systems to address the needs of people experiencing homelessness, including unaccompanied youth under 25 years of age.

(5) To coordinate existing funding and applications for competitive funding. Any action taken pursuant to this paragraph shall not restructure or change any existing allocations or allocation formulas.

(6) To make policy and procedural recommendations to legislators and other governmental entities.

(7) To identify and seek funding opportunities for state entities that have programs to end homelessness, including, but not limited to, federal and philanthropic funding opportunities, and to facilitate and coordinate those state entities' efforts to obtain that funding.

(8) To broker agreements between state agencies and departments and between state agencies and departments and local jurisdictions to align and coordinate resources, reduce administrative burdens of accessing existing resources, and foster common applications for services, operating, and capital funding.

(9) To serve as a statewide facilitator, coordinator, and policy development resource on ending homelessness in California.

(10) To report to the Governor, federal Cabinet members, and the Legislature on homelessness and work to reduce homelessness.

(11) To ensure accountability and results in meeting the strategies and goals of the council.

(12) To identify and implement strategies to fight homelessness in small communities and rural areas.

(13) To create a statewide data system or warehouse, which shall be known as the Homeless Data Integration System, that collects local data through Homeless Management Information Systems, with the ultimate goal of matching data on homelessness to programs impacting homeless recipients of state programs, such as the Medi-Cal program (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9) and CalWORKs (Chapter 2 (commencing with Section 11200) of Part 3 of Division 9). Upon creation of the Homeless Data Integration System, all continuums of care, as defined in Section 578.3 of Title 24 of the Code of Federal Regulations, that are operating in California shall provide collected data elements, including, but not limited to, health information, in a manner consistent with federal law, to the Homeless Data Integration System.

(A) Council staff shall specify the form and substance of the required data elements.

(B) Council staff may, as required by operational necessity, and in accordance with paragraph (8) of subdivision (d) of Section 8256, amend or modify data elements, disclosure formats, or disclosure frequency.

(C) To further the efforts to improve the public health, safety, and welfare of people experiencing homelessness in the state, council staff may collect data from the continuums of care as provided in this paragraph.

(D) Any health information or personal identifying information provided to, or maintained within, the Homeless Data Integration System shall not be subject to public inspection or disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(E) For purposes of this paragraph, “health information” includes “protected health information,” as defined in Part 160.103 of Title 45 of the Code of Federal Regulations, and “medical information,” as defined in subdivision (j) of Section 56.05 of the Civil Code.

(14) To set goals to prevent and end homelessness among California’s youth.

(15) To improve the safety, health, and welfare of young people experiencing homelessness in the state.

(16) To increase system integration and coordinating efforts to prevent homelessness among youth who are currently or formerly involved in the child welfare system or the juvenile justice system.

(17) To lead efforts to coordinate a spectrum of funding, policy, and practice efforts related to young people experiencing homelessness.

(18) To identify best practices to ensure homeless minors who may have experienced maltreatment, as described in Section 300, are appropriately referred to, or have the ability to self-refer to, the child welfare system.

(19) To collect, compile, and make available to the public financial data provided to the council from all state-funded homelessness programs.

(c) (1) The council shall consist of the following members:

(A) The Secretary of the Business, Consumer Services and Housing Agency and the Secretary of the California Health and Human Services Agency, who both shall serve as cochairs of the council.

(B) The Director of Transportation.

(C) The Director of Housing and Community Development.

(D) The Director of Social Services.

(E) The Director of the California Housing Finance Agency.

(F) The Director or the State Medicaid Director of Health Care Services.

(G) The Secretary of Veterans Affairs.

(H) The Secretary of the Department of Corrections and Rehabilitation.

(I) The Executive Director of the California Tax Credit Allocation Committee in the Treasurer’s office.

(J) The State Public Health Officer.

(K) The Director of the California Department of Aging.

(L) The Director of Rehabilitation.

(M) The Director of State Hospitals.

(N) The executive director of the California Workforce Development Board.

(O) The Director of the Office of Emergency Services.

(P) A representative from the State Department of Education, who shall be appointed by the Superintendent of Public Instruction.

(Q) A representative of the state public higher education system who shall be from one of the following:

(i) The California Community Colleges.

(ii) The University of California.

(iii) The California State University.

(2) The Senate Committee on Rules and the Speaker of the Assembly shall each appoint one member to the council from two different stakeholder organizations.

(3) The council may, at its discretion, invite stakeholders, individuals who have experienced homelessness, members of philanthropic communities, and experts to participate in meetings or provide information to the council.

(4) The council shall hold public meetings at least once every quarter.

(d) The council shall regularly seek guidance from and, at least twice a year, meet with an advisory committee. The cochairs of the council shall appoint members to this advisory committee that reflects racial and gender diversity, and shall include the following:

(1) A survivor of gender-based violence who formerly experienced homelessness.

(2) Representatives of local agencies or organizations that participate in the United States Department of Housing and Urban Development's Continuum of Care Program.

(3) Stakeholders with expertise in solutions to homelessness and best practices from other states.

(4) Representatives of committees on African Americans, youth, and survivors of gender-based violence.

(5) A current or formerly homeless person who lives in California.

(6) A current or formerly homeless youth who lives in California.

(7) This advisory committee shall designate one of the above-described members to participate in every quarterly council meeting to provide a report to the council on advisory committee activities.

(e) Within existing funding, the council may establish working groups, task forces, or other structures from within its membership or with outside members to assist it in its work. Working groups, task forces, or other structures established by the council shall determine their own meeting schedules.

(f) Upon request of the council, a state agency or department that administers one or more state homelessness programs, including, but not limited to, an agency or department represented on the council pursuant to subdivision (c), the agency or department shall be required to do both of the following:

(1) Participate in council workgroups, task forces, or other similar administrative structures.

(2) Provide to the council any relevant information regarding those state homelessness programs.

(g) The members of the council shall serve without compensation, except that members of the council who are, or have been, homeless may receive reimbursement for travel, per diem, or other expenses.

(h) The appointed members of the council or committees, as described in this section, shall serve at the pleasure of their appointing authority.

(i) The Business, Consumer Services and Housing Agency shall provide staff for the council.

(j) The members of the council may enter into memoranda of understanding with other members of the council to achieve the goals set forth in this chapter, as necessary, in order to facilitate communication and cooperation between the entities the members of the council represent.

(k) There shall be an executive officer of the council under the direction of the Secretary of Business, Consumer Services and Housing.

(l) The council shall be under the direction of the executive officer and staffed by employees of the Business, Consumer Services and Housing Agency.

SEC. 160. Section 13405 of the Welfare and Institutions Code is amended to read:

13405. Notwithstanding any other law, any personally identifiable information, including name, birth date, and destination address, as well as shelter location, shall be subject to the requirements of Section 10850 and shall be exempt from inspection under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

SEC. 161. Section 13652 of the Welfare and Institutions Code is amended to read:

13652. Notwithstanding any other law:

(a) Contracts or grants awarded pursuant to this chapter shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(b) Contracts or grants awarded pursuant to this chapter shall be exempt from the Public Contract Code and the State Contracting Manual, and shall not be subject to the approval of the Department of General Services.

(c) The client information and records of legal services provided pursuant to this chapter shall be subject to the requirements of Section 10850 and shall be exempt from inspection under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(d) The state shall be immune from any liability resulting from the implementation of this chapter.

(e) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this chapter without taking regulatory action.

SEC. 162. Section 14105.22 of the Welfare and Institutions Code is amended to read:

14105.22. (a) (1) It is the intent of the Legislature that the department develop reimbursement rates for clinical laboratory or laboratory services that are comparable to the payment amounts received from other payers for clinical laboratory or laboratory services. Development of these rates will enable the department to reimburse clinical laboratory or laboratory service providers in compliance with state and federal law.

(2) (A) The requirements specified in subdivision (a) of Section 51501 of Title 22 of the California Code of Regulations shall not apply to laboratory providers reimbursed under the new rate methodology developed for clinical laboratories or laboratory services pursuant to this subdivision.

(B) In addition to subparagraph (A), laboratory providers reimbursed under any payment reductions implemented pursuant to this section shall not be subject to the requirements specified in subdivision (a) of Section 51501 of Title 22 of the California Code of Regulations until July 1, 2015.

(3) Reimbursement to providers for clinical laboratory or laboratory services shall not exceed the lowest of the following:

(A) The amount billed.

(B) The charge to the general public.

(C) (i) For dates of service before July 1, 2022, 80 percent of the lowest maximum allowance established by the federal Medicare program for the same or similar services.

(ii) For dates of service on or after July 1, 2022, 100 percent of the lowest maximum allowance established by the federal Medicare program for the same or similar services.

(D) A reimbursement rate based on an average of the lowest amount that other payers and other state Medicaid programs are paying for similar clinical laboratory or laboratory services.

(4) (A) In addition to the payment reductions implemented pursuant to Section 14105.192, payments shall be reduced by up to 10 percent for clinical laboratory or laboratory services, as defined in Section 51137.2 of Title 22 of the California Code of Regulations, for dates of service on and after July 1, 2012. The payment reductions pursuant to this paragraph shall continue until the new rate methodology under this subdivision has been approved by the federal Centers for Medicare and Medicaid Services.

(B) Notwithstanding subparagraph (A), the Family Planning, Access, Care, and Treatment Program pursuant to subdivision (aa) of Section 14132 shall be exempt from the payment reduction specified in this section.

(5) (A) For purposes of establishing reimbursement rates for clinical laboratory or laboratory services pursuant to subparagraph (D) of paragraph (3), laboratory service providers shall submit data reports according to the following schedule:

(i) The data initially provided shall be for the 2018 calendar year. For each subsequent reporting year, the data shall be based on the previous calendar year.

(ii) For purposes of clause (i), “reporting year” means 2019 and every third year thereafter.

(B) A data report submitted pursuant to subparagraph (A) shall specify the provider’s lowest amounts other payers are paying, including other state Medicaid programs and private insurance, minus discounts and rebates. The specific data required for submission under this subparagraph and the format for the data submission shall be determined and specified by the department after receiving stakeholder input pursuant to paragraph (7).

(C) The data submitted pursuant to subparagraph (A) may be used to determine reimbursement rates by procedure code based on an average of the lowest amount other payers are paying providers for similar clinical laboratory or laboratory services, excluding significant deviations of cost or volume factors and with consideration to geographical areas. The department shall have the discretion to determine the specific methodology and factors used in the development of the lowest average amount under this subparagraph to ensure compliance with federal Medicaid law and regulations as specified in paragraph (9).

(D) For purposes of subparagraph (C), the department may contract with a vendor for the purposes of collecting payment data reports from clinical laboratories, analyzing payment information, and calculating a proposed rate.

(E) The proposed rates calculated by the vendor, as described in subparagraph (D), may be used in determining the lowest reimbursement rate for clinical laboratories or laboratory services in accordance with paragraph (3).

(F) Data reports submitted to the department shall be certified by the provider’s certified financial officer or an authorized individual.

(G) Clinical laboratory providers that fail to submit data reports within 30 working days from the time requested by the department shall be subject to the suspension standards of subdivisions (a) and (c) of Section 14123.

(6) Data reports provided to the department pursuant to this section shall be confidential and shall be exempt from disclosure under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(7) The department shall seek stakeholder input on the ratesetting methodology.

(8) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement this section, in whole or in part, by means of provider bulletins or notices, policy letters, or other similar instructions, without taking any further regulatory action.

(9) (A) The department shall implement this section in a manner that is consistent with federal Medicaid law and regulations. The director shall seek any necessary federal approvals for the implementation of this section. This section shall be implemented only to the extent that federal approvals are obtained and federal financial participation is available and is not otherwise jeopardized.

(B) In determining whether federal financial participation is available, the director shall determine whether the rates and payments comply with applicable federal Medicaid requirements, including those set forth in Section 1396a(a)(30)(A) of Title 42 of the United States Code.

(C) To the extent that the director determines that the rates and payments do not comply with applicable federal Medicaid requirements or that federal financial participation is not available with respect to any reimbursement rate, the director retains the discretion not to implement that rate or payment and may revise the rate or payment as necessary to comply

with federal Medicaid requirements. The department shall notify the Joint Legislative Budget Committee 10 days prior to revising the rate or payment to comply with federal Medicaid requirements.

(b) Reimbursement rates developed pursuant to subparagraph (D) of paragraph (3) of subdivision (a) and the changes made by the act that added this subdivision shall be effective beginning on July 1, 2020, and on July 1 of every third year thereafter.

(c) Notwithstanding subdivisions (a) and (b), for dates of service from July 1, 2021, to June 30, 2022, inclusive, the department shall establish the reimbursement rates for clinical laboratory or laboratory services at the rates in effect and approved in the Medi-Cal State Plan as of December 31, 2019, pursuant to Section 14105.222.

SEC. 163. Section 14301.1 of the Welfare and Institutions Code is amended to read:

14301.1. (a) For rates established on or after August 1, 2007, the department shall pay capitation rates to health plans participating in the Medi-Cal managed care program using actuarial methods and may establish health-plan- and county-specific rates. Notwithstanding any other law, this section shall apply to any managed care organization, licensed under the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code), that has contracted with the department as a primary care case management plan pursuant to Article 2.9 (commencing with Section 14088) of Chapter 7 to provide services to beneficiaries who are HIV positive or who have been diagnosed with AIDS for rates established on or after July 1, 2012. The department shall utilize a county- and model-specific rate methodology to develop Medi-Cal managed care capitation rates for contracts entered into between the department and any entity pursuant to Article 2.7 (commencing with Section 14087.3), Article 2.8 (commencing with Section 14087.5), and Article 2.91 (commencing with Section 14089) of Chapter 7 that includes, but is not limited to, all of the following:

(1) Health-plan-specific encounter and claims data.

(2) Supplemental utilization and cost data submitted by the health plans.

(3) Fee-for-service data for the underlying county of operation or other appropriate counties as deemed necessary by the department.

(4) Department of Managed Health Care financial statement data specific to Medi-Cal operations.

(5) Other demographic factors, such as age, gender, or diagnostic-based risk adjustments, as the department deems appropriate.

(b) To the extent that the department is unable to obtain sufficient actual plan data, it may substitute plan model, similar plan, or county-specific fee-for-service data.

(c) The department shall develop rates that include administrative costs, and may apply different administrative costs with respect to separate aid code groups.

(d) The department shall develop rates that shall include, but are not limited to, assumptions for underwriting, return on investment, risk, contingencies, changes in policy, and a detailed review of health plan financial statements to validate and reconcile costs for use in developing rates.

(e) The department may develop rates that pay plans based on performance incentives, including quality indicators, access to care, and data submission.

(f) The department may develop and adopt condition-specific payment rates for health conditions, including, but not limited to, childbirth delivery.

(g) (1) Before finalizing Medi-Cal managed care capitation rates, the department shall provide health plans with information on how the rates were developed, including rate sheets for that specific health plan, and provide the plans with the opportunity to provide additional supplemental information.

(2) For contracts entered into between the department and any entity pursuant to Article 2.8 (commencing with Section 14087.5) of Chapter 7, the department, by June 30 of each year, or, if the budget has not passed by that date, no later than five working days after the budget is signed, shall provide preliminary rates for the upcoming fiscal year.

(h) For the purposes of developing capitation rates through implementation of this ratesetting methodology, Medi-Cal managed care health plans shall provide the department with financial and utilization data in a form and substance as deemed necessary by the department to establish rates. These data shall be considered proprietary and shall be exempt from disclosure as official information pursuant to Section 7927.705 of the Government Code as contained in the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code).

(i) Notwithstanding any other law, on and after the effective date of the act adding this subdivision, the department may apply this section to the capitation rates it pays under any managed care health plan contract.

(j) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may set and implement managed care capitation rates, and interpret or make specific this section and any applicable federal waivers and state plan amendments by means of plan letters, plan or provider bulletins, or similar instructions, without taking regulatory action.

(k) (1) The department shall report, upon request, to the fiscal and policy committees of the respective houses of the Legislature regarding implementation of this section.

(2) The department shall publish on its public internet website a description of the rate methodology, data used for rate development, and core actuarial assumptions and adjustments in each year that the department develops rates pursuant to this section.

(l) Before October 1, 2011, the risk-adjusted countywide capitation rate shall comprise no more than 20 percent of the total capitation rate paid to each Medi-Cal managed care plan.

(m) (1) It is the intent of the Legislature to preserve the policy goal to support and strengthen traditional safety net providers who treat high volumes of uninsured and Medi-Cal patients when Medi-Cal enrollees are defaulted into Medi-Cal managed care plans.

(2) As the department adds additional factors, such as managed care plan costs, to the Medi-Cal managed care plan default assignment algorithm, it shall consult with the Auto Assignment Performance Incentive Program stakeholder workgroup to develop cost factor disregards related to intergovernmental transfers and required wraparound payments that support safety net providers.

(n) (1) The department shall develop and pay capitation rates to entities contracted pursuant to Chapter 8.75 (commencing with Section 14591), using actuarial methods and in a manner consistent with this section, except as provided in this subdivision.

(2) (A) The department may develop capitation rates using a standardized rate methodology across managed care plan models for comparable populations. The specific rate methodology applied to PACE organizations shall address features of PACE that distinguishes it from other managed care plan models.

(B) The rate methodology shall be consistent with actuarial rate development principles and shall provide for all reasonable, appropriate, and attainable costs for each PACE organization within a region.

(3) The department may develop statewide rates and apply geographic adjustments, using available data sources deemed appropriate by the department. Consistent with actuarial methods, the primary source of data used to develop rates for each PACE organization shall be its Medi-Cal cost and utilization data or other data sources as deemed necessary by the department.

(4) Rates developed pursuant to this subdivision shall reflect the level of care associated with the specific populations served under the contract.

(5) The rate methodology developed pursuant to this subdivision shall contain a mechanism to account for the costs of high-cost drugs and treatments.

(6) Rates developed pursuant to this subdivision shall be actuarially certified before implementation.

(7) The department shall consult with those entities contracted pursuant to Chapter 8.75 (commencing with Section 14591) in developing a rate methodology according to this subdivision.

(8) Consistent with the requirements of federal law, the department shall calculate an upper payment limit for payments to PACE organizations. In calculating the upper payment limit, the department shall correct the applicable data as necessary and shall consider the risk of nursing home placement for the comparable population when estimating the level of care and risk of PACE participants.

(9) The department shall pay the entity at a rate within the certified actuarially sound rate range developed with respect to that entity, to the extent consistent with federal requirements and subject to paragraph (11), as necessary to mitigate the impact to the entity of the methodology developed pursuant to this subdivision.

(10) During the first two years in which a new PACE organization or existing PACE organization enters a previously unserved area, the department shall pay at a rate within the certified actuarially sound rate range developed with respect to that entity, to the extent consistent with federal requirements and subject to paragraph (11), to reflect the lower enrollment and higher

operating costs associated with a new PACE organization relative to a PACE organization with higher enrollment and more experience providing managed care interventions to its beneficiaries.

(11) This subdivision shall be implemented only to the extent that any necessary federal approvals are obtained and federal financial participation is available.

(12) This subdivision shall apply for rates implemented no earlier than January 1, 2017.

(o) (1) Notwithstanding any other law, as a component of the CalAIM Initiative authorized pursuant to Article 5.51 (commencing with Section 14184.100) of Chapter 7, and any successor waiver, demonstration, or state plan amendment authorizing the Medi-Cal managed care program, the department may establish capitation rates to contracted health plans on a regional basis in lieu of health plan and county-specific rates.

(2) Before initially implementing regional-based capitation rates under this subdivision, the department shall report to the Legislature on the process for developing those regional rates and determining the regional groups.

(3) The department shall provide a briefing to providers and stakeholders, including, but not limited to, physicians, hospitals, and consumer advocates, that describes the actuarial assumptions and rate methodologies used by the department following submission of rates to the federal government for approval that initially implement regional-based capitation rates under this subdivision. This publicly noticed meeting to providers and other stakeholders shall occur no more than 60 days after submission of the capitation rates to the federal government for approval. The meeting shall be for explanatory purposes and shall not otherwise impact the methodology and data provided to the federal government for approval.

(4) The department shall consult with affected contracted health plans in developing the regional groups and rate methodologies, consistent with applicable federal requirements, actuarial methods, and the CalAIM Terms and Conditions as defined in subdivision (c) of Section 14184.101 prior to implementing this subdivision. In developing and implementing any methodology pursuant to this subdivision, the department shall seek to incentivize improved quality and outcomes for Medi-Cal managed care enrollees.

(5) This subdivision shall be implemented only to the extent that the department obtains any necessary federal approvals, and that federal financial participation is available and not otherwise jeopardized.

(p) (1) It is the intent of the Legislature that both affected contracted health plans and the state have appropriate actuarial protections against the risk of either significant overpayments or significant underpayments in capitation rates developed and paid pursuant to this section that are associated with the changes to the Medi-Cal managed care program described in Article 5.51 (commencing with Section 14184.100) of Chapter 7, as identified by the department.

(2) (A) Notwithstanding any other law, as a component of the CalAIM initiative authorized pursuant to Article 5.51 (commencing with Section 14184.100) of Chapter 7, and any successor waiver, demonstration, or state plan amendment authorizing the Medi-Cal managed care program, the department may develop and implement appropriate actuarial methods to prevent significant overpayments or significant underpayments as described in paragraph (1), subject to paragraph (4). This may include, but need not be limited to, one or more of the following:

(i) A medical or profit and loss risk corridor.

(ii) Blended capitation rates based on projected member risk.

(iii) Other prospective or retrospective shared savings or risk models.

(B) The methods or models described in subparagraph (A) shall seek to encourage quality improvement and promote appropriate utilization incentives, including, but not limited to, reduced rehospitalization and shorter lengths of institutional stay.

(3) The department shall consult with affected contracted health plans in implementing this subdivision.

(4) This subdivision shall be implemented only to the extent that the department obtains any necessary federal approvals, and that federal financial participation is available and not otherwise jeopardized.

SEC. 164. Section 18901.12 of the Welfare and Institutions Code is amended to read:

18901.12. (a) On or before May 31, 2022, the department shall issue a guidance letter to counties, the Chancellor's Office of the California Community Colleges, the Chancellor's office of the California State University, and the Office of the President of the University of California that does all of the following:

(1) Clarifies the state and federal eligibility requirements for a campus-based program to be a state-approved local educational program that increases employability that qualifies for the student exemption for CalFresh eligibility, as described in Section 273.5(b)(11)(iv) of Title 7 of the Code of Federal Regulations, and is consistent with Section 273.7(e)(1) of Title 7 of the Code of Federal Regulations.

(2) Clarifies the application and approval process for a campus-based program to be approved by the department as a state-approved local educational program that increases employability, as described in paragraph (1), including, but not limited to, clarifying the supporting documents required for program approval.

(b) (1) A campus-based program at a campus of the California Community Colleges or at a campus of the California State University that meets the eligibility requirements to be a state-approved local educational program that increases employability, as established by the department's guidance letter issued pursuant to subdivision (a), shall submit a certification application for the program to the department on or before September 1, 2022. If the campus-based program is available at more than one campus, the application shall list each campus at which the program is available. An individual campus administration, the Chancellor's Office of the California Community Colleges, or the Chancellor's office of the California State University, as applicable, may submit the certification application on behalf of the campus-based program.

(2) A campus-based program at a campus of the University of California that meets the eligibility requirements to be a state-approved local educational program that increases employability, as established by the department's guidance letter issued pursuant to subdivision (a), is requested to submit a certification application for the program to the department on or before September 1, 2022. If the campus-based program is available at more than one campus, the application shall list each campus at which the program is available. An individual campus administration or the Office of the President of the University of California may submit the certification application on behalf of the campus-based program.

(c) (1) A campus-based program that meets the eligibility requirements to be a state-approved local educational program that increases employability after September 1, 2022, at a campus of the California Community Colleges or the California State University shall submit a certification application to the department on or before six months following the formation of the program. If the campus-based program is available at more than one campus, the application shall list each campus at which the program is available. An individual campus administration, the Chancellor's Office of the California Community Colleges, or the Chancellor's office of the California State University, as applicable, may submit the certification application on behalf of the campus-based program.

(2) A campus-based program that meets the eligibility requirements to be a state-approved local educational program that increases employability after September 1, 2022, at a campus of the University of California is requested to submit a certification application to the department on or before six months following the formation of the program. If the campus-based program is available at more than one campus, the application shall list each campus at which the program is available. An individual campus administration or the Office of the President of the University of California may submit the certification application on behalf of the campus-based program.

(d) Upon receipt of a certification application from a campus-based program pursuant to subdivision (b) or (c), the department shall approve the campus-based program if it meets the eligibility requirements to be a state-approved local educational program that increases employability, as established in the department's guidance letter issued pursuant to subdivision (a).

(e) (1) On or before September 1, 2023, and annually thereafter, until 2030, the department shall report to the Assembly Committee on Higher Education, the Assembly Committee on Human Services, the Senate Committee on Education, and the Senate Committee on Human Services all of the following information:

(A) The number of state-approved campus-based local educational programs that increase employability that are approved pursuant to subdivision (d), disaggregated by name and campus.

(B) The number of pending applications, disaggregated by name and campus.

(C) The number of applications denied, disaggregated by name and campus, and the reason for the denials.

(2) The department shall also post the report described in paragraph (1) on its internet website.

(f) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this section through all-county letters or similar instructions that shall have the same force and effect as regulations.

SEC. 165. Section 1 of Chapter 126 of the Statutes of 2021 is amended to read:

SECTION 1. The Legislature finds and declares all of the following:

(a) In our criminal justice system, suspects are considered innocent until proven guilty.

(b) In recent years, law enforcement departments have begun to use social media platforms like Facebook, Twitter, Instagram, and Nextdoor to communicate with the public.

(c) Some departments post the booking photos of suspects on their social media accounts even though the suspect is no longer at large or an ongoing threat to public safety.

(d) Information posted to these social media accounts can remain on the internet for years, seriously affecting the life of the person depicted.

(e) In 2016, the United States Sixth Circuit Court of Appeals stated, in Detroit Free Press Inc. v. United States Department of Justice (829 F. 3d 478, 482) that booking photos are "more than just 'vivid symbols of criminal accusation, booking photos convey guilt to the viewer," effectively "eliminating the presumption of innocence and replacing it with an unmistakable badge of criminality."

(f) The Sixth Circuit also noted that booking photos are "snapped 'in the vulnerable and embarrassing moments immediately after [an individual is] accused, taken into custody, and deprived of most liberties,'" putting them in the realm of "embarrassing and humiliating information." (Id.)

(g) Section 1 of Article 1 of the California Constitution protects the privacy of Californians, including limiting the disclosure of arrest information unless that disclosure serves a compelling state interest (Central Valley Ch. 7th Step Foundation, Inc. v. Younger (1989) 214 Cal.App.3d 145, 151).

(h) In July 2020, San Francisco Police Chief Bill Scott instituted a department directive against the release of booking photos in most circumstances because their publication creates an "illusory correlation for viewers that fosters racial bias and vastly overstates the propensity of black and brown men to engage in criminal behavior."

(i) The Legislature finds that publishing booking photos on social media when there is a low risk to public safety is detrimental to the right to a fair trial because it diminishes the presumption of innocence and potentially violates privacy rights of Californians without a commensurate benefit to public safety.

SEC. 166. Section 1 of Chapter 662 of the Statutes of 2021 is amended to read:

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Research points to a strong connection between mental wellness and academic achievement.

(2) Research demonstrates that early detection and treatment of mental illness improves attendance, behavior, and academic achievement.

(3) Before the COVID-19 pandemic, it was estimated that 20 percent of children had mental health issues, 80 percent of whom are estimated to be undiagnosed and untreated. The lack of attention to a child's mental health has significant effects on the child's school achievement and life outcomes.

(4) Mental health challenges disproportionately impact pupils who face stressors such as violence, trauma, and poverty.

(5) California's educators report their lack of preparedness in addressing pupil mental health challenges as a major barrier to instruction. Most educators and staff lack training to identify pupils who may be in need of support and to make referrals, as appropriate, to help pupils overcome and manage mental health issues and succeed in school.

(6) The State Department of Education has identified inadequate service referral and inconsistent pupil mental health policies as major factors contributing to pupils' lack of access to support for mental health concerns.

(7) The COVID-19 pandemic has led to massive social and economic disruptions around the world, and it has particularly exacerbated mental health issues among schoolage youth. A loss of routine for many pupils, social isolation, and feelings of loneliness increase the risk of mental illness. Social distancing and school closures during the COVID-19 pandemic can worsen existing mental health problems in pupils and increase the risk of future mental health issues. An increase in domestic violence and abuse during the COVID-19 pandemic further exposes pupils to risks of developing mental health problems. Several recent surveys of pupils during the COVID-19 pandemic suggest their mental well-being has been severely harmed or worsened as a result of the pandemic.

(8) Pupils of color, LGBTQ+ pupils, low-income pupils, first-generation pupils, pupils facing basic needs insecurities, and international pupils experience greater mental health burdens and more barriers to assistance. The COVID-19 pandemic has and will continue to highlight and exacerbate the inequities that exist within the sphere of mental health care and mental health disorders.

(9) Historically, schools may provide a social support network and mental health services for vulnerable pupils. However, closure of schools during the COVID-19 pandemic has taken away the protective layer of school-based mental health support.

(10) No model referral protocol exists to guide schools and local educational agencies in appropriate and timely intervention for pupil mental health concerns.

(11) The State Department of Education, in consultation with the State Department of Health Care Services, is well positioned to provide state leadership and guidance to local educational agencies so that they are better able to address pupil mental health concerns.

(b) It is therefore the intent of the Legislature in enacting this measure to direct the development of model, evidence-based referral protocols for addressing pupil mental health concerns that may be voluntarily used by schoolsites, school districts, county offices of education, charter schools, and teacher and administrator preparation programs.

SEC. 167. Section 9 of Chapter 693 of the Statutes of 2021 is amended to read:

SEC. 9. Section 5.5 of this bill incorporates amendments to Section 2946 of the Business and Professions Code proposed by both this bill and Senate Bill 801. That section shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2022, (2) each bill amends Section 2946 of the Business and Professions Code, and (3) this bill is enacted after Senate Bill 801, in which case Section 5 of this bill shall not become operative.

SEC. 168. Any section of any act enacted by the Legislature during the 2022 calendar year that takes effect on or before January 1, 2023, and that amends, amends and renumbers, adds, repeals and adds, or repeals a section that is amended, amended and renumbered, added, repealed and added, or repealed by this act, shall prevail over this act, whether the act is enacted before, or subsequent to, the enactment of this act.