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State Senate

State Assembly

## Assembly Appropriations Committee Takes Action At Key Legislative Deadline

Today, the Assembly Appropriations Committee took action, or in some cases no action, on 566 bills with fiscal impact to state or local government.

### Approved Legislation

The following measures were passed by the Assembly Appropriations Committee for referral to the Full Assembly. Below, there is an indication whether a bill passed on an "A" Roll Call or "B" Roll Call. An "A" Roll Call is a vote in favor by all Committee Members. A "B" Roll Call is a vote where the Democrat Majority Party votes in favor and the Republican Minority Party votes against. The Assembly has until June 1, 2018 to vote on these bills or they are no longer eligible for further legislative action.

#### **AB 1870 (Reyes, Dem-San Bernardino) Unlawful Employment Practices**

Summary: The Fair Employment and Housing Act makes specified employment practices unlawful, including discrimination against or harassment of employees. Current law authorizes a person claiming to be aggrieved by an alleged unlawful practice to file a complaint with the Department of Fair Employment and Housing within one year from the date upon which the unlawful practice occurred. This bill extends the period to 3 years for which complaints alleging unlawful employment or housing practices may be filed with the Department.

Support & Opposition: This bill is supported by the American Civil Liberties Union, California Employment Lawyers Association, and California Teamsters, among 16 other unions and consumer groups. The opposition is led by the Chamber, 15 large industry trade organizations, as well as multiple local chambers of commerce.

Vote: "A" Roll Call, Republicans Abstaining

#### **AB 1875 (Wood, Dem-Healdsburg) Extended Replacement Insurance Coverage**

Summary: Requires the Department of Insurance (CDI) to establish the California Home Insurance Finder on its website to help homeowners connect with an insurance agent or

**Department of  
Insurance**

**Secretary of State**

**Official Legislative  
Information**

broker for residential property insurance. The bill requires the Department to survey agents, brokers, insurers, and appropriate trade associations about inclusion in the finder, and post participants' names, addresses, phone numbers, and websites to the finder on or before July 1, 2020. The bill also requires CDI to use social media to promote the finder, to create materials in multiple languages, and to develop a pamphlet no later than July 1, 2020, that provides information on how to accurately estimate dwelling replacement costs.

Support & Opposition: Department of Insurance, Independent Insurance Agents & Brokers of California, Pacific Association of Domestic Insurance Companies, Property Casualty Insurers Association of America, American Insurance Association, and Personal Insurance Federation of California. There is no opposition.

Vote: "A" Roll Call

**AB 1956 (Limón, Dem-Santa Barbara) Fire Prevention Activities**

Summary: Current law requires the director of the Department of Forestry and Fire Protection to establish a working group to identify potential incentives for landowners to implement prefire activities in state responsibility areas and urban wildland communities and to identify all federal, state, or local programs, private programs, and any other programs requiring a cost share that involves prefire activities. This bill revises the membership to include representatives from industries with experience in fire prevention, as well as academics in the field.

Support & Opposition: This bill is supported by the Rural County Representatives of California and Nature Conservancy. There is no opposition.

Vote: "A" Roll Call

**AB 2046 (Daly, Dem-Anaheim) Workers Compensation Insurance Fraud Reporting**

Summary: This bill adopts two recommendations from the State Auditor regarding workers' compensation fraud fighting efforts: (1) requires that a governmental agency in possession of information relating to workers' compensation fraud to, upon request of another governmental agency that uses the information for purposes of investigation, prosecution, or detection of workers' compensation fraud, provide that information to the requesting agency, and (2) authorizes the Fraud Assessment Commission to augment, rather than offset, its annual assessment on employers to fund the workers' compensation fraud program with unused funds from previous assessments.

Support & Opposition: This bill is supported by the Property Casualty Insurers of California. There is no opposition.

Vote: "A" Roll Call

**AB 2091 (Grayson, Dem-Concord) Prescribed Burns**

Summary: This bill renames the State Board of Forestry and Fire Protection the State Board of Forestry and Fire Prevention and Protection. The bill requires members to have general knowledge of, interest in, and experience with fire prevention. The bill also requires at least one member to be selected with a background and understanding of fire prevention, including prescribed fire. The bill requires the board to appoint a prescribed fire advisory

committee and requires the advisory committee to consult with the board on prescribed fire issues, including the development of a certificate of specialization.

Support & Opposition: The bill is supported by the Pacific Forest Trust and has no opposition.  
Vote: "B" Roll Call

### **AB 2182 (Levine, Dem-Marin) California Data Protection Authority**

Summary: This measure requires the Department of Consumer Affairs to establish the California Data Protection Authority to adopt regulations to standardize online user agreements to facilitate the removal of personal information from an edge provider database and to prohibit edge provider websites from conducting potentially harmful experiments on nonconsenting users. This bill states the intent of the Legislature to ensure that personal information can be removed from the database of an edge provider when a user chooses not to continue to be a customer of that edge provider.

Support & Opposition: This bill has no registered support and is opposed by the California Chamber of Commerce, California Cable & Telecommunications Association, California Manufacturers & Technology Association, and 9 high technology industry trade organizations and coalitions.

Vote: "B" Roll Call

### **AB 2276 (Burke, Dem-Inglewood) Automobile Body Rate Survey**

Summary: Current law requires any insurer that conducts an automobile body repair labor rate survey to determine and set a specified prevailing auto body repair labor rate in a specific geographic area to report the results of that survey to the Department of Insurance, which is required to make the information available upon request. This bill deletes this provision and instead requires an insurer to report the results of the survey to CDI at least every 12 months. The legislation provides insurers flexibility relative to the modeling used to conduct surveys.

Support & Opposition: This bill is supported by the American Insurance Association, National Association of Mutual Insurers, Pacific Association of Domestic Insurers, Personal Insurance Federation of California, Property Casualty Insurers Association of America, and California Chamber of Commerce. It is opposed by the California Autobody Association and Consumer Federation of America.

Vote: "B" Roll Call

### **AB 2499 (Arambula, Dem-Fresno) Healthcare Coverage Medical Loss Ratios**

Summary: Current law requires a healthcare service plan or health insurer that issues, sells, renews, or offers a healthcare service plan contract or health insurance policy, respectively, for healthcare coverage in this state to comply with minimum medical loss ratios, and to provide an annual rebate to each enrollee or insured under that coverage, on a pro rata basis, if the medical loss ratio of the amount of premium revenue expended by the plan or health insurer on the costs for reimbursement for clinical services and for activities that improve healthcare quality to the total amount of premium revenue is less than a certain percentage. This bill increases the minimum medical loss ratio percentages applicable to healthcare service plans and health insurers by 5% in the large group and individual markets.

Support & Opposition: This bill is sponsored by Health Access California, supported by the California Medical Association, California Labor Federation, Consumers Union, and several health and poverty advocacy organizations. It is opposed by the Independent Agents & Brokers of California, Association of California Life & Health Insurance Companies, America's Health Insurance Plans, California Association of Health Plans, California Association of Health Underwriters, National Association of Insurance & Financial Advisors of California, and California Chamber of Commerce.

Vote: "B" Roll Call

### **AB 2500 (Kalra, Dem-San Jose) Consumer Loans Charges**

Summary: The California Financing Law (CFL) prohibits anyone from engaging in the business of a finance lender or broker without obtaining a license. Under current law, a licensee who lends any sum of money is authorized to contract for and receive charges at a maximum rate that does not exceed specified sums on the unpaid principal balance per month, ranging from 2 1/2% to 1%, based on the consumer loan amount. This provision, however, does not apply to any loan of a bona fide principal amount of \$2,500 or more, as determined in accordance with a provision governing regulatory ceilings and evasion of the CFL. This bill would modify the maximum interest rate by permitting interest of 1% per month on that part of the unpaid principal balance of a loan that is between \$1,650 to \$2,500, 3% per month on that part of the unpaid principal balance of a loan that is between \$2,500 to \$5,000, and 2% per month on that part of the unpaid principal balance of a loan that is between \$5,000 to \$10,000. The bill would also increase the threshold amount for loans that are exempt from this provision to \$10,000 or more.

Support & Opposition: Among the bill's cosponsors is the Western Center on Law & Poverty and Center for Responsible Lending. There are 25 senior, consumer, labor, plaintiff lawyer, and health advocacy groups that filed letters in support. In addition, 76 community and church organizations signed a group letter advocating for the bill. The opposition consists of the California Financial Services Association, National Federation of Independent Business, several ethnic chambers of Commerce, as well as short term lending business.

Vote: "B" Roll Call

### **AB 2551 (Wood, Dem-Santa Rosa) Forest & Fire Prevention Program**

Summary: This bill requires the Department of Forestry and Fire Prevention (DFFP) to establish, implement, and administer the Forest and Wildland Health Improvement and Fire Prevention Program. The bill requires the Department to take actions to implement and administer programs that are intended to promote forest and wildland health, restoration, and resilience, and improve fire outcomes, prevention, and preparedness throughout the state. The bill also requires the DFFP to collaborate with the Department of Corrections and Rehabilitation to utilize correctional officers and conservation crews for vegetation management and fire prevention activities.

Support & Opposition: This bill is supported by Pacific Forest Trust, the Rural County Representatives of California, Sonoma County, and other 14 other sizable environmentally focused organizations. There is no opposition.

Vote: "A" Roll Call

### **AB 2613 (Reyes, Dem-San Bernardino) Failure to Pay Wage Penalties**

Summary: Current law provides for a civil penalty, in addition to, and entirely independent and apart from other penalties, on every person who fails to pay the wages of each employee and requires the Labor Commissioner to recover that penalty. Current law requires that a specified percentage of the penalty recovered under that provision be paid into a fund within the Labor and Workforce Development Agency dedicated to educating employers about state labor laws and that the remainder be paid into the State Treasury to the credit of the General Fund. This bill repeals those provisions and makes an employer or other person acting individually or as an officer, agent, or employee of another person who fails to pay wages of each employee subject to a penalty of \$200, payable to each affected employee, per pay period where the wages due are not paid on time. Penalties escalate financially for additional wage payment failure.

Support & Opposition: This bill is supported by 17 organizations, largely labor unions, such as the California Labor Federation, the Service Employees International Union – California, and the California Employment Lawyers Association. The 30 member opposition consists of the 15 large industry trade organizations, such as the California Chamber of Commerce.

Vote: “B” Roll Call

### **AB 2802 (Friedman, Dem-Los Angeles) Insurance Payment Interception**

Summary: Beginning January 1, 2020, this legislation requires an insurer to cooperate with the Department of Child Support Services to match claimants with obligors who owe past-due child support, and to report those claimants to the Department. The bill requires an insurer to match and report a claimant if his or her claim seeks an economic benefit, but exempts specified economic benefits, including a claim under a personal automobile insurance policy for actual repair, replacement, or loss of use of an insured vehicle.

Support & Opposition: This bill is sponsored by the Department of Insurance and there is no other registered support or opposition.

Vote: “A” Roll Call

### **AB 2946 (Kalra, Dem-San Jose) Labor Standards Enforcement Division Complaint**

#### **Filing**

Summary: Current law authorizes a person who believes has been discharged or discriminated against in violation of any law under the jurisdiction of the Labor Commissioner to file a complaint with the Division of Labor Standards Enforcement within 6 months after the occurrence of the violation. This bill extends the period to file a complaint to within 3 years after the occurrence of the violation.

Support & Opposition: This bill is supported by 20 organizations, including the Employee Rights Center, the National Immigration Law Center, and the Service Employees International Union – California. The opposition consists of 38 industry trade groups and local chambers. The California Chamber of Commerce is opposed to the legislation, as well as the California State Association of Counties and Civil Justice Association of California.

Vote: “B” Roll Call

### **AB 3080 (Gonzalez-Fletcher, Dem-San Diego) Employment Discrimination Enforcement**

Summary: This legislation prohibits an employer from, as a condition of employment or as a condition of entering into a contractual agreement, prohibiting an employee or independent contractor from disclosing to any person an instance of sexual harassment that the employee or independent contractor suffers, witnesses, or discovers in the workplace or in the performance of the contract.

Support & Opposition: This bill is sponsored by the California Labor Federation and supported by the American Civil Liberties Union of California and California Employment Lawyers Association. The opposition consists of the California Chamber of Commerce, the 15 largest industry trade groups, and the Civil Justice Association of California.

Vote: "B" Roll Call

### **AB 3081 (Gonzalez-Fletcher, Dem-San Diego) Workplace Sexual Harassment**

Summary: Current law prohibits an employer from discharging or in any manner discriminating or retaliating against an employee who is a victim of domestic violence, sexual assault, or stalking for taking time off work to obtain relief or because of the employee's status as a victim of domestic violence, sexual assault, or stalking, if the victim provides notice to the employer of the status or the employer has actual knowledge of the status. This bill also prohibits an employer from discharging or in any manner discriminating or retaliating against an employee because of the employee's status as a victim of sexual harassment. The bill makes the filing deadline for these prohibitions and the reasonable accommodations requirement 3 years from the date of occurrence of the violation. It contains employer-employee joint liability.

Support & Opposition: The bill is supported by the California Teamsters and several women's organizations, among 12 other entities. It is opposed by the Chamber, 13 business trade groups, and 12 local chambers.

Vote: "B" Roll Call

## Held Legislation

The following bills did not receive a vote and are no longer eligible for consideration in 2018.

### **AB 1923 (Limón, Dem-Santa Barbara) Fire Insurance Debris Removal**

Summary: This bill requires an insurer for a residential property insurance policy, if a consolidated debris removal program in which a residential property owner who has insurance in effect at the time of a wildfire that provides coverage for debris removal voluntarily assigns any rights, benefits, and proceeds for that coverage to a county or designated agency, is implemented following a state of emergency, to provide the assignee with policy and claim information and to issue payment directly to the assignee.

Support & Opposition: The Department of Insurance is the sponsor and there is no other support. The opposition is the American Insurance Association, National Association of Mutual Insurers, Pacific Association of Domestic Insurers, Personal Insurance Federation of California, and Property Casualty Insurers Association of America.

### **AB 2069 (Bonta, Dem-Alameda) Medicinal Cannabis Employment Discrimination**

Summary: This legislation provides that, when used to treat a known physical or mental disability or known medical condition, the medical use of cannabis by a qualified patient or person with an identification card is subject to reasonable accommodation. The bill provides that it does not prohibit an employer from refusing to hire an individual or discharging an employee who is a qualified or person with an identification card, if hiring or failing to discharge an employee causes the employer to lose a monetary or licensing-related benefit under federal law. The bill also provides that it does not prohibit an employer from terminating the employment of, or taking corrective action against, an employee who is impaired on the property or premises of the place of employment or during the hours of employment because of the use of cannabis.

Support & Opposition: The bill is sponsored by the Service Employees International Union, the United Food & Commercial Workers, as well as the Conference of California Bar Association. The 60 member opposition includes the Chamber and 30 industry trade groups, including the National Association of Mutual Insurance Companies, Personal Insurance Federation of California, Property Casualty Insurers Association of California, and the Civil Justice Association of California.

### **AB 2366 (Bonta, Dem-Alameda) Sexual Harassment Protections**

Summary: Current law prohibits an employer from discharging, or discriminating or retaliating against, an employee who is a victim of domestic violence, sexual assault, or stalking and who takes time off from work to obtain, or attempt to obtain, any relief to help ensure the health, safety, or welfare of the victim or his or her child. Current law also prohibits an employer from discriminating or retaliating against an employee who is a victim of domestic violence, sexual assault, or stalking because of the employee's status as a victim, if the employer has notice or knowledge of that status. This bill extends these employment protections to victims of sexual harassment.

Support & Opposition: Legal Aid at Work is the sponsor of this bill, and it is supported by the California Employment Lawyers Association, the California School Employees Association, women's rights organizations, and 40 others. The opposition consists of the Chamber, 13 large industry trade organizations, 10 local chambers, 30 other business entities, and the Civil Justice Association of California.

### **AB 2395 (Calderon, Dem-Whittier) California Life & Health Insurance Guarantee Association**

Summary: This bill would increase the surveillance of potentially insolvent long-term care insurers and expands the California Life Health Insurance Guarantee Association's (CLHIGA) authority to manage the liquidation of insolvent insurers. Specifically, the bill would permit CLHIGA to request actuarially justified rate increases for covered policies, require long-term care insurers with more than 10,000 long-term care insurance policies in force to annually report additional financial information to the Department of Insurance (DOI) and requires CLHIGA to submit an annual report to the Legislature regarding its capacity to absorb the claims of insolvent insurers.

Support & Opposition: This bill is sponsored by the Association of California Life & Health Insurance Companies and Guardian Life Insurance Company of America. There is no registered opposition.

### **AB 2841 (Gonzalez-Fletcher, Dem-San Diego) Sick Leave Accrual**

Summary: This legislation changes the requirements of the employer's alternate sick leave accrual method to require no less than 40 hours of accrued sick leave or paid time off by the 200<sup>th</sup> calendar day of employment. The bill also provides an employer is under no obligation to allow an employee's total accrual of paid of sick leave to exceed 80 hours or 10 days. The bill raises the limitation on sick leave carried over to the following year of employment to 40 hours or 5 days.

Support & Opposition: The bill is supported by the California Employment Lawyers Association. Opposition includes 15 of the largest industry trade groups, including the California Chamber of Commerce.

### **AB 3087 (Kalra, Dem-San Jose) California Healthcare Cost Commission**

Summary: This legislation creates the California Healthcare Cost, Quality and Equity Commission, an independent state agency, to control in-state healthcare costs and set the amounts accepted as payment by health plans, hospitals, physicians, physician groups, and other healthcare providers. The bill provides that funding for the commission come from the Managed Care Fund and the Insurance Fund, subject to appropriation by the Legislature.

Support & Opposition: The bill is sponsored by the California Labor Federation, Health Access, and the Service Employees International Union. It is opposed by 280 hospitals and providers, as well as the state's largest business advocacy organizations – the Chamber of Commerce and National Federation of Independent Business.

## **Senate Appropriations Committee Takes Action At Legislative Deadline**

Today, the Senate Appropriations Committee took action, or in some cases no action, on 264 bills with fiscal impact to state or local government.

### **Approved Legislation**

The following measures were passed by the Senate Appropriations Committee for referral to the Full Senate. Below there is an indication whether a bill passed on an "A" Roll Call or "B" Roll Call. An "A" Roll Call is a vote in favor by all Committee Members. A "B" Roll Call is a vote where the Democrat Majority Party votes in favor and the Republican Minority Party votes against. The Senate has until June 1, 2018 to vote on these bills or they are no longer eligible for further legislative action.

### **SB 822 (Wiener, Dem-San Francisco) Net Neutrality**

Summary: This bill codifies portions of the rescinded Federal Communications Commission rules related to net neutrality by prohibiting internet service providers (ISPs) from engaging



in certain practices, including blocking lawful content, applications, services, or nonharmful devices, discriminating between lawful internet traffic, engaging in third-party paid prioritization, engaging in application-specific differential pricing, and engaging in deceptive or misleading marketing practices. The bill also prohibits monetary agreements between ISP's and edge providers and would prohibit most zero rating.

Support & Opposition: This bill is supported by 164 entities, including the Electronic Frontier Foundation, the American Civil Liberties Union, Common Cause, Consumers Union, The Utility Reform Network), former Federal Communications Commission commissioners, and local officials. It is opposed by 86 entities, including the California Cable & Telecommunications Association, CTIA-The Wireless Association, and California Chamber of Commerce.

### **SB 824 (Lara, Dem-Bell Gardens) Homeowners Insurance & Declared Disasters**

Summary: This legislation prohibits an insurer from canceling, refusing to renew, or including a surcharge or an increase in the premium of a homeowners insurance policy for one year from the date of a declaration of a state of emergency, based solely on the fact the property is in a county where a state of emergency has been declared. It requires an insurer that intends to reduce, within 12 months of a declared disaster, the total number of homeowners policies in the disaster area by 20% or more, to submit to the Insurance Commissioner. It also directs the Department of Insurance to conduct a data call on wildfire and fire loss experience from insurers writing homeowners insurance. It includes a provision to protect insurers from applicability when the renewal of a policy threatens the solvency of the insurer.

Support & Opposition: The bill is supported by United Policyholders, Rural County Representatives of California, California State Association of Counties, and Consumer Attorneys of California. The major insurance industry trade organizations – the American Insurance Association, National Association of Mutual Insurance Companies, Pacific Association of Domestic Insurance Companies, Personal Insurance Federation of California, and Property Casualty Insurers Association of America – oppose unless it is amended.

Vote: “B” Roll Call

### **SB 826 (Jackson, Dem-Santa Barbara) Women Corporate Board of Directors Requirement**

Summary: No later than December 31, 2019, this bill requires a corporation or foreign corporation that is a publicly held corporation whose principal executive offices are located in California to have a minimum of one female on its board of directors. On or before December 31, 2021, the bill increases that required minimum number to 2 female directors if the corporation has 5 authorized directors or to 3 female directors if the corporation has 6 or more authorized directors. The bill requires the Secretary of State to publish various reports on its website documenting the number of corporations in compliance with these provisions.

Support & Opposition: This bill is sponsored by the National Association of Women Owned Businesses – California, and supported by the Consumer Attorney of California as well as Small Business California. The opposition is led by the California Chamber of Commerce, and is opposed by the Personal Insurance Federation of California, 7 large industry trade organizations, and 12 local chambers of commerce.

Vote: "B" Roll Call

### **SB 901 (Dodd, Dem-Napa) Deenergization Policies**

Summary: This legislation requires a wildfire mitigation plan prepared by an electrical corporation, and wildfire mitigation measures prepared by a local publicly owned electric utility or electrical cooperative, to include protocols the preparing entity may use to determine when it may be necessary to deenergize its electrical lines and deactivate its reclosers. The bill requires those protocols to include an assessment of factors, including meteorological and fire threat conditions, and to include appropriate and feasible procedures for notifying customers, including, as a priority, critical first responders, healthcare facilities, and operators of telecommunications infrastructure, who may be impacted by the deenergizing of electrical lines.

Support & Opposition: The bill is supported by Southern California Edison, San Diego Gas & Electric, California Professional Firefighters, Consumer Action, and Sonoma County.

Vote: "A" Roll Call

### **SB 937 (Wiener, Dem-San Francisco) Workplace Lactation Accommodation**

Summary: This bill requires a lactation room or location to include prescribed features and requires an employer to provide access to a sink and refrigerator in close proximity to the employee's work space. The bill requires an employer to develop and implement a policy regarding lactation accommodation and make it available to employees.

Support & Opposition: The bill is supported by the California Employment Lawyers Association, California Labor Federation, and California Teachers Association. Opponents include the California Chamber of Commerce, American Insurance Association, and 8 large industry trade groups.

Vote: "B" Roll Call

### **SB 1013 (Lara, Dem-Bell Gardens) Fluorinated Refrigerant Classification**

Summary: This legislation applies all restrictions on the use of class I substances and class II substances under the federal Clean Air Act as it read January 19, 2017 to chlorofluorocarbons. The bill authorizes the state to adopt a regulation making those restrictions more rigorous or accelerated in time. The bill allows a violation of these provisions to be enjoined and subjects persons who violate these provisions to penalties.

Support & Opposition: This bill is supported by the American Lung Association – California, California League of Conservation Voters, and 13 other chemical manufacturers and environmental groups. The bill is opposed by the Association of Home Appliance Manufacturers and the California Chamber of Commerce.

Vote: "B" Roll Call

### **SB 1038 (Leyva, Dem-San Bernardino) Employee Sexual Harassment History Discrimination**

Current law prohibits discrimination and harassment in employment based on factors, including race, religious creed, gender, or sex. Current law prohibits discharging or

discriminating against a person who has opposed any practices prohibited by these provisions. This bill imposes personal liability on employers for violating the prohibition against discharging or discriminating against a person who has opposed any practices prohibited by these provisions or has filed a complaint, testified, or assisted in any proceeding for a violation.

Support & Opposition: This bill is supported by the California Employment Lawyers Association and Equal Rights Advocates. Opponents include the California Chamber of Commerce and California Council of the Society for Human Resources Management.

Vote: "B" Roll Call

### **SB 1088 (Dodd, Dem-Napa) Electric Utility Safety Resiliency Planning**

Summary: The California Emergency Services Act establishes the Office of Emergency Services for the purpose of mitigating the effects of natural, manmade, or war-caused emergencies and makes findings and declarations relating to ensuring that preparation within the state will be adequate to deal with those emergencies. This bill requires the Office by September 30, 2019 to adopt standards for reducing risks from a major event.

Support & Opposition: This bill is supported by Southern California Edison, San Diego Gas & Electric, Pacific Gas & Electric, Sonoma County, and California Labor Federation. Opposition comes from the Solar Energy Industries Association, Environmental Defense Fund, and The Utility Reform Network.

Vote: "B" Roll Call

### **SB 1121 (Dodd, Dem-Napa) Personal Information Data Breach Liability**

Summary: Current law requires a business to take all reasonable steps to dispose of customer records containing personal information and imposes other requirements on a business relating to the custody of customer records containing personal information. This measure expands the civil liability of companies of all sizes providing goods and services in California. The legislation expands the scope of who can sue companies and nonprofits for data breaches. This bill imposes a minimum of \$200 and a maximum of \$1,000 in statutory damages per consumer breach.

Support & Opposition: This bill is supported by the American Civil Liberties Union, Consumer Federation of America, Privacy Rights Clearinghouse, and 12 other consumer and privacy protection advocacy groups. Opponents include the Independent Insurance Agents & Brokers of California, Personal Insurance Federation of California, California Chamber of Commerce, California Cable & Telecommunications Association, and 14 large industry trade organization.

Vote: "B" Roll Call

### **SB 1260 (Jackson, Dem-Santa Barbara) Prescribed Burns**

Summary: Current law requires a local agency to designate, by ordinance, very high fire hazard severity zones in its jurisdiction, as provided in connection with a state program for fire prevention. This bill requires the local agency to transmit a copy of the adopted ordinance to the State Board of Forestry and Fire Protection within 30 days of adoption.

Support & Opposition: This bill is supported by San Diego Gas & Electric, Nature Conservancy, Sonoma and Ventura Counties, and 6 additional environmental organizations. There is no opposition.

Vote: "A" Roll Call

### **SB 1272 (Galgiani, D-Stockton) Tax Recovery & Criminal Enforcement Taskforce**

Summary: This measure establishes the Tax Recovery and Criminal Enforcement (TRaCE) Taskforce in the Department of Justice to combat underground economic activities through a multi-agency collaboration to pool resources, collaborate and share data, prosecute violations, and recover state revenue lost to the underground economy. This bill requires TRaCE teams to be located in Sacramento, Los Angeles, San Diego, the San Francisco Bay Area, and Fresno. It also establishes a TRaCE Taskforce executive board and TRaCE team committees to ensure multi-agency collaboration.

Support & Opposition: This bill is sponsored by the Office of the Attorney General, and supported by the California Pool & Spa Association, California State Council of Laborers, and 6 large unions.

Vote: "A" Roll Call

### **SB 1284 (Jackson, Dem-Santa Barbara) Employer Paydata Reporting**

Summary: This bill requires private employers with more than 100 employees to submit an annual paydata report to the Department of Industrial Relations. This bill requires the Department to make the reports available to the Department of Fair Employment and Housing upon request. It imposes a civil penalty of \$500 on any employer who does not comply with the reporting requirement, and requires any penalties collected to be deposited into the Labor Enforcement and Compliance Fund, to be allocated upon appropriation by the Legislature to the Division of Labor Standards Enforcement to enforce wage differential laws.

Support & Opposition: The bill is supported by the Consumer Attorneys of California and the Service Employees International Union. There are 20 local chambers in opposition, in addition to the California Chamber of Commerce, as well 11 large industry trade organizations.

Vote: "B" Roll Call

### **SB 1300 (Jackson, Dem-San Diego) Sexual Harassment Legal Standard**

Summary: This measure provides that a plaintiff in an action alleging that a defendant failed to take all reasonable steps necessary to prevent discrimination and harassment from occurring is not required to prove that the plaintiff endured harassment or discrimination and provides that it suffices for the plaintiff to show that the employer knew that the conduct was unwelcome to the plaintiff, that the conduct would meet the legal standard for harassment or discrimination if it increased in severity or becomes pervasive, and that the defendant failed to take all reasonable steps to prevent the same or similar conduct from recurring.

Support & Opposition: This bill is sponsored by the California Employment Lawyers Association and Equal Rights Advocates. It is California Chamber of Commerce-opposed, along with over 15 industry trade groups and 12 local chambers.

Vote: “B” Roll Call

### **SB 1343 (Mitchell, Dem-Los Angeles) Workplace Sexual Harassment Training Requirements**

Summary: Requires an employer who employs 5 or more employees to provide at least 2 hours of sexual harassment training to all employees by January 1, 2020, and once every 2 years after that. The bill requires the Department of Fair Employment and Housing to develop a 2-hour video training course on the prevention of sexual harassment in the workplace.

Support & Opposition: The bill is supported by 16 organizations, including 10 labor unions, such as California Teamsters, and the Consumer Attorneys of California. The California Manufacturers & Technology Association is the only registered opposition.

Vote: “A” Roll Call; Not Voting: Senator Jim Nielsen (Rep-Chico)

### **Held Legislation**

The following bills did not receive a vote and are no longer eligible for consideration in 2018.

### **SB 1291 (Dodd, Dem-Napa) Independent Insurance Adjuster Definition**

Summary: This bill redefines an independent insurance adjuster to mean an individual, a business entity, an independent contractor, or an employee of a contractor who contracts for compensation with insurers, a person whose tax treatment by the insurers is consistent with that of an independent contractor rather than as an employee, and a person who investigates, negotiates, or settles property and casualty claims for insurers.

Support & Opposition: This bill is sponsored by the Department of Insurance and opposed by the Personal Insurance Federation of California and American Association of Claims Professionals.

### **Bill To Outlaw Secret Settlements In Sexual Harassment Cases Approved By Full Senate**

On Monday, the Senate voted 29-7 in favor of **SB 820** (Leyva, Dem-San Bernardino), which bans the inclusion of secret settlements related to sexual misconduct, including sexual assault and sexual harassment. The measure passed with the following Republican Members voting in favor: Senators Patricia Bates (San Diego), Janet Nguyen (Long Beach), Andy Vidak (Bakersfield), and Scott Wilk (Santa Clarita). The bill will be referred to the Assembly Labor Committee in the coming days. The political climate is such that Republicans are hesitant to vote against or abstain from voting against legislation that addresses sexual harassment.

SB 820 bans secret settlements (nondisclosure agreements) in cases of sexual assault, sexual harassment, and sex discrimination. The measure applies to both private and public employers in California, including the California State Legislature. Senator Connie Leyva states, “SB 820 will help to protect women and others from being victimized since it will ban the use of a legal tool that rich and powerful perpetrators have used countless times to

silence victims: secret settlements.” Senator Leyva is the Vice Chair of the Legislative Women’s Caucus.

Bill proponents cite claims about film producer Harvey Weinstein’s sexual harassment and assaults and his use of secret settlements. Additionally, 21st Century Fox reportedly settled confidentially with a Fox News anchor after she filed a sexual harassment lawsuit against the former Fox News Chairman. SB 820 is co-sponsored by the Consumer Attorneys of California and the California Women’s Law Center and supported by the American Association of University Women, Crime Victims United of California, and Screen Actors Guild-American Federation of Television & Radio Artists.

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