

CALIFORNIA LEGISLATURE
2019–20 REGULAR SESSION

ASSEMBLY DAILY JOURNAL

Tuesday, June 4, 2019

EIGHTY-THIRD SESSION DAY

ONE HUNDRED EIGHTY-FOURTH CALENDAR DAY

AT SACRAMENTO, CALIFORNIA



NOTE: Official record of rollcall 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.

(Please direct any inquiries and report any omissions or errors to Minute Clerk: Phone 916-319-2360)

PROCEEDINGS OF THE ASSEMBLY

IN ASSEMBLY

Assembly Chamber, Sacramento
Tuesday, June 4, 2019

The Assembly met at 7 a.m.

Hon. Jim Patterson, Assembly Member, 23rd District, presiding.

Chief Clerk E. Dotson Wilson at the Desk.

Reading Clerk Kathleen M. Lewis reading.

ROLLCALL

The following were placed upon the morning rollcall—75:

Aguiar-Curry	Cunningham	Kalra	Quirk-Silva
Arambula	Daly	Kamlager-Dove	Ramos
Bauer-Kahan	Diep	Lackey	Reyes
Bigelow	Eggman	Levine	Rivas, L.
Bloom	Flora	Limón	Rivas, R.
Boerner Horvath	Fong	Low	Rodriguez
Bonta	Frazier	Maienschein	Rubio
Brough	Friedman	Mathis	Salas
Burke	Gabriel	Mayes	Santiago
Calderon	Gallagher	McCarty	Smith
Carrillo	Garcia, C.	Medina	Stone
Cervantes	Garcia, E.	Melendez	Ting
Chau	Gipson	Muratsuchi	Voepel
Chen	Gloria	Nazarian	Waldron
Chiu	Gonzalez	Obernolte	Weber
Choi	Grayson	O'Donnell	Wicks
Chu	Holden	Patterson	Wood
Cooley	Irwin	Petrie-Norris	Mr. Speaker
Cooper	Jones-Sawyer	Quirk	

Quorum present.

At 1:27 p.m., Hon. Cottie Petrie-Norris, 74th 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 Gray and Mullin.

On personal business, per diem waived for the 2019–20 Session (Assembly Journal, page 66): Assembly Member Kiley.

On personal business, and waiving per diem: Assembly Member Dahle.

Because of illness: Assembly Member Berman.

EXPLANATIONS OF ABSENCE

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

May 30, 2019

The Honorable Anthony Rendon
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, June 4, 2019 due to legislative business in my district. Thank you your assistance. Please contact Terra Grantham in my office should any questions arise.

Sincerely,

ADAM C. GRAY, Assembly Member
Twenty-first District

June 3, 2019

The Honorable Anthony Rendon
Speaker of the Assembly
State Capitol, Room 219
Sacramento, California

Dear Mr. Speaker: I respectfully request to be excused from Check-in Session on June 4, 2019 so that I can conduct legislative business in my district. Thank you for your consideration of this request and please contact Miriam Farouk in my Capitol office at (916) 319-2022 should any questions arise.

Sincerely,

KEVIN MULLIN, Assembly Member
Twenty-second District

COMMUNICATIONS

The following communications were presented by the Chief Clerk, and ordered printed in the Journal:

June 4, 2019

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

Dear Dotson: Please be advised that I have appointed Assemblymember Jim Cooper to replace Assemblymember Cecilia Aguiar-Curry on the Assembly Agriculture Committee for the Wednesday, June 5 hearing only.

Sincerely,

ANTHONY RENDON
Speaker of the Assembly

June 3, 2019

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

Dear Dotson: Please be advised that I have appointed Assemblymember Vince Fong to replace Assemblymember Kevin Kiley on the Assembly Judiciary Committee for the Tuesday, June 4 hearing only.

Sincerely,

ANTHONY RENDON
 Speaker of the Assembly

June 4, 2019

The Honorable Toni G. Atkins
President pro Tempore
California State Senate
State Capitol, Room 205
Sacramento, California

The Honorable Anthony Rendon
Speaker
California State Assembly
State Capitol, Room 219
Sacramento, California

The Honorable Shannon Grove
Minority Leader
California State Senate
State Capitol, Room 305
Sacramento, California

The Honorable Marie Waldron
Minority Leader
California State Assembly
State Capitol, Room 3104
Sacramento, California

RE: Tentative Agreement/Memorandum of Understanding (MOU) for Bargaining Unit (BU) 6, the California Correctional Peace Officers Association (CCPOA)

Dear Senators Atkins and Grove, and Assembly Members Rendon and Waldron: Recently, the California Department of Human Resources reached a new Tentative Agreement/MOU with the union representing BU 6, CCPOA. Upon approval of the Legislature and the Governor, and ratification by the membership, this agreement will be effective July 3, 2019 through July 2, 2020.

This agreement will roll over language from past agreements and the attached summary highlights provisions with significant changes. In addition, members will receive a three (3%) percent General Salary Increase, effective July 1, 2020.

In accordance with Government Code sections 3517.5, 19829.5, and Senate Rule 29.4, I am forwarding copies of this Tentative Agreement/MOU, including legislative and fiscal summaries. The Legislative Analyst will be forwarded a copy for analysis, and the Secretary of the Senate and the Clerk of the Assembly will be forwarded copies to note them as available for review in the daily journals.

The above mentioned Tentative Agreement and summaries can also be found by going to the following link: <http://www.calhr.ca.gov/labor-relations/Pages/Unit-06-Corrections.aspx>.

Respectfully,

ERAINA ORTEGA, Director
 California Department of Human Resources

Above Tentative Agreement/Memorandum of Understanding referred to the Committee on Public Employment and Retirement.

Receipt of Memoranda of Understanding

I acknowledge receipt this June 4, 2019, of the Memorandum of Understanding for Bargaining Unit 6, represented by the California Correctional Peace Officers Association (CCPOA), effective July 3, 2019 through July 2, 2020, delivered to me personally by Jodi LeFebre.

E. DOTSON WILSON
Chief Clerk of the Assembly

MEMORANDA OF UNDERSTANDING

Tentative Agreement/Memorandum of Understanding (MOU) with Bargaining Unit 6, dated June 4, 2019, was received in the Senate from the California Department of Human Resources (CalHR) and filed pursuant to Senate Rule 29.4, and is hereby noted in the Assembly Journal. (See Senate Journal for June 4, 2019.)

REPORTS

The following letters of transmittal were presented by the Chief Clerk and ordered printed in the Journal:

California State Auditor

I2019-1
March 26, 2019

*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: In addition to the financial, performance, and high risk audits that my office performs, we administer the statutory provisions of the California Whistleblower Protection Act, which states that employees should be free to report improper governmental activities without fear of retribution. My investigations division's exclusive mission is to receive, review, and investigate allegations of state employees committing improper governmental activities within state agencies. In fiscal year 2017–18 alone, my staff substantiated or actively pursued evidence for nearly 1,500 allegations.

When an investigation substantiates improper governmental activities, my office may issue public reports summarizing our investigative work, but we do so only after carefully weighing the interests of the State and our obligation to keep confidential the identities of the whistleblowers and the employees involved. I also have authority to issue nonpublic reports to the heads of the agencies involved and, if appropriate, to the Office of the Attorney General and the appropriate legislative policy committees, when I determine that this reporting method will best correct the improper activity while protecting whistleblowers and cooperating witnesses.

In April 2015, my staff deemed credible allegations involving improper governmental activities by a department director and her daughter who worked at the same department. Because of the limited scope of these initial allegations against the department's highest ranking officer, and as state law allows, my office formally referred the case to the department's oversight agency for it to complete further investigation by June 2015. In that written referral, we cautioned agency

officials that, by law, they must keep confidential the existence and details of the complaint, and that they could not disclose any information provided by my office or obtained from reviewing or investigating the allegations.

Nevertheless, we later learned that, within just a few weeks of our issuance of that confidential referral to the oversight agency, the agency secretary directly violated the law by sharing with the director information of the impending investigation, which is evidenced by an email between the director and the agency secretary. In that email, the director defended her daughter's presence in the department and speculated that the allegations came from within a particular ethnic group of employees. A few hours later, the director further shared with her brother, who also worked at the department, her email to the agency secretary, and the director indicated to the brother that he should delete the email after reading it.

In addition to the agency secretary's clear disregard of confidentiality requirements, the oversight agency failed to provide its final investigative report to us until a full year after the 60-day deadline required by law. During that year, my office received additional allegations of other instances of the director's improper governmental activities. Given the increased number and scope of the whistleblower accusations and our heightened concern about confidentiality and protecting whistleblowers against retaliation, we decided that the oversight agency's response to the investigative request was insufficient to fully address the allegations. Therefore, we incorporated the agency's findings into a separate and larger investigation that my staff conducted.

In the course of our investigation, my staff searched through more than one million emails to extract relevant evidence and interviewed dozens of witnesses regarding allegations spanning seven years. An alarming 20 of the individuals we interviewed told us that they feared retaliation from the director for their involvement in our investigation. Our concern was amplified when we learned in December 2017 that, despite our warnings to the director to avoid retaliatory conduct, the director attempted to confirm the identity of the suspected whistleblower by instructing an employee to review more than two years of email messages exchanged between a suspected whistleblower and department employees.

As we were wrapping up the last details of the investigation, we provided the oversight agency with a draft copy of our investigative findings and the director retired from state employment shortly after. Determining that it served the best interests of the State, the whistleblowers, and the witnesses, we issued a nonpublic report in May 2018 to the head of the agency, the then-Governor, key legislative leaders, and to the heads of the State Personnel Board and the California Department of Human Resources to allow these entities time to conduct their oversight responsibilities. As you will see, this investigative report details improper governmental activities spanning from 2011 through 2018 where the now-former director influenced a significant number of improper personnel transactions to benefit her daughter and another employee. Throughout our investigation, we found that the director repeatedly violated merit-based employment principles and engaged in nepotism, bad faith hires, improper promotions and transfers, attempted retaliation, and other misconduct that presented a risk to the State and which, in their entirety, constitute gross misconduct.

After we issued the nonpublic report in May 2018, we expected that the agency would take swift and appropriate disciplinary action against the director and associated subjects, protect those who cooperated with the investigation, and implement our recommendations to prevent future improper activities. Despite the agency providing its mandated monthly updates to us, we do not yet see evidence that the agency has acted with appropriate rigor to remediate the effects of the director's behavior; in fact, since we informed the oversight agency of our findings, it has not fully implemented any of the recommendations we made in the report. As of March 2019 and excluding duplicative recommendations, the agency has four pending recommendations, four partially implemented recommendations, and two recommendations we deemed resolved because impacted employees resigned or retired from state service. See Appendix A for a detailed analysis of the agency's progress in implementing our recommendations.

The agency's lack of demonstrable progress in implementing our recommendations, combined with the briefing we provided to the new administration and our determination that the threat of retaliation at the department had significantly decreased, all lead me to conclude that it is now in the best interest of the State to publicly report the findings of this investigation. Most importantly, since most of the employees involved in the investigation have since left the department, as have the director and the director's family members, many associated subjects, whistleblowers and cooperating witnesses no longer face significant threats of reprisal. Therefore, the following is the original report in its entirety, with the removal only of names that we are required to keep confidential and the addition of Appendix A, describing the agency's response thus far to our recommendations.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Business and Professions.

California State Auditor

2018-129
March 28, 2019

*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 regarding the Employment Development Department's (EDD) privacy protection practices when mailing documents to its customers. Based on our determination that EDD likely sent more than 17 million pieces of mail containing full Social Security numbers (SSNs) to a total of more than a million people in fiscal year 2017-18, this report concludes that EDD's practice of including full SSNs on mail continues to put its customers at risk of identity theft.

The recipients of these mailings are individuals who seek or receive benefits from two programs that EDD administers: the State's Disability Insurance program (Disability) and Unemployment Insurance program

(Unemployment). These programs provide wage replacement benefits to eligible workers who are unemployed, disabled, or caring for new children or ill family members (claimants). Some of EDD's claimants and members of the Legislature have expressed concerns about EDD's practice of mailing documents to claimants that contain SSNs, yet EDD still sends every Disability and Unemployment claimant documents containing full SSNs.

Although EDD has undertaken efforts since 2015 to reduce the amount of mail it sends to claimants that include full SSNs, its efforts have been insufficient. Several of the security incidents that we reviewed from 2015 through 2018 showed that EDD exposed nearly 300 claimants to the risk of identity theft when it inappropriately disclosed their personal information, including SSNs, to other mail recipients.

EDD intends to incorporate a unique identifier that will replace its need for printing full SSNs as part of its benefit systems modernization project (modernization project). However, EDD will not complete its modernization project—which includes replacing its aging IT infrastructure—any earlier than September 2024. At the time of our audit, EDD did not have a short-term plan for removing remaining SSNs from the high-volume documents that totaled more than 13 million mailings in fiscal year 2017–18.

We believe that EDD needs to take near-term measures to better protect its claimants, and that it cannot wait to address these identity theft risks for the at least five and a half years it will take to complete its modernization project. To that end, we identify in this report interim solutions that EDD could implement to replace full SSNs on each of the types of documents we reviewed during our audit.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Labor and Employment and the Committee on Privacy and Consumer Protection.

California State Auditor

2018-115
April 4, 2019

*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 report detailing our audit of the Department of Health Care Services' (DHCS) oversight of the Health Plan of San Joaquin (San Joaquin) and other similar Medi-Cal managed care health plans (health plans) with which DHCS contracts for the provision of quality health care to Medi-Cal beneficiaries. This report concludes that DHCS provides sufficient oversight to ensure that health plans meet state and federal quality of care requirements. However, DHCS does not provide some important oversight and guidance to health plans, such as guidance concerning which administrative expenses are reasonable and necessary.

We found that DHCS' processes for ensuring that health plans provide quality of care at a level consistent with state and federal requirements are appropriate. DHCS requires health plans to engage in an improvement process known as a quality corrective action plan (quality CAP) when they fail to meet quality of care standards specified in state regulations. DHCS properly identified those health plans that met its criteria to be placed on a quality CAP, required them to conduct activities aimed at improving quality, conducted appropriate monitoring activities to ensure that the health plans' actions addressed the identified deficiencies, and took appropriate steps when they did not achieve the goals of the quality CAPs.

However, we did find several aspects of DHCS' oversight that it could improve. It does not consistently ensure that health plans have proper processes in place to prevent, identify, and address fraud, and it does not evaluate whether health plans have controls in place to prevent conflicts of interest. Additionally, DHCS does not provide health plans with guidance on what types of administrative expenses are reasonable and necessary, which likely contributed to the health plans we reviewed making some questionable expenditures. Finally, we reviewed the employee bonuses paid by three health plans and found that, although health plans are allowed to use Medi-Cal funds to pay reasonable employee bonuses, DHCS does not oversee whether such bonuses are reasonable.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Health.

California State Auditor

I2019-2
April 9, 2019

*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: The California State Auditor, as authorized by the California Whistleblower Protection Act, presents this report summarizing some of the investigations of alleged improper governmental activities that my office completed between July 2018 and December 2018.

This report details eight substantiated allegations involving several state agencies and one university campus. Our investigations found inefficient management of state resources, misuse of state time and inaccurate attendance records, and inadequate supervision. In total, we identified about \$150,000 in inappropriate expenditures.

For example, the California Department of Tax and Fee Administration (CDTFA) and the former State Board of Equalization failed to ensure that 25 managers and supervisors, who worked non-standard schedules and were exempt from certain federal reporting requirements, accurately reported their leave. As a result, these employees were overpaid at least \$72,000 during a more than two-year period. We also estimated that overpayments to other CDTFA

employees in similar job classifications may have totaled more than \$500,000 during the same period.

In an additional case, we describe the investigation of a California State University (CSU) campus police officer who engaged in a pattern of time and attendance abuse and failed to perform her duties adequately because she regularly took time at work to lie down and at times fell asleep. This misuse resulted in a waste of state funds that totaled as much as \$16,400. The CSU also paid the officer more than \$3,900 for other work hours for which she could not account or did not work.

State agencies must report to my office any corrective or disciplinary action taken in response to recommendations we have made. Their first reports are due within 60 days after we notify the agency or authority of the improper activity, and they must continue to report monthly thereafter until they have completed corrective actions.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Business and Professions.

California State Auditor

2016-137
April 25, 2019

*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: At the request of the Joint Legislative Audit Committee, the California State Auditor presents this audit report of the Commission on Judicial Performance (CJP). CJP is the agency charged with investigating complaints about judicial misconduct and deciding whether to discipline California judges for violations of the code of judicial ethics, and our review found that CJP must address the following weaknesses:

- It does not consistently take all reasonable steps when it investigates alleged misconduct.
- Its structure and disciplinary processes do not align with best practices.
- It has not worked sufficiently to increase its transparency and accessibility.

In about one-third of the cases we reviewed, we found that CJP's investigators did not take all reasonable steps to determine the existence or extent of alleged misconduct, such as inappropriate demeanor or improper delegation of duties to court staff. These missed steps include not speaking with all relevant witnesses, not obtaining additional evidence, and not taking a broad approach to determining misconduct in light of a pattern of allegations. Furthermore, CJP's structure—as a single entity that both investigates alleged judicial misconduct and makes decisions about the appropriate level of discipline—results in judges facing potential discipline from a body of commissioners that is privy to unfounded allegations of misconduct. CJP also delegates responsibility for evidentiary hearings on alleged misconduct to

three judges appointed by the Supreme Court of California, a practice that falls short of the voters' intent to increase the public's role in judicial discipline with the passage of Proposition 190 in 1994. Finally, CJP has not taken steps to hold meetings that are open to the public or to accept electronically submitted complaints, despite decades of public scrutiny about its lack of transparency and inaccessibility.

CJP's operations and structure must change significantly to address the issues that this audit revealed. CJP can change its internal policies to address concerns about the planning and supervision of its investigations. However, changes to CJP's structure will require an amendment to the California Constitution and CJP will need to inform the Legislature about any related funding needs as it adjusts its practices.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Judiciary.

California State Auditor

2018-030
April 30, 2019

*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 Chapter 659, Statutes of 2018 requires, the California State Auditor presents this audit report regarding the State Bar of California (State Bar).

This report concludes that State Bar should balance its need for fee increases with other actions to raise revenue and decrease costs. We evaluated State Bar's proposed fee increases and determined that the amounts were higher than necessary for 2020. State Bar's proposal would increase active attorneys' mandatory fees from \$383 in 2019 to \$813 in 2020. However, we found costs that could be reduced or delayed and recommend total annual fees in 2020 of \$525 for each active licensee instead. For example, State Bar included in its calculations a plan to hire 58 new staff members to reduce its backlog of cases involving attorney misconduct. However, certain changes State Bar implemented from 2017 through early 2019 to improve its discipline process may decrease the number of employees it needs. Thus, we recommend an initial increase of only 19 new staff members in 2020. We also recommend reductions to the fee amounts proposed by State Bar to fund specific programs and projects, such as capital improvements and information technology projects, because some projects and improvements are unnecessary at this time or too early in the planning phase to justify immediate funding.

Furthermore, to potentially offset future fee increases, we found that State Bar could increase the revenue it receives from leasing space in the building it owns in San Francisco. State Bar should also continue to implement performance measures that have the potential to increase efficiency and decrease costs. Finally, we recommend that the Legislature adopt a multiyear fee-approval cycle that will allow

State Bar to better engage in its own fiscal planning and still maintain the Legislature's necessary oversight. Specifically, we suggest a three-year fee-approval cycle that includes fee reviews and a fee cap. As part of a fee review, State Bar would need to demonstrate that it is performing its key functions effectively and justify any proposed fee increases.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Judiciary.

California State Auditor

I2019-3
May 7, 2019

*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: The California State Auditor, as authorized by the California Whistleblower Protection Act, presents this report summarizing some of the investigations of alleged improper governmental activities that my office completed between July 2018 and December 2018. These cases are in addition to the eight investigations we completed during the same time period and summarized in Investigative Report I2019-2, April 2019.

This report details six substantiated allegations involving several state agencies. Our investigations found wasteful and improper travel payments, improper promotion and hiring practices, and misuse of state resources. In total, we identified about \$427,000 in inappropriate expenditures.

In two separate examples, the California Department of Transportation and the Department of State Hospitals each paid for disallowed travel expenses: a manager and an administrator were each allowed to fly from near their respective homes to their state offices in Sacramento where they either were or should have been headquartered. These two cases resulted in combined waste and improper payments of nearly \$90,000.

In another case, a senior management employee with the California Department of Fish and Wildlife dishonestly represented his work experience and received a promotion to branch chief for which he was not qualified. The employee received \$234,717 in compensation through December 2018 as a result of his improper promotion.

State agencies must report to my office any corrective or disciplinary action taken in response to recommendations we have made. Their first reports are due within 60 days after we notify the agency or authority of the improper activity, and they continue to report monthly thereafter until they have completed corrective action.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Business and Professions.

California State Auditor2018-120
May 14, 2019

*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 regarding the San Francisco Bay Conservation and Development Commission's (commission) enforcement program. This report concludes that the commission has neglected its responsibility to protect the San Francisco Bay (Bay) and the Suisun Marsh.

The Legislature created the commission to regulate development in and around the Bay by issuing permits to ensure that activities do not harm the Bay and protect public access. However, the commission has struggled to enforce permit requirements and has a backlog of 230 enforcement cases. The commission is considering amnesty for some of the violators in these cases, even though cases may represent ongoing harm to the Bay. Moreover, the commissioners have not provided staff sufficient guidance for the enforcement process, resulting in the improper delegation of certain enforcement decisions to staff. In fact, the commission's enforcement committee never met from October 2011 through June 2016, and during this period staff handled all enforcement cases. Some of these cases involved violations that could cause significant harm to the Bay, even though regulations do not generally authorize staff to process cases causing significant harm to the Bay.

We reviewed a selection of the commission's enforcement case files and identified multiple instances where staff failed to follow requirements when imposing fines. Although a single case may include multiple violations, each with a \$30,000 maximum fine, neither state law nor commission regulations provide specific guidance for what constitutes a *single violation*. This absence of guidance increases the risk of staff inconsistently applying fines to comparable cases, as it did in two enforcement cases that involved substantially similar dredging activities. In these cases, staff identified differing numbers of individual violations within each case, which resulted in assessment of significantly different fine amounts for, essentially, the same actions. Finally, it is unclear whether the commission's recent creation and implementation of a complex system to prioritize its cases will help the commission identify and close cases more efficiently, and the system may not effectively identify cases that the commission should give high priority.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Natural Resources.

California State Auditor2018-132
May 16, 2019

*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 directed by the Joint Legislative Audit Committee, the California State Auditor conducted an audit of the California Department of Justice's Bureau of Gambling Control (bureau) and the California Gambling Control Commission (commission). The audit focused on each entity's regulatory duties that the Gambling Control Fund supports, which include the licensing of individuals who own or work in card rooms. This report concludes that the bureau's and commission's incomplete or inconsistent procedures have contributed to delays and backlogs for gaming license applicants and have resulted in unequal treatment for applicants and licensees.

Despite receiving significant additional resources from the Legislature, the bureau has failed to clear its backlog of pending license applications. In fact, its productivity has declined over the past few fiscal years, and our review identified inefficiencies in its processes and concerns about how staff report spending their time. The bureau and the commission have each engaged in inefficient practices that delay licensing denials, and it may require legislative intervention to address the commission's delays.

To varying degrees, both the bureau and the commission have charged fees that result in unequal treatment of license applicants. Although our review did not identify evidence of discrimination by either entity on the basis of individuals' ethnicities or related characteristics, we determined that the bureau's incomplete or inconsistent procedures resulted in unequal treatment related to the level of scrutiny applicants received. Furthermore, neither the bureau nor the commission has addressed the fact that the fees they charge do not align with their costs for providing oversight. Such misalignment has contributed to an excessive surplus in the Gambling Control Fund and may call into question the legality of some fees.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Governmental Organization.

California State Auditor2018-126
May 21, 2019

*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 directed by the Joint Legislative Audit Committee, the California State Auditor conducted an audit of the health and safety of children in the care of the Los Angeles County Department of Children and Family Services (department). Our assessment concludes that the department unnecessarily risks the health and safety of the children in its care because it does not consistently complete child abuse and neglect investigations, and related safety and risk assessments, on time or accurately. As a result, the department leaves some children in unsafe and abusive situations for months.

Safety and risk assessments are critical tools used to assess a child's immediate safety and the likelihood that the department will receive future allegations of child abuse or neglect for a family. The department completed only 72 percent of its safety assessments and 76 percent of risk assessments on time during fiscal year 2017–18, and it failed to complete 10 percent of safety assessments and 8 percent of risk assessments. We also found numerous instances in which these assessments were not accurate, including several safety assessments that social workers prepared and submitted without actually visiting the child's home. Even if supervisors had identified and corrected many of these issues upon review, we found that they often completed such reviews long after social workers had made decisions regarding children's safety.

Further, despite budget increases that allowed the department to hire more social workers and reduce caseloads, it did not comply with several other state-required child welfare practices. The department did not consistently perform required home inspections and criminal background checks before placing children with relatives of their families. In fact, of the 22 relative placements we reviewed, the department conducted only 16 of the required in-home inspections prior to placement, and it documented the completion of mandatory pre-placement criminal background checks for only five of these placements.

We identified several underlying causes for the department's deficiencies. In particular, the department does not have specific time frames for when supervisors must complete reviews of safety and risk assessments. It also currently performs quality assurance reviews on only a limited number of social workers' cases, and these reviews do not include an analysis of the quality of supervisors' reviews. Finally, although it reviews the circumstances surrounding child deaths, the department does not have a process for ensuring that it implements the recommendations resulting from such reviews.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Human Services.

California State Auditor2018-131
May 23, 2019

*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 pertaining to the Alum Rock Union Elementary School District (district) and its operational and financial practices, governance, and public transparency. This report concludes that the district and its board of trustees (board) must improve their governance and operations to effectively serve the community.

Specifically, the board did not use a structured process to choose the most qualified firm when soliciting and awarding certain contracts related to construction projects, despite state law and district policy requiring it to do so. We also question the district's decision to hire a contractor to oversee its own work managing the construction of school improvement projects rather than seeking another firm to perform such oversight for quality control purposes. Moreover, the district neither has procedures for monitoring its contractors to ensure that they have fulfilled the terms of their contracts, nor provides the board with sufficient information about its payments to contractors. The district is also unaware of whether some of the individuals with whom it contracts have conflicts of interest because the district lacks procedures to identify those individuals who should disclose their financial interests.

The board's actions at its meetings have also raised concerns about its transparency and accountability to the community. In two instances, board members did not properly recuse themselves from voting on certain decisions as state law requires, and in another instance, the board violated state law by not having a sufficient number of board members present within the district when voting on several decisions. In yet another instance, the board could not demonstrate to the public that the law firm it selected to serve as the district's general counsel was the appropriate choice because it did not adhere to district policy requiring a comparative evaluation of proposals. Furthermore, the board has not yet taken action to implement many of the recommendations made by the Fiscal Crisis and Management Assistance Team in its June 2017 audit of the district. Finally, although the board is not subject to a state law requiring biennial ethics training, we believe that—given the concerns we identified—it would be prudent for board members to receive such training.

Respectfully submitted,

ELAINE M. HOWLE, CPA
California State Auditor

Above report referred to the Committee on Education.

RESOLUTIONS

The following resolutions were offered:

ASSEMBLY CONCURRENT RESOLUTION NO. 98—Wicks and Weber (Principal coauthor: Levine) (Principal coauthor: Senator Beall) (Coauthor: Wood) (Coauthor: Senator Leyva). Relative to mental health and substance use treatment.

ASSEMBLY CONCURRENT RESOLUTION NO. 99—Low (Principal coauthors: Cervantes, Eggman, and Gloria) (Principal coauthors: Senators Atkins, Galgiani, and Wiener) (Coauthors: Aguiar-Curry, Arambula, Bauer-Kahan, Bloom, Boerner Horvath, Bonta, Burke, Calderon, Carrillo, Chiu, Chu, Friedman, Gabriel, Cristina Garcia, Gipson, Gonzalez, Kalra, Kamlager-Dove, Levine, Maienschein, McCarty, Medina, Muratsuchi, Nazarian, O'Donnell, Petrie-Norris, Quirk, Quirk-Silva, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Smith, Mark Stone, Ting, Wicks, and Wood). Relative to civil rights.

AUTHOR'S AMENDMENTS**Committee on Budget**

June 4, 2019

Mr. Speaker: The Chair of your Committee on Budget reports:

Senate Bill No. 84

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

TING, Chair

SENATE BILL NO. 84—An act relating to the Budget Act of 2019.

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 Business and Professions

June 4, 2019

Mr. Speaker: The Chair of your Committee on Business and Professions reports:

Senate Bill No. 339

Senate Bill No. 787

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

LOW, Chair

SENATE BILL NO. 339—An act to add Section 8790.5 to the Business and Professions Code, relating to professions and vocations.

Bill read second time.

SENATE BILL NO. 787—An act to amend Sections 1846 and 1847 of the Civil Code, to amend Section 14503 of the Corporations Code, to amend Sections 17003, 31607, 31621, 31622, 31752.5, 32001, and 32003 of the Food and Agricultural Code, to amend Section 25802 of the Government Code, to amend Sections 25988, 121690, 121916, 122045, 122125, 122322, and 122323 of the Health and Safety Code, and to amend Sections 597, 597.2, 597e, 597f, 597u, 597v, and 599e of the Penal Code, relating to animal welfare.

Bill read second time.

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

Committee on Elections and Redistricting

June 4, 2019

Mr. Speaker: The Chair of your Committee on Elections and Redistricting reports:
Senate Bill No. 151

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

BERMAN, Chair

SENATE BILL NO. 151—An act to amend Sections 11320, 13300, and 13303 of the Elections Code, relating to elections.

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 Public Safety

June 4, 2019

Mr. Speaker: The Chair of your Committee on Public Safety reports:
Senate Bill No. 257

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

JONES-SAWYER, Chair

SENATE BILL NO. 257—An act to add Section 29880 to the Penal Code, relating to firearms.

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.

June 4, 2019

Mr. Speaker: The Chair of your Committee on Public Safety reports:
Senate Bill No. 36
Senate Bill No. 164

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

JONES-SAWYER, Chair

SENATE BILL NO. 36—An act to add Section 1320.35 to the Penal Code, relating to pretrial release.

Bill read second time.

SENATE BILL NO. 164—An act to amend Section 1209.5 of the Penal Code, relating to infractions.

Bill read second time.

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

Committee on Transportation

June 4, 2019

Mr. Speaker: The Chair of your Committee on Transportation reports:
Senate Bill No. 277

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

FRAZIER, Chair

SENATE BILL NO. 277—An act to amend Section 2033 of the Streets and Highways Code, relating to transportation.

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.

REPORTS OF STANDING COMMITTEES

Committee on Higher Education

Date: June 4, 2019

Mr. Speaker: Your Committee on Higher Education reports the following bill pursuant to the provisions of Joint Rule 62(a):

Assembly Bill No. 1571

MEDINA, Chair

Above bill ordered filed with the Chief Clerk.

Committee on Education

Date: June 4, 2019

Mr. Speaker: Your Committee on Education reports the following bills pursuant to the provisions of Joint Rule 62(a):

Assembly Bill No. 750

Assembly Bill No. 1586

O'DONNELL, Chair

Above bills ordered filed with the Chief Clerk.

Committee on Public Employment and Retirement

Date: June 3, 2019

Mr. Speaker: Your Committee on Public Employment and Retirement reports the following bill pursuant to the provisions of Joint Rule 62(a):

Assembly Bill No. 249

RODRIGUEZ, Chair

Above bill ordered filed with the Chief Clerk.

Committee on Judiciary

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:

Senate Bill No. 495

Senate Bill No. 630

Senate Bill No. 645

With the recommendation: Do pass.

MARK STONE, Chair

Above bills ordered to second reading.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:

Senate Bill No. 314

With the recommendation: Do pass.

Pursuant to the provisions of Joint Rules Nos. 22.1, 22.2, and 22.3, the committee recommends that the above bill be placed on the Consent Calendar.

MARK STONE, Chair

Above bill ordered to second reading.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:

Senate Bill No. 188

With the recommendation: Do pass, and be re-referred to the Committee on Appropriations.

MARK STONE, Chair

Above bill re-referred to the Committee on Appropriations.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:

Senate Bill No. 60

With the recommendation: Do pass, and be re-referred to the Committee on Appropriations with the recommendation: To Consent Calendar.

MARK STONE, Chair

Above bill re-referred to the Committee on Appropriations.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:

Senate Bill No. 544

Senate Bill No. 680

With the recommendation: Amend, and do pass as amended.

MARK STONE, Chair

Above bills ordered to second reading.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:

Senate Bill No. 30

With the recommendation: Amend, and do pass as amended, and be re-referred to the Committee on Appropriations.

MARK STONE, Chair

Above bill ordered to second reading.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:

House Resolution No. 34

With the recommendation: Be adopted.

Pursuant to the provisions of Joint Rules Nos. 22.1, 22.2, and 22.3, the committee recommends that the above resolution be placed on the Consent Calendar.

MARK STONE, Chair

Above resolution ordered to Consent Calendar.

Committee on Public Safety

Date: June 4, 2019

Mr. Speaker: Your Committee on Public Safety reports the following bills pursuant to the provisions of Joint Rule 62(a):

Assembly Bill No. 445

Assembly Bill No. 1147

Assembly Bill No. 997

Assembly Bill No. 1772

Assembly Bill No. 1096

JONES-SAWYER, Chair

Above bills ordered filed with the Chief Clerk.

Committee on Environmental Safety and Toxic Materials

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Environmental Safety and Toxic Materials reports:
Senate Bill No. 232

With the recommendation: Do pass.

Pursuant to the provisions of Joint Rules Nos. 22.1, 22.2, and 22.3, the committee recommends that the above bill be placed on the Consent Calendar.

QUIRK, Chair

Above bill ordered to second reading.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Environmental Safety and Toxic Materials reports:
Senate Bill No. 413

With the recommendation: Amend, and do pass as amended, and be re-referred to the Committee on Local Government.

QUIRK, Chair

Above bill ordered to second reading.

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Environmental Safety and Toxic Materials reports:
Senate Bill No. 552

With the recommendation: Do pass, and be re-referred to the Committee on Appropriations with the recommendation: To Consent Calendar.

QUIRK, Chair

Above bill re-referred to the Committee on Appropriations.

Committee on Judiciary

Date of Hearing: June 4, 2019

Mr. Speaker: Your Committee on Judiciary reports:
Senate Bill No. 225

With the recommendation: Do pass.

MARK STONE, Chair

Above bill ordered to second reading.

ENGROSSMENT AND ENROLLMENT REPORTS

Assembly Chamber, June 4, 2019

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

- Assembly Concurrent Resolution No. 29
- Assembly Concurrent Resolution No. 51
- Assembly Concurrent Resolution No. 74
- Assembly Concurrent Resolution No. 75
- Assembly Concurrent Resolution No. 76
- Assembly Concurrent Resolution No. 80
- Assembly Concurrent Resolution No. 93

And reports the same correctly enrolled, and presented to the Secretary of State on the 4th day of June, 2019, at 2:30 p.m.

E. DOTSON WILSON, Chief Clerk

ADJOURNMENT

At 3 p.m., the Assembly adjourned until 7 a.m., Wednesday, June 5, 2019.

ANTHONY RENDON, Speaker

TAMMY WEIS, Assistant Minute Clerk

**AMENDMENTS CONSIDERED BY THE
ASSEMBLY ON JUNE 4, 2019**

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

SB	RN
36	1915979
84	1916282
151	1916318
164	1916169
257	1916462
277	1916447
339	1916317
787	1916076

Daily Total:	8
Cumulative Total:	2062

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