

CALIFORNIA LEGISLATURE
2013–14 REGULAR SESSION

ASSEMBLY DAILY JOURNAL

Tuesday, March 4, 2014

**ONE HUNDRED SIXTY-SECOND SESSION DAY
FOUR HUNDRED FIFTY-SEVENTH CALENDAR DAY
AT SACRAMENTO, CALIFORNIA**



NOTE: Official record of roll call votes. All amendments considered by the Assembly on this day are on file with the Chief Clerk of the Assembly and available on request. All Senate amendments to Assembly measures considered by the Assembly on this day are on file with the Secretary of the Senate and available on request. A list of all measures amended and on which amendments were offered in the Assembly is shown on the final page of this day's Assembly Journal.

PROCEEDINGS OF THE ASSEMBLY

IN ASSEMBLY

Assembly Chamber, Sacramento
Tuesday, March 4, 2014

The Assembly met at 7 a.m.

Hon. Brian Dahle, Assembly Member, 1st District, presiding.

Chief Clerk E. Dotson Wilson at the Desk.

Reading Clerk Timothy Morland reading.

ROLL CALL

The following were placed upon the morning roll call—71:

Achadjian	Cooley	Hernández	Pérez, V. Manuel
Alejo	Dababneh	Holden	Quirk
Allen	Dahle	Jones	Quirk-Silva
Ammiano	Daly	Jones-Sawyer	Rendon
Atkins	Dickinson	Levine	Ridley-Thomas
Bigelow	Donnelly	Linder	Rodriguez
Bloom	Eggman	Maienschein	Salas
Bocanegra	Fong	Mansoor	Skinner
Bonilla	Fox	Medina	Stone
Bonta	Frazier	Morrell	Ting
Bradford	Garcia	Mullin	Wagner
Brown	Gatto	Muratsuchi	Waldron
Buchanan	Gomez	Nazarian	Weber
Calderon	Gonzalez	Nestande	Wieckowski
Campos	Gordon	Olsen	Wilk
Chau	Grove	Pan	Williams
Chesbro	Hagman	Patterson	Yamada
Conway	Hall	Perea	

Quorum present.

At 1:14 p.m., Hon. Steven Bradford, 62nd District, presiding

REGULAR BUSINESS DISPENSED WITH

By unanimous consent, the regular order of business of the Assembly was dispensed with for this legislative day.

LEAVES OF ABSENCE FOR THE DAY

By unanimous consent, the following Assembly Members were granted leaves of absence for the day:

On legislative business: Assembly Members Chávez, Gorell, Gray, Melendez, and John A. Pérez.

On legislative business, per diem waived for the 2013–14 Session (Assembly Journal, page 69): Assembly Member Beth Gaines.

On personal business, and waiving per diem: Assembly Members Harkey and Lowenthal.

Because of illness: Assembly Member Logue.

EXPLANATIONS OF ABSENCE

Pursuant to the Assembly Rules, the following explanations of absence were ordered printed in the Journal:

February 27, 2014

The Honorable John A. Pérez
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California

Dear Mr. Speaker: I respectfully request permission to be excused from Check-in Session on Tuesday, March 4, 2014, on legislative business, so that I may attend the funeral for former State Senator Oliver Speraw. I will return to Sacramento March 5, 2014. If you have any questions, please contact Veronica Badillo at 916-319-2076. Thank you for your consideration of this request.

Sincerely,

ROCKY J. CHÁVEZ, Assembly Member
Seventy-sixth District

March 4, 2014

The Honorable John A. Pérez
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California

Dear Speaker Pérez: I respectfully request to be excused from Check-in Session today, March 4, 2014, so I may tend to legislative business in my district. If you have any questions, please contact my scheduler, Jenna Chandler at 319-2006. Your consideration of this request would be greatly appreciated.

Best regards,

BETH GAINES, Assembly Member
Sixth District

March 4, 2014

The Honorable John A. Pérez
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California

Dear Mr. Speaker: I respectfully request permission to be excused from Check-in Session on Tuesday, March 4, 2014, for legislative business. If you have any questions, please contact Mark Timmerman at 319-2044.

Sincerely,

JEFF GORELL, Assembly Member
Forty-fourth District

March 3, 2014

The Honorable John A. Pérez
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California

Dear Mr. Speaker: I respectfully request an excuse from Check-in Session, March 4, 2014, as I will be in my district on legislative duties. If you have any questions, please contact Kristen Dyer at 916-319-2021. Thank you in advance for your consideration.

Sincerely,

ADAM C. GRAY, Assembly Member
 Twenty-first District

February 28, 2014

The Honorable John A. Pérez
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California

Dear Mr. Speaker: I am respectfully requesting to be excused from Check-in Session on Tuesday, March 4 and Wednesday, March 5, 2014, for legislative meetings with my director at my district office. If you need further information or have any questions, please contact Donda Scholl at 319-2067. Thank you for your attention to this matter.

Sincerely,

MELISSA A. MELENDEZ, Assembly Member
 Sixty-seventh District

(NOTE: For letter explaining the absence of Assembly Member John A. Pérez on this day, on legislative business, pursuant to the Assembly Rules, see the Assembly Journal for March 3, 2014.)

COMMUNICATIONS

The following communication was presented by the Speaker, and ordered printed in the Journal:

March 4, 2014

E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol, Room 3196
Sacramento, California

Dear Dotson: Please be advised that I have appointed Assemblymembers Matthew Dababneh and Sharon Quirk-Silva to the Select Committee on Homelessness for the 2013–14 Regular Session.

Sincerely,

JOHN A. PÉREZ
 Speaker of the Assembly

SPECIAL COMMITTEE MEETINGS

By unanimous consent, the following committee was permitted to meet:

Joint Legislative Audit Committee, on Wednesday, March 12, 2014, at 1:30 p.m., in Room 126.

REPORTS

The following letter of transmittal was presented by the Chief Clerk and ordered printed in the Journal:

California State Auditor

2013-109
March 4, 2014

*The Honorable Speaker of the Assembly
The Honorable Members of the Assembly
of the Legislature of California
State Capitol, Room 3196
Sacramento, California*

Members of the Assembly: As requested by the Joint Legislative Audit Committee, the California State Auditor presents this audit report concerning the California Public Utilities Commission's (commission) oversight of utility balancing accounts of entities it regulates.

This report concludes that the commission lacks adequate processes to provide sufficient oversight of utility balancing accounts to protect ratepayers from unfair rate increases. State law directs the commission, whenever it authorizes any rate change that includes costs passed on to customers, to require utilities to establish a balancing account. A balancing account is a tracking mechanism used to ensure that a utility recoups from ratepayers costs the commission has authorized and that ratepayers do not pay more than they should. If a balancing account has a balance—indicating an over- or under-collection from ratepayers—the utility will generally seek periodically to adjust future rates to either refund or recoup the balance. State law requires the commission to review semiannually certain balancing accounts; however, it does not otherwise require the commission to review all balancing accounts. Currently, the commission only reviews some balancing accounts when a utility requests to incorporate the balance in that account into future rates as a surcharge or a credit. This practice does not ensure that the commission adequately reviews balancing accounts to protect ratepayers from unreasonable rates. Although the commission relies on the Office of Ratepayer Advocates (Ratepayer Advocates)—an independent office within the commission—to review energy utility balancing accounts, this reliance is misplaced because Ratepayer Advocates is not required to review all energy utility balancing accounts. Ratepayer Advocates primarily focuses on balancing accounts that energy utilities include in formal proceedings, which resulted in it reviewing only 58 percent of the value of large energy utilities' balancing accounts active during 2009 through 2011. It did not review other balancing accounts with a value of \$37.6 billion during this period.

Given that balancing accounts directly affect rates that a utility charges ratepayers and given the broad authority the commission has to inspect and audit utilities' books, accounts, and records, we believe that the commission should use a systematic process that ensures a review of all those balancing accounts that can have the most impact on ratepayers. However, the commission lacks the necessary information, such as the size of a balancing account and the last time it was reviewed, to determine which balancing accounts it should review. In addition to not providing adequate oversight over balancing accounts, the commission has not always complied with a requirement to audit utilities' books and records according to the schedule prescribed by state law. Also, for over three decades, it has not provided the results of these audits to the California State Board of Equalization (Equalization) for tax assessment purposes, as required by state law. Although Equalization believes that this requirement is no longer appropriate, neither Equalization nor the commission has sought to change the law.

Respectfully submitted,

ELAINE M. HOWLE, CPA
State Auditor

Above report referred to the Committee on Utilities and Commerce.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, March 4, 2014

Mr. Speaker: Pursuant to your instructions, the Chief Clerk has examined:

Assembly Bill No. 1503

Assembly Bill No. 1545

Assembly Bill No. 1612

And reports the same correctly engrossed.

E. DOTSON WILSON, Chief Clerk

Above bills re-referred to committee.

Assembly Chamber, March 4, 2014

Mr. Speaker: Pursuant to your instructions, the Chief Clerk has examined:

Assembly Concurrent Resolution No. 109

And reports the same correctly engrossed.

E. DOTSON WILSON, Chief Clerk

Above resolution re-referred to committee.

INTRODUCTION AND FIRST READING OF ASSEMBLY BILLS

The following bills were introduced and read the first time:

ASSEMBLY BILL NO. 2745—Committee on Judiciary (Assembly Members Wieckowski (Chair), Alejo, Chau, Dickinson, Garcia, Muratsuchi, and Stone). An act to amend Section 2452 of the Family Code, and to add Section 69618 to the Government Code, relating to courts.

ASSEMBLY BILL NO. 2746—Committee on Judiciary (Assembly Members Wieckowski (Chair), Alejo, Chau, Dickinson, Garcia, Muratsuchi, and Stone). An act to amend Section 6140 of the Business and Professions Code, relating to attorneys.

ASSEMBLY BILL NO. 2747—Committee on Judiciary (Assembly Members Wieckowski (Chair), Alejo, Chau, Dickinson, Garcia, Muratsuchi, and Stone). An act to amend Section 8214.15 of the Government Code, relating to notaries public.

The following resolution was offered:

ASSEMBLY CONCURRENT RESOLUTION NO. 117—Ting. Relative to the Hanren Chang Memorial.

AUTHOR’S AMENDMENTS
Committee on Human Services

March 4, 2014

Mr. Speaker: The Chair of your Committee on Human Services reports:
Assembly Bill No. 1602

With author’s amendments with the recommendation: Amend, and re-refer to the committee.

STONE, Chair

ASSEMBLY BILL NO. 1602—An act to amend Section 220.5 of the Streets and Highways Code, and to amend Section 19629 of the Welfare and Institutions Code, relating to public social services.

Bill read second time.

Author’s amendments, presented pursuant to Assembly Rules, read and adopted; bill ordered reprinted, and to be re-referred to the committee.

Committee on Higher Education

March 4, 2014

Mr. Speaker: The Chair of your Committee on Higher Education reports:
Assembly Bill No. 1606

With author’s amendments with the recommendation: Amend, and re-refer to the committee.

WILLIAMS, Chair

ASSEMBLY BILL NO. 1606—An act to add Sections 87784.5 and 88207.5 to the Education Code, relating to community colleges.

Bill read second time.

Author’s amendments, presented pursuant to Assembly Rules, read and adopted; bill ordered reprinted, and to be re-referred to the committee.

ADJOURNMENT

At 3 p.m., the Assembly adjourned until 7 a.m., Wednesday, March 5, 2014.

NORA CAMPOS, Speaker pro Tempore

AMY LEACH, Minute Clerk

**AMENDMENTS CONSIDERED BY THE
ASSEMBLY ON MARCH 4, 2014**

The following measures were amended in the Assembly on this day:

AB	RN	
1602	1406741	
1606	1406598	
Daily Total:		2
Cumulative Total:		2692

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