

### **AFTER THE BILL INTRODUCTION DELUGE**

As expected, last Friday was a huge day for bill introductions, with fully 1,009 bills and proposed constitutional amendments introduced – nearly 36 percent of all such measures introduced this year. Added to the 60+ bills introduced this week by legislative committees (which are not subject to the bill introduction deadline), that brings the total number of substantive law measures introduced in the current session to 2,813 (plus 34 special session measures).

In all, 1,989 -- over 70% -- of the bills introduced this year went “across the desk” last week.

The 1,009 bills introduced last Friday was far from the single-day record, however. Two years ago, 1,313 bills were introduced at the deadline.

### **UNFAIR COMPETITION LAW DEVELOPMENTS**

Now that the bill introduction dust has cleared, it appears that 11 measures have been introduced to amend California’s [Unfair Competition Law](#) (“UCL,” B&P Code §17200 *et seq.*), which has been the focus of recent controversy due to the spate of allegedly abusive lawsuits filed pursuant to that law against minority-owned auto repair shops, nail salons, restaurants, and other small businesses by certain law firms.

Most of the bills have been introduced by Republican lawmakers from Orange and Riverside counties, and many are clearly “spot” bills introduced as vehicles for more substantive provisions later in the legislative session, pending developments on several other fronts. Those other fronts include the [announcement](#) Wednesday by Attorney General [Bill Lockyer](#) that he was filing [suit](#) against one of the law firms in question, the Trevor Law Group of Beverly Hills. The AG’s complaint alleges that the firm’s actions violated the same Unfair Competition Law upon which it was basing its actions, and seeks full restitution of all moneys it acquired through out-of-court settlements.

Lockyer is quoted (in the [Metropolitan News-Enterprise](#), [San Francisco Chronicle](#), and other news articles) as saying: “There’s some delicious irony in using 17200 against people who are abusing it.”

The State Bar has also initiated a [disciplinary investigation](#) into the activities of the lawyers of the Trevor Law Group. Completely separate from the disciplinary investigation, the Bar is sponsoring an [informational seminar](#) Saturday, March 1, in its Los Angeles office, on UCL issues, with a “particular focus on the representation of minority and small business clients and a discussion of strategies for advising all clients regarding these types of cases.”

The bills introduced so far to amend the UCL are:

- [AB 69 \(Correa\)](#) – Legislative vehicle.
- [AB 95](#) (Assm. Judiciary Committee) – Legislative vehicle.
- [AB 102 \(Pacheco & Harman\)](#) – Would create a special category of “representative civil action” in the UCL and establish special procedures and limitations relating thereto.
- [AB 599 \(Dutton\)](#) – Would re-define “unfair competition” to require business practices to be both unlawful *and* (nor “or”) unfair or fraudulent, and would place other limitations on private enforcement actions under the UCL.
- [AB 754 \(Bogh\)](#) – Would limit application of the law to unfair practices, rather than to both acts and practices.
- [SB 122 \(Escutia\)](#) – Legislative vehicle.
- [SB 723 \(Knight\)](#) – Legislative vehicle.
- [SB 889 \(Johnson\)](#) – Would exempt small businesses (fewer than 50 employees) from private actions under the act.
- [SB 890 \(Johnson\)](#) – Would create a category of “representative civil actions” and require plaintiffs in such actions who have not been injured themselves to deposit 85 percent of any judgment or settlement into a state restitution fund for crime victims.

- [SB 910 \(Margett & Ackerman\)](#) – Legislative vehicle.
- [SB 912 \(Ackerman\)](#) – Would preclude private persons from initiative specified types of unfair competition actions.

#### STATE BAR FEE BILL INTRODUCED

One of the committee bills introduced this week (Wednesday) was [AB 1708](#), the bill sponsored by the State Bar's Board of Governors to extend its authority to collect from California attorneys the fees it needs to operate. The bill is authored by the Assembly Judiciary Committee, nine members of which so far have put their names on the measure. Assembly Judiciary Committee Chair [Ellen Corbett](#) (D-San Leandro) is lead on the bill.

As introduced, AB 1708 simply would extend the Bar's funding authority for one year. Additional amendments to make necessary corrective and beneficial changes in the State Bar Act are being reviewed by the bill's authors, for insertion into the measure prior to its first hearing in the Judiciary Committee. That hearing is planned for early April.

The Assembly Judiciary Committee also introduced on Wednesday [AB 1711](#), a "spot" bill making a non-substantive change in the State Bar Act. The bill is not targeted at the State Bar, however, but is intended merely as a vehicle for any needed changes to the Business & Professions Code identified by the committee. This is one of several such "spot" bills introduced by the committee in various codes.

#### A MORE MELLOW ASSEMBLY?

For much of the past thirty years the Assembly has been more vocal, physical, and combative than the Senate. Members have often yelled at one another in private and public meetings, and there have been a few fist fights and public challenges to fisticuffs. During one floor session several years ago, the presiding officer of the Assembly wore an army helmet so members would get an idea of how combative they were acting.

Historically, the greatest antagonism has been aimed at members of the opposing political party. Recently, however, Democrats and Republicans (in both houses) have taken to bickering among themselves as well– for example, Republicans criticizing fellow Republicans who vote for the budget, and members of the Assembly's Democrat Latino Caucus walking out of meetings, and refusing to go along with the Caucus's "party line."

Flash forward to this week: Several stories have appeared about Assembly Democrats and Republicans creating a task force to work together to resolve the budget mess. The new group, made up of seven Democrats and five Republicans, sent a letter to Assembly Speaker [Herb Wesson](#) (D-Los Angeles) and Minority Leader [Dave Cox](#) (R-Sacramento) that said: "It is time to try something different." The group asked for hearings to begin immediately so the Legislature can meet its constitutional budget deadline of June 15. They proposed no specific cuts or tax hikes to close the large budget deficit.

Democrat [Joe Canciamilla](#) (Contra Costa County) and Republican [Keith Richman](#) (Los Angeles and Ventura counties) are reported to be the members who started the nonpartisan group. Canciamilla said: "We're talking about trying to change the culture of the Legislature." Republican [Tom Harman](#) (Orange County) said: "In 83 days we have not really done anything" pertaining to solving the budget deficit. (NOTE: There is a rumor going around the Capitol that Assembly committee meetings will be canceled next week so everyone can focus on the budget.)

A long-time, highly respected member of the Legislature who has a history of working with both parties told the Scene that: "I understand the reasoning behind the formation of the task force and perhaps it will prove beneficial to solving the budget crisis. However, I am concerned about party discipline - which is necessary around here for some degree of order."