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2014 GOLDFARB & LIPMAN ANNUAL LEGISLATIVE UPDATE

NEW LAWS AFFECTING REAL ESTATE AND COMMUNITY ECONOMIC DEVELOPMENT

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This legislative update is published by Goldfarb & Lipman LLP as a timely reporting service to alert clients and others of recent changes in California law. This legislative update does not represent the legal opinion of the firm or any member of the firm on the issues described, and the information contained in this publication should not be construed as legal advice. Should further analysis or explanation of the subject matter be required, please contact the attorney with whom you normally consult.

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The 2014 Goldfarb & Lipman Annual Legislative Update provides a summary of recently enacted legislation that will impact areas of concern to our clients, including: real estate transactions, affordable housing, land use, municipal law, community economic development, public finance, fair housing, tax exempt organizations, property taxes, and employment. Please feel free to contact any attorney at Goldfarb & Lipman for more information regarding the effects of these new laws and their applicability to your organization or projects.

Unless otherwise noted, all bills are effective as of January 1, 2014.

I. CEQA and Land Use

A. California Environmental Quality Act – SB 743

California Environmental Quality Act (SB 743; amends Sections 65088.1 and 65088.4 of the Government Code, and amends Sections 21181, 21183, 21186, 21187, 21189.1, and 21189.3 of, adds Section 21155.4 to, adds Chapter 2.7 (commencing with Section 21099) to Division 13 of, adds and repeals Section 21168.6.6 of, and repeals and adds Section 21185 of, the Public Resources Code, relating to environmental quality).

SB 743 contains several provisions to streamline environmental review under CEQA in transit priority areas. A "transit priority area" is an area within one-half mile of a "major transit stop." A "major transit stop" is a site containing a rail transit station, a ferry terminal, or the intersection of two major bus routes with a frequency of service of 15 minutes or less during commute periods.

Within transit priority areas: aesthetics and parking are not considered to be environmental impacts under CEQA; a residential, mixed-use, or employment center project is exempt from CEQA if it is consistent with a specific plan for which an environmental impact report was prepared; and analysis of traffic impacts must conform to new guidelines to be adopted by the State Office of Planning and Research in 2014.

SB 743 also contains provisions designed to streamline the environmental review of the proposed new Sacramento Kings basketball arena.

B. Statute of Limitations for Housing Element Challenges – AB 325

Statute of Limitations for Housing Element Challenges (AB 325; amends Sections 65009, 65587, and 65755 of the Government Code, relating to land use).

AB 325 provides for the following limitations periods for challenges brought in support of or to facilitate affordable housing and in relation to: 1) adoption or revision of housing elements; 2) growth limitation ordinances (Government Code Section 65863.6); 3) violations of the "least cost zoning" law (commencing with Government Code Section 65913); and 4) local density bonus ordinances (Government Code Section 65915).

AB 325			
	Housing Element Challenge - Local Housing Element Found in Compliance by HCD	Housing Element Challenge - Local Housing Element Not Found in Compliance by HCD	Challenge to Density Bonus Ordinance, Least Cost Zoning, Growth Control
Notice to City or County of Violation	270 days after city or county action	2 years after city or county action	180 days after city or county action
Limitations Period after Accrual of Cause of Action*	6 months	1 year	6 months

*Accrual occurs 60 days after notice is filed or legislative body takes final action in response to notice, whichever occurs first.

C. Parkland Dedication (Quimby Act): Use of Fees – AB 1359

Parkland Dedication (Quimby Act): Use of Fees (AB 1359; amends Government Code Section 66477).

AB 1359 allows parkland dedication fees to be used to develop new, or rehabilitate existing, park or recreational facilities in a neighborhood outside the neighborhood where the subdivision fees were paid, if certain findings are made. The agency to which the fees are paid may also enter into joint use agreements with other public districts to provide additional access to park and recreational facilities.

D. Local Government Omnibus Bill – SB 184

Local Government Omnibus Bill (SB 184; amends or repeals numerous code sections relating to local government).

SB 184 is "clean up" legislation designed to correct drafting errors and repeal obsolete sections of local government. Of most note, SB 184 restores previous language in the Subdivision Map Act (Government Code Section 66428) to make it clear that conveyances of property to and from governmental agencies are exempt from parcel map requirements.

E. Environmental Quality: California Environmental Quality Act: Bicycle Transportation Plan - AB 417

Environmental Quality: California Environmental Quality Act: Bicycle Transportation Plan (AB 417; amends Government Code Section 21080.20.5; adds and repeals Public Resources Code Section 21080.20).

Effective through January 1, 2018, AB 417 exempts from CEQA bicycle transportation plans for specific urbanized areas consisting of the restriping of streets and highways for bicycle lanes.

F. Local Government: Urban Agriculture Incentive Zones - AB 551

Local Government: Urban Agriculture Incentive Zones (AB 551; adds Chapter 6.4 (commencing with Section 51040) to Part 1 of Division 1 of Title 5 of the Government Code; amends Revenue and Taxation Code Sections 402.1 and 422.7).

Effective until January 1, 2019, AB 551 allows a county or a city to establish by ordinance an Urban Agriculture Incentive Zone for the purpose of supporting urban agriculture. It allows cities and counties to enter into enforceable contracts with landowners to preserve and protect the land for small-scale production of agricultural crops. It requires that the county assessor value the restricted property at a rate based on the average per-acre value of irrigated cropland in California and adjusted proportionally to reflect the acreage of the property. AB 551 also provides that unless a city consents, a county may not establish a zone within any portion of a city's sphere of influence.

G. Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 – AB 1427

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (AB 1427; amends Government Code Sections 56044, 56048, 56332, 56757, 56866, 56870, 57026, 57077.1, and 57118).

AB 1427 changes the state provisions governing Local Agency Formation Commissions ("LAFCos"). Specifically, it excludes from the definition of independent district or independent special district, special districts that have a legislative body consisting of ex officio members who are officers of a county or another agency or appointees of these offices; clarifies the difference between an independent district and a dependent district; clarifies that appointed and elected commissioners are members of an independent special district's legislative body; and clarifies that the city council is the conducting authority for reorganizations and annexations in Santa Clara County. It also repeals the extended protest period for an inhabited territory proposed to be annexed to a city with more than 100,000 residents in a county of over 4,000,000 residents and instead requires the hearing to be held within 60 days.

H. Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 – AB 743

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (AB 743; amends Government Code Sections 56375.3, 56375.4, and 57080).

This measure indefinitely extends the provision of law that allows Local Agency Formation Commissions ("LAFCos") to waive the required protest hearing for the annexation of unincorporated islands.

II. Community Economic Development

A. Community Development: Economic Opportunity – SB 470

Community Development: Economic Opportunity (SB 470; adds Part 4 to Government Code Title 5, Division 1 (commencing with Section 52200)).

SB 470 authorizes cities, counties, and cities and counties to enact local economic development strategies to increase jobs, create economic opportunity, and generate tax revenue. SB 470 declares that it is in the public interest for local communities to advance or expend public funds for specified economic development purposes and to adopt means by which economic opportunity could be created. In addition, SB 470 sets forth specific land disposition requirements for properties acquired by a local jurisdiction through the long range property management plan, including a public hearing and a report summarizing the benefits of the transaction, which is very similar in form to the Health and Safety Code Section 33433 reports previously required for transfers by redevelopment agencies.

B. Economic Development Subsidies – AB 562

Economic Development Subsidies (AB 562; adds Section 53083 to the Government Code).

AB 562 requires that before a local agency approves any economic development subsidy of \$100,000 or more within its jurisdiction, the local agency is required to provide written information to the public (including on the local agency's website), a description, schedule beneficiary, public purpose, and public benefits (including job creation) of the economic development subsidy. AB 562 requires a notice public hearing as a condition of approval of an economic development subsidy. Within five years of granting the subsidy, the local agency is required to issue to the public, and publish on its website, a report for each of the economic development subsidies approved by the local agency.

C. Advertising Displays: Redevelopment Project Areas – SB 684

Advertising Displays: Redevelopment Project Areas (SB 684; amends Business and Professions Code Section 5273).

Effective October 4, 2013, advertising displays advertising businesses and activities within the boundary limits of a redevelopment project area that meet specified criteria are allowed to remain and are considered on-premises displays through January 1, 2023, subject to annual certifications. After January 1, 2023 such displays are required to be removed unless the display qualifies as a lawful advertising display under Chapter 2 of the Business and Professions Code.

D. Local Government Community Facilities Districts – SB 692

Local Government Community Facilities Districts (SB 692; amends Government Code Sections 6588, 53313, 53316.2, 53317, 53328.1, 53340, 53350, and 53363.9, and adds Section 53357.1).

SB 692 provides that Mello-Roos Act special taxes can be used to pay for maintenance and operation of any real or other tangible property with an estimated useful life of five years or

greater owned by a local agency or another local agency. Additionally, SB 692 makes various amendments to the Mello-Roos Act, including the addition of leases to the specified list of property interest that a JPA can use to finance public improvements. The bill also allows a local agency to designate a parcel or parcels of property as part of an improvement area allowing for the future annexation of those properties into the district by unanimous approval and for the imposition of special taxes on such properties.

E. Economic Development: Taxation: Credits, Deductions, Exemptions, and Net Operating Losses – AB 93

Economic Development: Taxation: Credits, Deductions, Exemptions, and Net Operating Losses (AB 93; adds to, amends, and repeals numerous sections of the Government Code and the Revenue and Taxation Code).

A companion bill to SB 90, AB 93 creates a sales and use tax exemption for bio-tech manufacturing and equipment and a hiring tax credit for employment generated in specified geographic areas. The incentives provided under AB 93 were to sunset July 1, 2021, but have been amended and expanded under SB 90. The bill also phases out credits and incentives of the Enterprise Zone Program and small business hiring credit effective January 1, 2014. AB 93 also establishes the GO-Biz Tax Credit Program, which will allocate up to \$750 million through FY 2019, with a 25% small business set aside. The newly formed California Competes Tax Credit Committee will award allocations on a competitive basis based on specified job creation and retention criteria.

F. Economic Development: Taxation: Credits: Exemption – SB 90

Economic Development: Taxation: Credits: Exemption (SB 90; amends Sections 6377.1, 17053.73, 17059.2, 23626, and 23689 of the Revenue and Taxation Code).

A companion bill to AB 93, this economic development legislation changes and expands the availability of hiring tax credits and sales and use tax exemptions for economic development programs established under AB 93. Specifically, SB 90 extends the AB 93 incentive programs through July 1, 2022 and makes specified benefits available statewide.

III. Construction

A. Architect's Instruments of Service – AB 630

Architect's Instruments of Service (AB 630; adds Section 5536.4 to the Business and Professions Code).

No person may use an architect's instruments of services (i.e. drawings, plans, and specifications) without the written consent of the architect. An architect may not unreasonably withhold such consent from the person to whom the architect provided the services, provided, however, a reasonable basis for an architect to withhold consent is lack of full payment for the services provided.

B. Public Works: Charter Cities – SB 7

Public Works: Charter Cities (SB 7; amends Labor Code 1782).

Previously the 121 charter cities in California were not required to comply with the prevailing wage requirements set forth in the Labor Code. Although some charter cities elected to impose prevailing wage requirements on city-funded projects through their charter or local ordinances, other cities have expressly permitted public works to not comply with the prevailing wage requirements. General law cities did not have this option, and were required to comply with prevailing wage requirements. This statute disqualifies a charter city from receiving state funding or financial assistance for a construction project if the city's charter or local ordinance permits a contractor to not comply with the state prevailing wage requirements. This statute does not apply to a public works contract for less than \$25,000 and does not disqualify charter cities from receiving state funds for construction projects advertised for bid, or awarded, prior to January 1, 2015. The Director of Industrial Relations will maintain a list of charter cities in compliance with this statute and eligible for state financial assistance.

C. Construction Manager At-risk: Counties – SB 328

Construction Manager At-risk: Counties (SB 328; adds Section 20146 to the Public Contract Code).

Effective until January 1, 2018, a county may use construction manager at-risk contracts for the construction, alteration, or repair of any building owned or leased by the county when the cost of such project exceeds \$1,000,000. The contract may be awarded either through the lowest responsible bid or best value method. The construction manager is required to award subcontracts in accordance with the county's bidding requirements.

D. Design-Build: Counties – AB 195

Design-Build: Counties (AB 195; amends Section 20133 of the Public Contract Code).

AB 195 extends the Design-Build authority of counties through July 1, 2016. That authority was set to expire on July 1, 2014.

E. Public Works: Project Determinations: Wage and Penalty – SB 377

Public Works: Project Determinations; Wage and Penalty (SB 377; amends Labor Code 1773.5 and adds Labor Code 1741.1).

This statute sets forth specific timeframes for the Director of Industrial Relations to make a determination whether a project constitutes a "public work" under the Labor Code. For a project or type of work awarded or undertaken by a political subdivision, the Director must make the determination within 60 days of receipt of the last support or opposition letter relating to the project. For a private work receiving public funds, the Director must make the determination within 120 days. Any administrative appeal of the Director's decision must be made within 30 days of the date of the Director's determination, and the Director must issue a determination of the appeal within 120 days of the appeal. The Director is granted "quasi-legislative" authority to

make these determinations. In addition, if the Labor Commissioner has determined that there has been a violation of the laws regulating public works projects, then the assessment must be served within 180 days after the date of the filing of a valid notice of completion, or the date the public work was accepted. The person filing the notice of completion shall notify the Labor Commissioner (in a manner determined by the Labor Commissioner) of such notice. The public agency accepting the work is required to notify the Labor Commissioner within 5 days following acceptance by the public agency. This period is tolled for service of assessments and commencing an action by a joint labor-management committee for the period necessary for the Director to determine if a project is a public work.

F. Subcontractor Bidding Practices – AB 44

Subcontractor Bidding Practices (AB 44; amends, repeals, and adds Section 4104 of the Public Contract Code).

Beginning in July 1, 2014, bid documents for public works projects must include a requirement that the prime contractor submit the license number of subcontractors who will perform work on the public works project. An inadvertent error in listing the license number will not be grounds for finding the bid nonresponsive or for filing a bid protest if the corrected license number is submitted within 24 hours after bid opening and the corrected license number corresponds to the submitted name of the subcontractor.

IV. Housing

A. Medi-Cal: Health Homes for Medi-Cal Enrollees and Section 1115 Waiver Demonstration Populations with Chronic and Complex Conditions – AB 361

Medi-Cal: Health Homes for Medi-Cal Enrollees and Section 1115 Waiver Demonstration Populations with Chronic and Complex Conditions (AB 361; adds Article 3.9 (commencing with Section 14127) to Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code).

AB 361 authorizes the Department of Health Care Services to create a home health program to serve individuals with complex health conditions which are often typified by chronic homelessness and frequent hospital visits. The program, which is subject to approval by Medicare and Medicaid, is intended to treat individuals using a "whole person" approach, and will provide a team of services to those individuals in their homes. Program services are intended to include comprehensive and individualized care management, care coordination and health promotion, including: connection to medical, mental health, and substance use disorder care; comprehensive transitional care from inpatient to other settings; appropriate follow-up; individual and family support; authorized representatives; and referral to relevant community and social services support, including, but not limited to, connection to housing for participants who are homeless or unstably housed, transportation to appointments needed to manage health needs, healthy lifestyle support, child care when appropriate, and peer recovery support and health information technology to identify eligible individuals and link services where feasible and appropriate. The program is dependent upon the approval of Medicare and Medicaid, and the availability of federal financing.

B. Local Housing Trust Fund – AB 532

Local Housing Trust Fund (AB 532; amends Section 50843.5 and 53545.9 of the Health and Safety Code).

AB 532 modifies the California Local Housing Trust Fund Matching Grant Program to permit existing local housing trust funds to access state matching funds that were previously dedicated to newly-created local housing trust funds. AB 532 also eliminates preferences for smaller counties with new housing trust funds and for homeownership programs run by existing housing trusts. Under AB 532, the California Department of Housing and Community Development ("HCD") may extend awards by 12 months to local housing trusts that were under contract on January 1, 2013. Funds that are not used by a local housing trust fund shall revert back to HCD for ongoing use in the California Trust Fund Matching Grant Program or a successor program. Prior to encumbering funds, cities and counties receiving an award of state matching funds must have an approved housing element. Local housing trust funds may rely on other public agency regulatory or equity agreements if those agreements otherwise meet the regulatory requirements of the Local Housing Trust Fund Matching Grant Program.

C. Veterans Housing and Homeless Prevention Bond Act of 2014 – AB 639

Veterans Housing and Homeless Prevention Bond Act of 2014 (AB 639; amends Sections 50408, 50501, 50505, 50510, and 50512 of the Health and Safety Code, and Section 998.403 of the Military and Veterans Code, and adds Article 3.2 (commencing with Section 987.001) and Article 5y (commencing with Section 998.540) to the Military and Veterans Code).

AB 639 amends the Veteran's Bond Act of 2008 to reduce the amount of bonds that are authorized to be issued under the act from \$900,000 to \$300,000 while authorizing the issuance of \$600,000 for expenditure by the California Housing Financing Agency, the Department of Housing and Community Development and the Department of Veterans Affairs, to be used to provide multifamily housing to veterans and their families.

AB 639 also provides for the acquisition, construction, rehabilitation and preservation of affordable multifamily housing, affordable transitional housing, affordable rental housing or related facilities for veterans and their families to allow veterans to access and maintain housing stability. The California Housing Financing Agency, the Department of Housing and Community Development and Department of Veterans Affairs are to work collaboratively in implementing the program.

D. Housing: Emergency Housing and Assistance Funding – AB 873

Housing: Emergency Housing and Assistance Funding (AB 873; amends Health and Safety Code Sections 50802 and 50803).

AB 873 authorizes the Department of Housing and Community Development ("HCD") to make Emergency Housing and Assistance Program ("EHAP") funding available for the conversion of emergency shelter or transitional housing to permanent supportive housing for homeless families or individuals in the form of 20-year forgivable, deferred loans. HCD is directed to give funding priority to such conversion projects as well as to specified rapid rehousing activities.

E. Emergency Housing and Assistance – AB 1109

Emergency Housing and Assistance (AB 1109; amends Health and Safety Code Section 50802).

Under AB 1109, existing recipients of Emergency Housing and Assistance Program ("EHAP") capital loans administered by the Department of Housing and Community Development ("HCD") are eligible to convert projects used as emergency shelter or transitional housing to permanent supportive housing for people who are homeless or at risk of homelessness, while retaining and extending their EHAP loans. The term of the extended loan will be 20 years from the date of a conversion approved by HCD, with the loan to be deferred and forgiven as if the project had remained emergency shelter or transitional housing. Under existing law, an owner of an EHAP-funded project could not convert it to permanent supportive housing without triggering provisions requiring termination and repayment of the EHAP loan.

F. Youth Shelters: Funding – SB 347

Youth Shelters: Funding (SB 347; amends Section 2013 and 2020 of the Welfare and Institutions Code, and adds Section 2025 to the Welfare and Institutions Code).

Under SB 347, counties may repurpose unexpended Youth Center and Youth Shelter Bond Act of 1998 funds that were previously allocated for shelters for abused and neglected children. These unexpended funds may now be used to acquire, renovate, construct, or purchase equipment for runaway homeless youth. If used for such purposes, counties will no longer be required to return the previously unexpended funds to the State.

G. State Agencies: Veterans – AB 258

State Agencies: Veterans (AB 258; adds Section 11019.11 to the Government Code).

AB 258 requires that every state agency seeking information about a person's veteran status use uniform language in all of its written forms and publications, as well as its website. The required language is: "Have you ever served in the United States military?" This statute is applicable to forms newly printed on or after July 1, 2014.

H. Telecommunications: Universal Service Programs: California Advanced Services Fund – AB 1299

Telecommunications: Universal Service Programs: California Advanced Services Fund (AB 1299; amends Section 281 of the Public Utilities Code).

AB 1299 provides up to \$25 million to public housing authorities and nonprofit 501(c)3 tax-exempt corporations that own affordable housing projects to provide broadband services to low-income housing projects. The funds, which come from universal service fees applied to state telecommunications users, are reallocated by this statute to improve broadband services to public housing projects and certain other low-income housing projects owned by nonprofit 501(c)3 tax-exempt corporations. AB 1299 is a companion bill to SB 740, which authorizes additional funds to be raised to further universal access, and emphasizes the need for residents to have advanced

telecommunications services to sign up for newly required health care coverage under the Affordable Care Act. The funds must be fully disbursed by the end of 2016.

V. Labor and Employment

A. Employment Applications: Criminal History – AB 218

Employment Applications: Criminal History (AB 218; adds Labor Code Section 432.9).

AB 218 prohibits state or local agencies from asking a job applicant to disclose information regarding a criminal conviction until the agency has determined that the applicant meets the minimum qualifications for the position. The bill does not apply to positions where the agency is otherwise required to conduct a conviction history background check, to any position within a criminal justice agency as defined by Section 13101 of the Penal Code, or to any individual working for a criminal justice agency on a contract basis or on loan from another governmental entity.

B. Public Employees' Retirement: Pension Fund Management – AB 205

Public Employees' Retirement: Pension Fund Management (AB 205; amends Government Code Section 7514.2).

The County Employees Retirement Law of 1937 authorizes counties to establish retirement systems in order to provide pension benefits to county, city, and district employees. The state constitution confers plenary authority and fiduciary responsibility for the investment of moneys of the systems to the retirement systems' boards. This bill extends to the board of retirement or investments of a retirement system, consistent with the board's fiduciary duties and the standard for prudent investment, authorization to prioritize investment in an in-state infrastructure project over a comparable out-of-state infrastructure project.

C. Public Employee Benefits - SB 215

Public Employee Benefits (SB 215; amends Government Code Sections 20092, 21269, 21462, 22772, 22850, 22920, 22922, and 31527; amends, repeals, and adds Government Code Section 21130; repeals Government Code Section 20204).

SB 215 makes various technical and conforming changes to the Public Employees Retirement Law ("PERL") and the Act. The changes include amending PERL to allow state and local government employers who contract with CalPERS for health care under the PEMHCA to comply with requirements of the Affordable Care Act of 2010 ("ACA") by expanding the definition of "employee" to include full time employees as defined by Section 4980H of Title 26 of the U.S. Code.

D. Public Safety Officers Procedural Bill of Rights Act – SB 313

Public Safety Officers Procedural Bill of Rights Act (SB 313; adds Government Code Section 3305.5).

The bill prohibits a public agency from taking punitive action against or denying promotion to a public safety officer on grounds other than merit without providing the officer with certain administrative procedural protections. Such protections include the officer's right to inspect his or her own personnel file and, in some cases, the opportunity to file an administrative appeal.

E. Overtime Pay for Domestic Work Employees – AB 241

Overtime Pay for Domestic Work Employees (AB 241; adds Labor Code Part 4.5 (commencing with Section 1450) to Division 2 of the Labor Code; repeals Labor Code Section 1454).

AB 241 creates the Domestic Worker Bill of Rights to regulate the work hours of work of certain domestic work employees and requires an overtime compensation rate for such employees until 2017. The bill defines "domestic work" to mean services related to the care of persons in private households or maintenance of private households or their premises. Such workers include childcare providers; caregivers of disabled people, sick or elderly; house cleaners; housekeepers; and maids. The law also requires that the Governor convene a committee to study and report to the Governor on the effects of the act.

F. Employment: Retaliation: Immigration-Related Practice – AB 263

Employment: Retaliation: Immigration-Related Practice (AB 263; amends Labor Code Sections 98.6, 98.7, 1102.5, and 1103; adds Labor Code Section 1024.6; adds Labor Code Chapter 3.1 (commencing with Section 1019) to Part 3 of Division 2).

AB 263 makes it illegal for an employer or any other person to engage in an unfair immigration-related practice, as defined in the bill, against a person for the purpose of retaliation against that person's exercise of a right protected under state labor and employment laws or under a local ordinance, such as complaining of unpaid wages. The bill imposes a \$10,000 civil penalty per violation, expanding protections to employees who exercise their rights, including making written or oral complaints about wages owed.

G. Fair Employment and Housing Act: Military Veterans - AB 556

Fair Employment and Housing Act: Military Veterans (AB 556; amends Government Code Sections 12920, 12921, 12926, and 12940).

By adding "military and veteran status" to the list of categories protected from discrimination under the Fair Employment Housing Act ("FEHA"), AB 556 prohibits employment discrimination against all active duty military and veterans of the Armed Services by employers, labor organizations, and employment agencies with respect to all aspects of employment and membership in a labor union.

H. Prevailing Wages: Payroll Records – AB 1336

Prevailing Wages: Payroll Records (AB 1336; amends Sections 1741, 1771.2, and 1776 of the Labor Code).

AB 1336 amends the prevailing wage law in three key ways. First, it gives the Labor Commissioner and joint labor/management committees ("LMCCs") more time, specifically 18 months, to bring back wage and benefit actions. Second, it allows greater access to personal identifying information reported on certified payroll records so that LMCCs can match workers to their reported wages and benefits. Lastly, it requires courts to order injunctive relief and award back wages, interest, attorney's fees and, in certain circumstances, liquidated damages when a private right of action is brought in court on behalf of underpaid workers.

I. Personal Information: Privacy – SB 46

Personal Information: Privacy (SB 46; amends Sections 1798.29 and 1798.82 of the Civil Code).

SB 46 expands the current notification requirement for companies to report a known breach of the companies' security system, which is an addition to current law that requires such notification of a confirmed loss of Social Security numbers, driver's license numbers, credit card numbers, or medical and health insurance information.

J. Employment: Sexual Harassment – SB 292

Employment: Sexual Harassment (SB 292; amend Section 12940 of the Government Code).

SB 292 amends the Fair Employment and Housing Act ("FEHA") to state, "Sexually harassing conduct need not be motivated by sexual desire." This amendment overturns a recent Court of Appeal decision, and clarifies that an individual who sues for sexual harassment under FEHA is not required to prove that the harasser's sexually harassing conduct was motivated by sexual desire.

K. Unemployment Compensation: Disability Benefits: Paid Family Leave – SB 770

Unemployment Compensation: Disability Benefits: Paid Family Leave (SB 770; amends Section 3300 of, and amends, repeals, and adds Sections 2708, 3301, 3302, and 3303 of, the Unemployment Insurance Code).

SB 770 amends the Paid Family Leave ("PFL") program by permitting workers to receive partial wage replacement benefits to take care of seriously ill siblings, grandparents, grandchildren, and parents-in-law. These provisions take effect on July 1, 2014.

L. Medi-Cal – AB 776

Medi-Cal (AB 776; amends Sections 14186.1, 14186.36, and 14186.4 of the Welfare and Institutions Code).

AB 776 amends the Labor Code concerning permissible credits employers may take against the obligation to pay the general prevailing rate of per diem wages for prevailing wage payments. It also prohibits credit from being granted for employer payments made to monitor and enforce laws related to public works, if those payments are not required by a collective bargaining agreement.

M. Meyers-Milias-Brown Act: Collective Bargaining Impasse Procedures – AB 537

Meyers-Milias-Brown Act: Collective Bargaining Impasse Procedures (AB 537; amends Government Code Section 3505.1 and adds Government Code Section 3505.8).

With the enactment of AB 537, when local public agencies meet and confer in good faith with a recognized employee organization regarding wages, hours and other employment terms and conditions and a tentative agreement is reached by the parties, the local agency's governing body must vote to accept or reject that agreement within 30 days of the date it is first considered. In the event the governing body rejects the tentative agreement, a charge for failure to meet and confer in good faith may be filed. The parties are required to jointly prepare a written memorandum of understanding upon adoption of the tentative agreement. In addition, an arbitration agreement contained in a memorandum of understanding entered into under the Meyers-Milias-Brown Act is enforceable.

N. Emergency Medical Services: Civil Liability – AB 633

Emergency Medical Services: Civil Liability (AB 633; adds Health and Safety Code Section 1799.103).

AB 633 prohibits an employer from adopting or enforcing a policy prohibiting an employee from voluntarily providing medical services, including, but not limited to, cardiopulmonary resuscitation, in response to a medical emergency. Employers may adopt or enforce a policy authorizing employees trained in emergency services to provide those services or a policy prohibiting an employee from performing emergency medical services, including, but not limited to, cardiopulmonary resuscitation, on a person who has expressed the desire to forgo resuscitation or other legal medical interventions. However, employers have no express or implied duty to train its employees regarding emergency medical services or cardiopulmonary resuscitation.

O. Employment Protections: Victims of Domestic Violence, Sexual Assault, or Stalking – SB 400

Employment Protections: Victims of Domestic Violence, Sexual Assault, or Stalking (SB 400; amends Labor Code Sections 230 and 230.1).

Under existing law, employees who are victims of domestic violence or sexual assault are afforded several protections when the employee takes time off work as a result of the domestic violence or sexual assault so long as the employee complies with certain conditions. In addition, existing law imposes penalties against employers who discriminate or retaliate against victims of domestic violence or sexual assault. SB 400 extends these protections and penalties to victims of stalking, so long as the victim provides notice to the employer of the status or the employer has actual knowledge of the status. Employers are required to provide reasonable accommodations that may include the implementation of safety measures or procedures for victims of domestic violence, sexual assault, or stalking. Employers may request certification from the employee requesting a reasonable accommodation. However, employers are not required to undertake an action that constitutes an undue hardship on the employer's business operations and an employee is required to notify the employer if an accommodation is no longer needed.

P. Criminal Offenders: Rehabilitation – SB 530

Criminal Offenders: Rehabilitation (SB 530; amends Labor Code Section 432.7 and adds Penal Code Section 4852.22).

Under existing law, an employer is prohibited from asking an employment applicant to disclose or to utilize as a condition of employment information regarding an arrest, detention, or participation in a diversion program that did not result in a conviction. SB 530 extends this protection to include convictions that have been judicially dismissed or ordered sealed, unless (1) the employer is required by law to obtain that information, such as when a position requires an applicant to possess or use a firearm, (2) the convicted applicant is prohibited by law from holding the position, or (3) the employer is prohibited by law from hiring the convicted applicant. In addition, individuals convicted for a sex offense may now apply to the trial court for a certificate of rehabilitation before the applicable period of rehabilitation has elapsed, and a court, in its discretion, may grant the application.

Q. Employment: Retaliation – SB 666

Employment: Retaliation (SB 666; adds Business and Professions Code Sections 494.6 and 6103.7, amends Labor Code Sections 98.6 and 1102.6, and adds Labor Code Section 244).

SB 666 provides that a person with a business or professional license may have that license suspended or revoked if the Labor Commissioner or the court determines that the licensee violated a specified law. In making this determination, the Labor Commissioner and the court will take into consideration any harm such a suspension or revocation would cause to the employee(s) of the licensee and the good faith efforts of the licensee to resolve the alleged violation after receiving notice.

Under SB 666, a member of the State Bar may be suspended, disbarred or subject to other discipline, including criminal prosecution, for threatening to report or reporting the suspected immigration status of a witness, party, or his or her family member to a federal, state, or local agency because the witness or party exercises a right related to his or her employment. In addition, threatening to report or reporting the suspected citizenship and immigration status constitutes an adverse action for the purpose of establishing a violation of an applicant's or former or current employee's rights.

SB 666 also prohibits an employer from retaliating or taking any adverse action against any employee or application because he or she has engaged in protected conduct, including a written or oral complaint for owed unpaid wages, and subjects an employer to civil penalty of up to \$10,000 per violation. Employees who are retaliated against or subjected to an adverse action are entitled to be reinstated and reimbursed for lost wages and benefits. In addition, any person acting on behalf of an employer is prohibited from making, adopting, or enforcing any rule, regulation, or policy preventing an employee from disclosing information to a government or law enforcement agency or retaliating against an employee for disclosing information to or testifying before any public body conducting an investigation, hearing, or inquiry.

R. Committee on Public Employees, Retirement and Social Security: County Employees' Retirement – AB 1380

Committee on Public Employees, Retirement and Social Security: County Employees' Retirement (AB 1380; amends numerous sections and adds several sections of the Government Code, relating to county employees' retirement).

AB 1380 amends various provisions of the County Employees Retirement Law of 1937 ("CERL") as part of clean-up legislation to coordinate with and subordinate to the Public Employees' Pension Reform Act of 2013 ("PEPRA"). Pursuant to AB 1380, certain provisions of CERL do not apply to "new members" who are hired on or after January 1, 2013 and are subject to PEPRA. Also, provisions allowing a new formula for the calculation of retirement benefits to be applied to services already performed are inoperative as of January 1, 2013, and the purchase of nonqualified service credit (air time) is prohibited. Counties with retirement systems organized under CERL must ensure that their retirement board is in compliance with the applicable CERL to PEPRA provision.

S. Public Employees' Retirement Benefits – SB 13

Public Employees' Retirement Benefits (SB 13; amends numerous sections and repeals several sections of the Government Code, relating to public employees' retirement).

SB 13 corrects erroneous cross-references and addresses numerous drafting errors and ambiguities in the Public Employees' Pension Reform Act of 2013 ("PEPRA"). Among other things, SB 13 impacts PEPRA provisions relating to the initial contribution rate for new members, the new defined contributions plans or formulas, the postretirement health benefit vesting schedules, postretirement employment, collectively bargained multiemployer pension plans, and exemptions for public transit employees pending a challenge to the U.S. Department

of Labor's determination that PEPRA interferes with the negotiated pension rights of transit workers.

VI. Landlord-Tenant

A. Residential Tenancy: Victims of Human Trafficking and Elder or Dependent Adult Abuse – SB 612

Residential Tenancy: Victims of Human Trafficking and Elder or Dependent Adult Abuse (SB 612; adds Section 1946.7 of the Civil Code, and amends Section 1161.3 of the Code of Civil Procedure).

Existing law allows a tenant to notify a landlord in writing that he or she or a household member was a victim of an act of domestic violence, sexual assault, stalking, or abuse of an elder or dependent adult and that the tenant intends to terminate the tenancy. SB 612 extends these protections to victims of human trafficking. It allows a tenant, with certain documentation, to notify the landlord that he or she or a household member is a victim of human trafficking and the tenant intends to terminate the tenancy. SB 612 also prohibits a landlord from disclosing any information provided by a tenant under these provisions to a third party unless the disclosure is consented to in writing or is required by law or order of the court.

B. Committee on Transportation and Housing: Housing – SB 745

Committee on Transportation and Housing: Housing (SB 745; amends Section 1941.4 of the Civil Code and Section 13114 of the Health and Safety Code, as well as other sections relating to housing).

SB 745 requires the landlord of a residential building to install at least one usable telephone jack, maintain the inside telephone wiring in good working order, and ensure that the inside telephone wiring meets the applicable standards of the most recent California Electrical Code.

Commencing July 1, 2014, SB 745 would require that in order to be approved by the State Fire Marshal, a smoke alarm that is only battery operated must contain a nonreplaceable, nonremovable battery capable of powering the smoke alarm for at least 10 years. Commencing January 1, 2015, SB 745 would also require that in order to be approved by the State Fire Marshal, a smoke alarm must display the manufacture date, provide a place to write the date of installation on the device, and incorporate a hush feature.

C. Utility Rates: Mobilehomes and Apartment Buildings – SB 196

Utility Rates: Mobilehomes and Apartment Buildings (SB 196; amends Section 798.40 of the Civil Code and Section 739.5 of the Public Utilities Code).

SB 196 requires the management of a mobilehome park, apartment building, or similar residential complex to post in a conspicuous place the specific current residential utility rate schedule, as published by the serving utility, or the website address of the specific current residential utility rate schedule. If the management elects to only post the website where the schedule may be accessed, the management must also provide a copy of the specific current

residential utility rate schedule upon request, at no cost to the tenant, and state in the posting that a tenant may request a copy of the rate schedule from management.

VII. Local Government

A. Political Reform Act of 1974: Statements of Economic Interests: Online Filing – AB 409

Political Reform Act of 1974: Statements of Economic Interests: Online Filing (AB 409; adds Government Code Section 87500.3).

AB 409 grants authority to the Fair Political Practices Commission to develop and operate an online system for public officials to file statements of economic interests required under the Political Reform Act of 1974.

B. Political Reform Act of 1974: Collection of Fines – AB 552

Political Reform Act of 1974: Collection of Fines (AB 552; adds Government Code Section 91013.7).

AB 552 provides a mechanism for the Fair Political Practices Commission ("FPPC") to apply to a court for a judgment to collect fines imposed by a FPPC order or decision after the time for judicial review of that order or decision has lapsed. This new authority should strengthen the FPPC's ability to enforce the mandates of the Political Reform Act of 1974.

C. Public Officers: Conflicts of Interest: Contracts – AB 1090

Public Officers: Conflicts of Interest: Contracts (AB 1090; amends Government Code Section 1091.5 and adds Government Code Sections 1097.1, 1097.2, 1097.3, 1097.4 and 1097.5).

Government Code 1090 prohibits public officials from being financially interested in any contract made by a public body or board of which they are members. AB 1090 broadens the Fair Political Practices Commission's ("FPPC") authority to cover Government Code Section 1090 "conflicts" as well as conflicts under the Political Reform Act of 1974. The FPPC is now empowered to provide advice on Government Code 1090 issues, except for past conduct. The FPPC can also bring administrative or civil actions for violations of Government Code 1090 provided the FPPC receives written authorization from the district attorney of the county in which the alleged violation occurred.

D. Meetings: Publication of Action Taken – SB 751

Meetings: Publication of Action Taken (SB 751; amends Government Code Section 54953).

Effective until January 1, 2018, SB 751 provides that the legislative body of a local agency must include in the minutes of its meetings any action taken and the vote or abstention on that action of each member present. Under prior law, while no action could be taken by secret ballot, there was no requirement that the vote of each member be shown in the minutes.

E. State and Local Government: Alternative Investments: Public Access – AB 382

State and Local Government: Alternative Investments: Public Access (AB 382; amends Government Code Section 54957.5).

AB 382 amends the Brown Act to make it consistent with the Public Records Act so that both acts now exempt from disclosure specified information with regard to certain alternative investments by local agencies that invest in public pension funds.

F. Local Government: Open Meetings – AB 246

Local Government: Open Meetings (AB 246; amends Government Code Section 54957).

Under AB 246, the legislative body of a local agency may meet in closed session with the Governor on matters posing a threat to the security of public buildings or essential public services or a threat to the public's access to public services or facilities. Under prior law, local legislative bodies could not meet in closed session with the Governor regarding these issues.

VIII. Mobilehomes

A. Utility Rates: Mobilehomes and Apartment Buildings – SB 196

Utility Rates: Mobilehomes and Apartment Buildings (SB 196; amends Section 798.40 of the Civil Code and Section 739.5 of the Public Utilities Code).

SB 196 requires the master-meter utilities customer (management) in a mobilehome park to post in a conspicuous place the specific current residential utilities rate as published by the utility provider rather than the prevailing residential utilities rate. It permits this requirement to also be met by posting the website address of the specific current residential utility rate schedule, provided (i) that management provides a copy of such residential utilities rate schedule upon request at no cost, and (ii) that an individual user may request a copy of the utilities rate schedule from management.

B. Land Use: Subdivisions: Rental Mobilehome Park Conversion – SB 510

Land Use: Subdivisions: Rental Mobilehome Park Conversion (SB 510; amending Section 66427.5 of the Government Code).

Existing law requires that upon the filing of a subdivision map application to convert a mobilehome park from rental to resident ownership, the owner must provide certain measures to limit the economic hardships to existing residents from such conversion. Such protections include (i) offering the existing residents the option to purchase their mobilehome space, and (ii) providing nonpurchasing residents with the right to continue to continue to rent their space at a restricted rent amount as established in the statute. As part of the subdivision application process, the owner is required to submit to the local agency a survey of support from the residents of the mobilehome park for the proposed conversion, conducted in accordance with the requirements of the statutes. SB 510 authorizes the local agency to disapprove the subdivision map application to

convert from a rental mobilehome park to a resident ownership mobilehome park if the results of the resident survey indicate that the owner does not have the support of at least a majority of the park's homeowners for the proposed conversion. In addition, the bill authorizes the local agency to adopt an ordinance or resolution to implement the new requirements of survey support as described above in its approval process.

IX. Nonprofit Entities

A. Use of Public Resources – SB 594

Use of Public Resources (SB 594; adds Government Code Sections 54964.5 and 54964.6).

Public funds are prohibited from being used for campaign activities. SB 594 prohibits a nonprofit organization or an officer, employee, or agent of a nonprofit organization from using, or permitting another to use, public resources received from a local agency for campaign activity. "Public resources" is broadly defined to include any property or asset owned by a local agency, and includes funds received by the nonprofit organization generated from activities related to conduit bond financing by the local agencies. However, nonprofit organization is narrowly defined, and excludes an entity that qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, as these entities are already subject to federal limitations on political campaign activities. A violation of this prohibition can result in damages equal to 3 times the value of the unlawfully used public resources. In addition, this statute requires certain nonprofit organizations that engage in certain campaign activity to deposit into a separate bank account all funds for campaign activities. This requirement applies to a nonprofit corporation that receives 20 percent of its gross revenue from local agencies. These entities that engage in campaign activities are also required to disclose to the Franchise Tax Board, and post on the nonprofit organization's website, the identity and source of funds for the campaign activity, and other information. If a nonprofit organization engages in campaign activity in excess of \$500,000 in a calendar year, then the Franchise Tax Board is required to audit the organization and transmit the report to the Attorney General. The nonprofit organization can be assessed a penalty of up to \$10,000 for each violation of the disclosure requirements.

X. Property Tax

A. Local Government: Taxes, Fees, Assessments, and Charges: Definitions – AB 483

Local Government: Taxes, Fees, Assessments, and Charges: Definitions (AB 483; adds Section 53758 to the Government Code).

AB 483 adds the definitions of "specific benefit" and "specific government service" to clarify that business improvement districts and tourism marketing districts are not imposing taxes merely because they might generate indirect and secondary benefits to non-tax paying entities.

B. Government Finance – SB 825

Government Finance (SB 825; amends Revenue and Taxation Code Sections 75.12, 606, 2611.6, 2615.6 and 3716).

SB 825 provides for the following changes:

1. Owners of real property who previously did not have to file a notice with the County Assessor upon the occurrence of certain events that may trigger a supplemental assessment of property will now need to file a notice with the County Assessor within 45 days. Failure to timely file this notice with the County Assessor will result in the assessment of penalties.
2. When two or more contiguous parcels of property are situated in separate taxing districts, typically, these parcels have been assessed separately, unless the properties are identical and one of the properties has a full value of less than \$50,000. The threshold amount for this exception was increased from \$25,000 to \$50,000.
3. When the County distributes property tax bills, the bills will now provide information regarding how the relief from penalties from formal and informal assessment reviews will be limited to the difference between the County Assessor's final determination of the property's value and the value on the assessment roll for the fiscal year.
4. The County Assessor is no longer required to provide information with a property tax bill regarding the property tax assistance program or postponement for senior citizen program, if funding for such programs is unavailable for the applicable property tax year.
5. Upon the sale of tax-defaulted property, the tax collector must now report information regarding the sale of such property to the County Assessor within 30 days after the sale. Previously, the tax collector had to report the sale to the County Assessor within 10 days of the sale.

XI. Real Estate Transactions**A. Military Service: Benefits – SB 720**

Military Service: Benefits (SB 720; amends Section 409.3 of the Military and Veterans Code).

SB 720 allows a military service member during his or her most current period of military service, or within six months thereafter, to petition a court for deferment of payment of an obligation payable in installments under a contract for the purchase of real estate, or secured by a mortgage or other instrument for a period of time equal to the period of military service, provided that in addition to other requirements, the obligation is extended for the period of time that payments were deferred. If the court grants deferment, no fine or penalty can accrue during the period in which the terms and conditions of the deferment are complied. SB 720 does not, however, relieve a service member that has a mortgage subject to an impound account from making sufficient monthly payments of property taxes, special assessments, mortgage insurance and hazard insurance without the consent of the lender.

B. Committee on Budget: State Government – AB 92

Committee on Budget: State Government (AB 92; adds Section 18032 to the Revenue and Taxation Code).

AB 92 provides that for any Section 1031 property exchanges that occur in taxable years beginning on or after January 1, 2014, taxpayers who claim nonrecognition of gain or loss for a like-kind exchange of property in California in exchange for property located outside of California must file an annual information return with the Franchise Tax Board for the taxable year of the exchange and in each subsequent taxable year in which the gain or loss attributable to the exchange has not been recognized.

If a taxpayer fails to comply with the reporting requirement, the Franchise Tax Board could make an estimate of the net income from the exchange using any available information, including the amount of deferred gain or loss reported in the year of the exchange, and may propose to assess the amount of tax, interest, and penalties due in the same manner as assessments that are proposed for the failure to file a return.

C. Mortgages: Foreclosure Notices: Title Companies – SB 310

Mortgages: Foreclosure Notices: Title Companies (SB 310; adds Sections 2924.26 and 2924.25 to the Civil Code).

Sections 2923.5, 2923.55, 2923.6, 2924.11, 2924.18, and 2924.19 of the Civil Code require a mortgage servicer, mortgagee, trustee, beneficiary, or authorized agent to follow certain procedures to avoid foreclosure on a borrower if a foreclosure prevention alternative is possibly available.

SB 310 exempts, through January 1, 2018, a licensed title company or underwritten title company, except when it is acting as a trustee, from liability for a violation of those provisions if it records or causes to record a notice of default or notice of sale at the request of a trustee, substitute trustee, or beneficiary, in good faith and in the normal course of its business activities.

D. Real Property: Boundaries – AB 1404

Real Property: Boundaries (AB 1404; repeals and adds Section 841 to the Civil Code).

AB 1404 requires adjoining landowners to share equally, with certain exceptions, the responsibility for maintaining the boundaries and monuments between them. It establishes a rebuttable presumption that adjoining landowners share an equal benefit from any fence dividing their properties. Absent a written agreement to the contrary, the adjoining landowners will be equally responsible for the reasonable costs of construction, maintenance, or necessary replacement of the fence dividing their properties. If one neighbor intends to incur costs for the construction, maintenance, or necessary replacement of a shared fence, that neighbor must send a notice to each adjoining landowner explaining the needed work and proposed cost sharing plan.

The rebuttable presumption of shared costs may be overcome by a preponderance of the evidence demonstrating that imposing equal responsibility for the reasonable costs of construction, maintenance, or necessary replacement of the fence would be unjust.

E. Low-Income Housing Tax Credits – AB 952

Low-Income Housing Tax Credits (AB 952; amends Sections 12206, 17058, and 23610.5 of the Revenue and Taxation Code).

AB 952 allows the Tax Credit Allocation Committee ("TCAC") to award state low-income housing tax credits ("LIHTCs") to developments located in Difficult to Develop Areas ("DDAs") or Qualified Census Tracts ("QCTs") if the development is restricted to 50 percent special needs households and also receives federal LIHTCs. TCAC can supplement federal LIHTCs with state LIHTCs for up to 30 percent of the development's eligible basis.

Previous law required that if TCAC allocated state LIHTCs to a DDA or QCT property, it had to reduce its federal LIHTC bonus tax credits. AB 952 allows developments that meet these regulations to receive their entire federal bonus LIHTCs in addition to state LIHTCs. Therefore, qualifying developments can receive up to 130 percent of their eligible basis in federal LIHTCs plus an additional up to 30 percent of their eligible basis in state LIHTCs.

F. Real Property Disclosures: Construction Defect Litigation – SB 652

Real Property Disclosures: Construction Defect Litigation (SB 652; amends Civil Code Section 1102.6).

Beginning July 1, 2014, the transferors of residential property will be required to disclose to a potential transferee construction defect claims made by the seller. The required disclosures are included in the updated Real Estate Transfer Disclosure Statement.

G. California Housing Finance Agency – AB 984

California Housing Finance Agency (AB 984; amends Health and Safety Code Sections 50901, 51065.1, and 51504).

AB 984 changes the composition of the board of directors of the California Housing Financing Agency ("CalHFA") to include the Secretary of Veterans Affairs and increases the number of members appointed by the Governor from four to seven. At least one member appointed by the Governor must have specific knowledge of bonds and other related financial instruments, interest rate swaps and risk management.

AB 984 also adds Section 51065.1 to the Health and Safety Code to allow CalHFA to make grants to purchasers of residential property in conjunction with mortgage loans financed by the Agency to be used with the FHA Energy Efficient Mortgage Program to make repairs and improvements to increase energy efficiency in the home. The grants cannot be made from the bond proceeds but are to be funded by CalHFA revenues received from the first mortgage loan made to the grantee.

AB 984 also incorporates changes regarding CalHFA down payment assistance included in AB 637. AB 984 and AB 637 amend Health and Safety Code Section 51504 to allow CalHFA to use funds allocated to the Homebuyer's Down Payment Assistance Program for housing developments as defined in Health and Safety Code Section 50073.5, which includes developments of five or more units, as well as for-sale residential structures.

XII. Redevelopment

A. Hazardous Materials: Releases and Local Agency Cleanup – AB 440

Hazardous Materials: Releases and Local Agency Cleanup (SB 440; adds Chapter 6.10 (commencing with Health and Safety Code Section 25403) to Division 20 of the Health and Safety Code).

AB 440 extends to counties, cities, and housing authorities the Polanco Redevelopment Act power (formerly reserved to redevelopment agencies) to undertake clean-up of property in a blighted area and outlines the procedures local agencies are required to follow to exercise such power. AB 440 further provides a local agency that completes the cleanup of a property in accordance with an approved cleanup plan immunity from further liability for the hazardous materials release subject of the cleanup plan.

B. Redevelopment – SB 341

Redevelopment (SB 341; amends Health and Safety Code Section 34176 and adds Section 34176.1).

SB 341 requires the housing successor of each dissolved redevelopment agency to follow new expenditure and accounting rules for expenditures from the Housing Asset Trust Fund. In each fiscal year, a housing successor will be allowed to pay administrative costs up to the greater of \$200,000 or 2% of the combined value of land and loans and grants receivables. If specified requirements are satisfied, a housing successor is allowed to spend up to \$250,000 per fiscal year on homelessness prevention and rapid rehousing services. All other funds in the Housing Asset Trust Fund must be used to develop, acquire, rehabilitate long-term affordability covenants for, or preserve lower income housing. During each five-year period, at least 30 percent of funds must be spent on extremely low-income housing and not more than 20 percent of the funds can be spent on housing for households earning between 60 and 80 percent of area median income. For a more detailed analysis of additional revisions included in SB 341, please visit <http://goldfarblipman.com/wp-content/uploads/2013/11/LAW-ALERT-SB-341-Law-Alert-II-11-22-13.pdf>.

XIII. Subdivisions and Condominiums

A. Subdivision Map Extension – AB 116

Subdivision Map Extension (AB 116; adds Section 66452.24 to the Government Code and amends Section 65961).

Effective July 11, 2013, this bill extends by 24 months the expiration date of any tentative map or vesting tentative map approved after January 1, 2000 that has not expired as of July 11, 2013. An additional 24-month extension process is created for maps approved on or before December 31, 1999. AB 116 also extends by 24 months any legislative, administrative, or other approval by a state agency relating to a project where the map has been extended, if such approval has not expired as of July 11, 2013. If a map is extended pursuant to this provision, two limitations apply: (i) the period of time after recordation of the map during which a city or county is prohibited from imposing new conditions on a building permit is reduced from 5 years to 3 years, and (ii) a city or county is not prohibited from imposing new fees upon the issuance of a building permit.

B. Commercial and Industrial Developments – SB 752

Commercial and Industrial Developments (SB 752; amends various provisions of the Business and Professions Code, Civil Code, Code of Civil Procedure, Government Code, Health and Safety Code, Insurance Code, Revenue and Taxation Code, Vehicle Code, Water Code).

SB 752 establishes the Commercial and Industrial Common Interest Development Act (Civil Code Section 6500 *et seq.*) (the "Act"), which governs the creation and regulation of commercial and industrial common interest developments. Prior to the passage of the Act, the Davis-Stirling Common Interest Development Act governed such developments in addition to residential developments. Many of the provisions of the Act parallel provisions found in Davis-Stirling, such as formation of developments, association powers, and assessments. The Act also excludes some of the more consumer protection-oriented provisions found in Davis-Stirling that were enacted for the benefit of residential owners such as election and disclosure requirements. (SB 745 makes clean-up changes to Davis-Stirling, which in its reorganized version is in effect January 1, 2014.)

C. Common Interest Developments – AB 805 and AB 806

Common Interest Developments (AB 805 and AB 806; adds Part 5 (commencing with Section 4000) to Division 4 of, repeals Title 6 (commencing with Section 1350) of Part 4 of Division 2 of, the Civil Code; amends various sections of the Business and Professions Code, the Civil Code, the Code of Civil Procedure, the Government Code, the Health and Safety Code, the Insurance Code, the Revenue and Taxation Code, the Vehicle Code, and the Water Code).

With the enactment of AB 805 and 806, the California Law Revision Commission's project to reorganize the Davis-Stirling Common Interest Development Act (the "Act") is complete. Under these bills, Civil Code Sections 4000-6150 will replace Civil Code Sections 1350-1378. The primary goal of the Commission was to reorganize and clarify the Act without making significant substantive changes, although a few substantive changes are included. Substantive

changes include: revisions to provisions regarding notices and their delivery; the establishment of guidelines on the relative authority of governing documents; the establishment of a single procedure for amendment of a common interest declaration; the establishment of the right of the owner of a separate interest to make changes in that separate interest (currently only applicable to condominium projects); the establishment of a list of conflicts of interest that may disqualify members of a board of directors of an association from voting on certain matters; revisions to provisions related to elections and voting; the establishment of standards for the retention of records; and the broadening of the requirement that liens recorded by the association in error must be released. Under new Civil Code 4235, the board of directors may amend governing documents to update Code references without the need for a vote of the members. Any restated Declaration that is recorded must have a copy of the resolution of the Board authorizing the Code changes attached.