

PANE & PANE ASSOCIATES, INC.

February 26, 2010

MEMO TO: California Bus Association

**FROM: Josh Pane and Donna Wetterer Pane
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RE: Legislative Update: CONTAINS ALL NEW BILLS INTRODUCED IN 2010

The list below contains all of the new bill introductions for 2010 that we have identified to be of interest to CBA's membership. There are just two bills that were carried over from 2009 that are included.

We have also organized the list with PRIORITY BILLS first, followed by AIR QUALITY/GLOBAL WARMING BILLS. The remainder of the list is MISC. BILLS that are of potential interest to you. We hope to have the CBA Legislative Committee review these as well and let us know any others that should be put on the priority list, or those that should be removed from that list.

PRIORITY BILL LIST

**AB 569 (Emmerson-R) meal periods: transportation industry
(A-9/11/09) Sponsor: UPS Staff: Teresa Trujillo (916) 319-2063**

Summary: This bill would exempt from these provisions employees in a construction occupation, commercial drivers in the transportation industry, and employees in the security services industry employed as security officers if those employees are covered by a valid collective bargaining agreement containing specified terms, including meal period provisions. It would specify that its provisions do not affect the requirements for meal periods for certain other employees or employers.
STATUS: Senate Rules for committee assignment.

**AB 744 (Torricon-D) Transportation: toll lanes: Express Lane Network (A-7/15/09) Sponsor:
Metropolitan Transportation Commission (MTC) Staff: Ryan Spencer (916) 319-2020**

Summary: This bill would authorize the Bay Area Toll Authority to acquire, construct, administer, and operate a Bay Area Express Lane Network on state highways within the 9 Bay Area counties pursuant to a development plan recommended by the Bay Area Express Lane Network Project Oversight Committee, which the authority would be required to establish. The bill would authorize the authority to establish the fee structure for use of the express lanes and would require a public hearing in that regard. The bill would authorize the authority to determine the types of vehicles that may use the lanes. The bill would provide for agreements between the authority and the Department of Transportation and the Department of the California Highway Patrol. The bill would require revenues from the express lanes to be deposited in the Bay Area Express Lane Network Account, which the authority would be required to create. The bill would authorize the authority to issue revenue bonds for the express lane program. The bill would specify the use of revenues in the account, including the net revenues remaining after expenses and obligations, including revenue bond obligations, for the express lane program are satisfied. The bill would provide for certain payments by the authority to the Department of Transportation and the Department of the California Highway Patrol relative to their responsibilities with regard to the express lane program, and would

continuously appropriate the amount of those payments to those agencies for those purposes. The bill would require the Sunol Smart Carpool Lane Joint Powers Authority, the Alameda County Congestion Management Agency, and the Santa Clara Valley Transportation Authority to enter into agreements with the Bay Area Toll Authority by January 1, 2011, to provide for the transfer of their rights and obligations relative to HOT lane projects to the Bay Area Toll Authority.

STATUS: Senate Appropriations Suspense File.

AB 1670 (Beall-D) State Highway Routes 82 and 130: relinquishment. (I-1/20/10)

Sponsor: City of San Jose Staff: Kim Tran (916) 319-2024

Summary: Existing law gives the Department of Transportation full possession and control of all state highways. Existing law describes the authorized routes in the state highway system and establishes a process for adoption of a highway on an authorized route by the California Transportation Commission. Existing law also authorizes the commission to relinquish certain state highway segments to local agencies. This bill would authorize the commission to relinquish to the City of San Jose specified portions of State Highway Routes 82 and 130, under certain conditions.

STATUS: Assembly Transportation.

AB 1928 (Torlakson-D) Vehicles: commercial driver's license: suspension or revocation.

(I-2/17/10) Sponsor: Not yet known. Staff: Whitney Staniford (916) 319-2011

Summary: Existing law requires the Department of Motor Vehicles if it determines, by the preponderance of the evidence, all of specified facts, in the review of a determination that required the department to immediately suspend the privilege of a person to operate a motor vehicle for any one of specified reasons, to sustain the order of suspension or revocation, or if the person is under 21 years of age and does not yet have a driver's license, to delay issuance of that license for one year. This bill would add as one of those specified facts whether the person was driving a vehicle that requires a commercial driver's license and the person had 0.04 percent or more, by weight, of alcohol in his or her blood.

STATUS: Awaiting committee assignment.

AB 2144 (Gilmore-R) Commercial motor vehicles: driver compliance (I-2/18/10)

Sponsor: DMV Staff: Matt Knox (916) 319-2030

Summary: This bill, requested by the DMV, would allow compliance with Federal Motor Carrier Safety Administration reviewed rulemaking of the Commercial Driver License Program. The Motor Carrier Safety Improvement Act of 1999 mandates these revisions. They are designed to enhance the safety of commercial motor vehicle operations by ensuring that only safe drivers operate commercial motor vehicles.

STATUS: Awaiting committee assignment.

AB 2572 (Bradford-D) Charter-party carriers of passengers (I-2/19/10)

Sponsor: Greater California Livery Association Staff: Crystal Kuezada (916) 319-2051

Summary: This bill deals with four issues, the two of most interest to CBA are: 1) provides that a charter-party carrier of passengers includes any person, corporation, or other entity engaged in the provision of either a hired driver service or a rented motor vehicle that is being operated by a hired driver. The sponsor is addressing an issue that is cropping up in other states and now here where AVIS car rental has an entity called AVIS Chauffer Drive where you can rent a 12-person van and they hire another entity called We Drive You. They are not required to have insurance; pay PUC fees, etc. 2) deletes the provision that a certificate or permit, or renewal is effective for 3 years and would make conforming changes to delete references in the act to the renewal of certificates or permits. It also authorize the PUC to cancel, revoke, or suspend any operating certificate or permit upon the failure of a certificate or permit holder, or of any of its employees, to follow any order, decision, rule, regulation, direction, demand, ordinance, or other requirements established by the governing body of an airport. The bill would raise the fees charged for issuance of class B certificates, class C certificates, and permits from \$500 to \$700. This is the same issue they attempted to do in a previous bill that CBA opposed. They would like to work with CBA on this issue. The other two issues address enforcement relating to impounded vehicles.
STATUS: Awaiting committee assignment.

SB 990 (Hollingsworth-R) Employment: meal periods (I-2/5/10) Sponsor: None

Summary: This is currently a “spot bill” making a non-substantive change to the Labor Code relating to employee hours.

STATUS: Awaiting committee assignment.

SB 908 (Wyland-R) meal period; exemptions. (I-1/27/10) Sponsor: National Armored Car Association Staff: Aaron Bone (916) 651-4038

Summary: Existing law prohibits, with specified exceptions, an employer from requiring any employee to work during a meal or rest period mandated by an applicable order of the Industrial Welfare Commission. Existing law requires, with specified exceptions, employers to provide meal and rest periods to employees during work periods of specified duration. This bill would exempt from these provisions an employee in the transportation industry whose work places him or her inside an armored car in shifts during a workday.

STATUS: Awaiting committee assignment.

SB 1182 (Calderon-D) Employment: meal periods. (I-2/18/10) Sponsor: Author

Staff: Rocky Rushing (916) 651-4030

Summary: This is currently a “spot bill” making a minor change in the existing Labor Code relating to the meal period statute. Senator Calderon has been the author of previous “meal period” bills trying to find a compromise between labor and business.

STATUS: Awaiting committee assignment.

SB 1208 (Strickland-R) Vehicle registration: biennial (I-2/18/10) Sponsor: Author

Staff: Terry Yoshida (916) 651-4019

Summary: This bill would permit the Director of the Department of Motor Vehicles to establish a biennial vehicle registration period option for registrants. The Director of the

Department of Motor Vehicles would be permitted to reassign a vehicle to the biennial registration period upon the request of the registrant. If a person chooses the biennial vehicle registration option, he or she would be entitled to a 5% reduction in basic registration fees.

STATUS: Awaiting committee assignment.

SB 1245 (Simitian-D) High-occupancy vehicle lanes (I-2/19/10) Sponsor:

Author

Staff: Ryan Ojakian (916) 651-4011

Summary: This bill would require an HOV lane, including, but not limited to, a HOT lane, on a highway or bridge that was free of tolls to HOVs as of January 1, 2010 to remain free of tolls with respect to HOVs.

STATUS: Awaiting committee assignment.

SB 1475 (Simitian-D) Vehicles: electronic wireless communications devices: prohibitions (I-2/19/10) Sponsor: Author Staff: Ryan Ojakian (916) 651-4011

Summary: This bill basically increases the fines in the existing cell phone law and requires the DMV to include a test of the driver applicant's understanding of the distractions and dangers of handheld cell phone use and text messaging while operating a motor vehicle.

STATUS: Awaiting committee assignment.

AIR QUALITY/GLOBAL WARMING BILLS

AB 1672 (Jeffries-R) State Air Resources Board; election of board members (I-1/27/10)

Sponsor: Author Staff: Andrew Shedlock (916) 319-2066.

Summary: Existing law establishes in the California Environmental Protection Agency the State Air Resources Board, which is responsible for control of emissions from motor vehicles and is designated the air pollution control agency for all purposes set forth in federal law. Existing law requires the state board to consist of 11 members appointed by the Governor, with the consent of the Senate, and specifies the qualifications of those members. This bill, commencing with the 2012 statewide general election, would require the members of the state board to be elected by district voters. The bill would require the state board, by January 1, 2012, to draw district boundaries in accordance with prescribed criteria, for the purpose of the election of state board members. The bill would prescribe requirements for the election of the members of the state board and would make other conforming changes.

STATUS: Assembly Natural Resources.

AB 2299 (Blakeslee-R) Air Resources: The State Air Resources Board. (I-2/18/10) Sponsor: Not yet identified. Staff: Sally Kay (916) 319-2033

Summary: This is a "spot bill" related to the ARB that restates existing law with a minor change.

STATUS: Awaiting committee assignment.

AB 2311 (Mendoza-D) CA Global Warming Solutions Act of 2006: transportation fuels: review.

(I-2/19/10) Sponsor: Western States Petroleum Association. Staff: Armando Chavez (916) 319-2056

Summary: Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control districts and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources. Existing law states that the state board is in the California Environmental Protection Agency, and requires the state board to consist of 11 specified members. This bill would make technical, non-substantive changes to these provisions.

STATUS: Awaiting committee assignment.

AB 2313 (Buchanan-D) Greenhouse gas: emission: significant effects. (I-2/19/10) Sponsor: CA Building Industry Association. Staff: Christina Loke (916) 319-2015

Summary: This is currently a "spot bill" that was put in at the request of the BIA relating to greenhouse gas emissions.

STATUS: Awaiting committee assignment.

AB 2469 (B. Berryhill-R) State Air Resources Board: dispute resolutions (I-2/19/10)

Sponsor: None yet known Staff: Adam Struck (916) 319-2026

Summary: Existing law authorizes the State Air Resources Board to regulate pollution from primarily vehicular sources, and designates the state board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. This bill would allow a person to seek relief regarding that person's ability to comply with any requirement imposed or administered by the state board, by applying for a dispute resolution order from a hearing officer, pursuant to specified requirements.

STATUS: Awaiting committee assignment.

AB 2691 (Hall-D) CA Global Warming Solutions Act of 2006: fees. (I-2/19/10) Sponsor: Chevron

Staff: Felipe Lopez ((16) 319-2052

Summary: The Act authorizes the Air Resources Board to adopt by regulation, after a public workshop, a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act. The fee revenues are deposited into the Air Pollution Control Fund and are available, upon appropriation by the Legislature, for purposes of carrying out the act. The Board is authorized to adopt market-based compliance mechanisms, as defined, meeting specified requirements to be used for compliance with those regulations. This bill would prohibit a state agency, city, county, city and county, air pollution control or air quality management district, or another political subdivision of the state from imposing a greenhouse gas emissions fee, whether emissions-based or otherwise, on a source of greenhouse gas emissions that is included in a market-based compliance mechanism and a fee regulation

adopted by the state board. The bill would require the state board to transfer, upon appropriation by the Legislature, to an air pollution control or air quality management district \$1 for every \$1 expended by that district in providing requested assistance to the state board.

STATUS: Awaiting committee assignment.

SB 1120 (Dutton-R) CA Global Warming Solutions Act of 2006: market-based compliance mechanisms. (I-2/17/10)

Summary: This bill would prohibit the state Air Resources Board from implementing a market-based compliance mechanism that includes caps on greenhouse gas emissions and trading among participants unless it is a part of a legally enforceable regional or federal program.

STATUS: Senate Environmental Quality (E.Q.); no hearing date set.

SB 1263 (Wyland-R) CA Global Warming Solutions Act of 2006: inoperative. (I-2/19/10)

Sponsor: Author Staff: Scott Seekatz (916) 651-4038

Summary: This bill would make the provisions of the California Global Warming Solutions Act of 2006, and any regulation adopted pursuant to the act, inoperative.

STATUS: Awaiting committee assignment.

MISC. BILLS

AB 1666 (Swanson-D) California Family Rights and Sick Leave (I-1/20/10).

Sponsor: Author Staff: Shannon McKinley (916) 319-2016

Summary: Existing law, the California Family Rights Act, permits employees of specified employers with more than 12 months of service with the employer and who have at least 1,250 hours of service with the employer during the previous 12-month period of employment to take up to a total of 12 workweeks in any 12-month period for family care and medical leave. Existing law defines "family care and medical leave" to mean leave for the birth or adoption of a child, the serious health condition of a child, parent, or spouse, or the serious health condition of the employee. This bill would expand the definition of "serious health condition" to include an illness contracted by the employee that has been declared a national or state emergency pandemic.

STATUS: Assembly Labor and Employment.

AB 1667 (Swanson-D) Family and Medical Leave (I-1/20/10/)

Sponsor: Author Staff: Shannon McKinley (916) 319-2016

Summary: Existing law, the Moore-Brown-Roberti Family Rights Act, makes it an unlawful employment practice for an employer to refuse to grant a request by an eligible employee to take up to 12 workweeks of unpaid protected leave during any 12-month period (1) to bond with a child who was born to, adopted by, or placed for foster care with, the employee, (2) to care for the employee's parent, spouse, or child who has a serious health condition, or (3) because the employee is suffering from a serious health condition rendering him or her unable to perform the functions of the job. This bill would increase the circumstances under

which an employee is entitled to protected leave pursuant to the Family Rights Act by permitting an employee to take leave to care for a sibling with a serious health condition.
STATUS: Assembly Labor and Employment.

AB 2100 (Coto-D) Income taxation: deductions: net operating loss carry backs: credits: eligible assignees: single sales factor. (I-2/18/10) Sponsor: Not yet know.

Staff: Jessica Golly (916) 319-2-23

Summary: The Personal Income Tax Law and the Corporation Tax Law allow various deductions in computing the income that is subject to the taxes imposed by those laws. Existing law allows a deduction for specified net operating losses, including allowing net operating loss carry backs attributable to taxable years beginning on or after January 1, 2011. This bill would disallow the use of net operating loss carry backs by individual and corporate taxpayers. This bill contains other related provisions and other existing laws.

STATUS: Awaiting committee assignment.

SB 1238 (Calderon-D) Diesel vehicles and engines. (I-2/19/10) Sponsor: CA Trucking Association

Staff: Adam Gray (916) 651-4030

Summary: Existing law requires the state board, every 3 years, to review enforcement of specified diesel emission control regulations and develop a strategic plan for consistent, comprehensive, and fair enforcement of these regulations. Existing law requires the state board to consult with air pollution control and air quality management districts and the public in developing the plan. This bill would require the state board to also consult with affected businesses.

STATUS: Awaiting committee assignment.

SB 1418 (Wiggins-D) Transportation: motorist aid services. (I-2/19/10) Sponsor: Metropolitan Transportation Commission. Staff: Tara Andress (916) 651-4002

Summary: Existing law authorizes a service authority to impose a fee of \$1 per year on vehicles registered in the counties served by the service authority. Existing law requires moneys received by a service authority to be used for the implementation, maintenance, and operation of a motorist aid system of call boxes and authorizes moneys received by a service authority in excess of what is needed for that system to be used for additional motorist aid services, including, among other things, changeable message signs and lighting for call boxes. Existing law requires any plan or amendment to a plan for a motorist aid system of call boxes for any state highway route to be approved by the Department of Transportation and the Department of the California Highway Patrol. This bill would authorize those service authorities to be established for freeway and expressway services, instead of only freeway emergencies and would delete the provisions authorizing only excess moneys to be used for additional motorist aid services and would instead authorize moneys from the service authority fee on vehicles to be used for the implementation, maintenance, and operation of systems, projects, and programs to aid and assist motorists, including, among other things, a call box system, freeway service patrol, mobile roadside assistance systems, intelligent transportation systems, and traveler

information systems. The bill would authorize the Metropolitan Transportation Commission to place call boxes to assist motorists in specified parking or roadway areas in mutually agreed upon state and federal parks. The bill would authorize a service authority to impose a fee of up to \$2 per year on vehicles registered in the counties served by the service authority. The bill would provide that any amendment to an existing plan for a motorist aid network of call boxes adopted by a service authority shall be deemed to be approved by the Department of Transportation and the Department of the California Highway Patrol unless rejected within 120 days of receipt of the amendment.

STATUS: Awaiting committee assignment.

REPEAL OF SALES, INCOME, VEHICLE LICENSE FEE

The Republicans have introduced a number of bills to repeal the various tax increases from last year that raised the sales, income, manufacturing equipment and vehicle license fee tax. You will recall that this was a controversial but necessary component to last year's fiscal mess. The voters, however, did not vote to continue those tax increases beyond their upcoming expiration dates, so the increases are set to expire anyway. In the current climate and fiscal emergency that has been declared by the Governor, these bills have virtually no chance of passing. However, please advise if CBA would like to take a position on any of them. Below are a few examples of some of the "repeal" bills.

AB 1700 (Gaines-R) Sales and use taxes: vehicle license fee: income taxes (2/1/10)

Sponsor: author Staff: Matt Roman (916) 319-2004.

STATUS: Assembly Revenue and Taxation Committee; no hearing date set.

AB 1719 (Harkey-R) Sales and use taxes exemption: business equipment. (1-2/2/10)

Sponsor: author Staff: Gino Folchi (916) 319-2073

STATUS: Assembly Revenue and Taxation Committee; no hearing date set.

SB 952 (Wyland-R) Sales and use taxes: vehicle license fee: income taxes: incomes tax administration: withholding taxes. Sponsor: Author Staff: Julie Hooper (916) 651-4038

STATUS: Senate Revenue and Taxation Committee; no hearing date set.

SB 1053 (Runner-R) Sales and use taxes: exemption: manufacturing equipment.

STATUS: Senate Revenue and Taxation Committee; no hearing date set.

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