

AMENDED IN ASSEMBLY DECEMBER 13, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

**ASSEMBLY BILL**

**No. 531**

---

---

**Introduced by Assembly Member Salas**

February 21, 2007

---

---

~~An act to amend Section 5920 of the Corporations Code, relating to nonprofit public benefit corporations.~~ *An act to add Section 51204.6 to the Education Code, relating to the public school curriculum.*

LEGISLATIVE COUNSEL'S DIGEST

AB 531, as amended, Salas. ~~Transfer of health facility assets or control.~~ *Curriculum frameworks: social sciences: school segregation.*

*Existing law requires the Curriculum Development and Supplemental Materials Commission to recommend curriculum frameworks to the State Board of Education. The board is required to adopt the content of curriculum frameworks in accordance with specified regulations. The board also is required to bring the curriculum frameworks into alignment with the statewide content and performance standards and to ensure that curriculum frameworks are reviewed and adopted in each of specified subject areas consistent with the cycles for the submission of instructional materials for adoption by the board.*

*This bill would require the case of Mendez v. Westminster School Dist. (64 F. Supp. 544 (C.D. Cal.1946), aff'd, Westminster School Dist. v. Mendez (9th Cir. 1947) 161 F. 2d 774) and the role of this case in the civil rights movement and the desegregation of public schools in California and the nation to be included in the history-social science framework when that framework is next reviewed and adopted.*

~~Existing law, the Nonprofit Public Benefit Corporation Law, provides for the organization, incorporation, and regulation of nonprofit public~~

~~benefit corporations, including, but not limited to, regulation of prescribed sales of assets.~~

~~Existing law requires that certain nonprofit corporations that operate or control a health care facility or that operate or control a facility that provides similar health care, provide written notice to, and obtain the written consent of, the Attorney General prior to entering into any agreement or transaction to transfer a material amount of its assets, or control of its assets, to another nonprofit entity.~~

~~This bill would make a technical, nonsubstantive change.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. The Legislature finds and declares all of the*  
2     *following:*

3     *(a) In 1943, the children of Gonzalo and Felicitas Mendez were*  
4     *denied entry into the 17th Street School in Westminster, California*  
5     *because they were Mexican American. As a result, the Mendez*  
6     *family in March of 1945 joined four other Latino families and sued*  
7     *four school districts in Orange County on behalf of their children*  
8     *and 5,000 others. The Mendez family earned a living as tenant*  
9     *farmers and was able to bring the lawsuit forward with the help*  
10    *of civil rights attorney David Marcus.*

11    *(b) The lawsuit, Mendez v. Westminster School Dist. (64 F.*  
12    *Supp. 544 (C.D. Cal.1946), aff'd, Westminster School Dist. v.*  
13    *Mendez (9th Cir. 1947) 161 F. 2d 774), argued that the school*  
14    *districts denied the children equal protection under the law and*  
15    *due process of law under the Fourteenth Amendment to the United*  
16    *States Constitution. Eventually, amicus curiae briefs were filed by*  
17    *the American Jewish Congress, ACLU, the National Lawyers*  
18    *Guild, the Japanese Americans Citizens League, and the NAACP.*  
19    *The success of the lawsuit led to legislation in California that*  
20    *repealed laws mandating segregation and set legal and strategic*  
21    *precedent for other cases striving to end educational segregation,*  
22    *including the national landmark case of Brown v. Board of*  
23    *Education.*

24    *(c) As a result of the Mendez case, Governor Earl Warren in*  
25    *1947 repealed the last school segregation statutes in California,*  
26    *making California the first state to end school segregation. The*

1 *Mendez case represents the beginning of the end of legal school*  
2 *segregation and signifies the important role of California in the*  
3 *civil rights movement, a role that should be both preserved and*  
4 *remembered.*

5 SEC. 2. Section 51204.6 is added to the Education Code, to  
6 read:

7 51204.6. (a) *The State Board of Education shall ensure that*  
8 *the history-social science framework and instructional materials*  
9 *adopted in the course of the next submission cycle following the*  
10 *date on which this section becomes effective include the case of*  
11 *Mendez v. Westminster School Dist. (64 F. Supp. 544 (C.D.*  
12 *Cal.1946), aff'd, Westminster School Dist. v. Mendez (9th Cir.*  
13 *1947) 161 F. 2d 774) and the role of this case in the civil rights*  
14 *movement and the desegregation of public schools in California*  
15 *and the nation.*

16 (b) *The Legislature encourages instruction on the case of*  
17 *Mendez v. Westminster School Dist. (64 F. Supp. 544 (C.D.*  
18 *Cal.1946), aff'd, Westminster School Dist. v. Mendez (9th Cir.*  
19 *1947) 161 F. 2d 774) to include the oral or video history of the*  
20 *people who were involved in the case and efforts they made to end*  
21 *educational segregation in California. These histories also shall*  
22 *solicit comment from their subjects regarding all of the following:*

23 (1) *The reasons for their involvement in the case.*  
24 (2) *The impact the case had on their lives.*  
25 (3) *The consequences of educational desegregation in the United*  
26 *States.*

27 (c) *The Legislature encourages all state and local professional*  
28 *development activities to provide teachers with content background*  
29 *and resources to assist in teaching about the case of Mendez v.*  
30 *Westminster School Dist. (64 F. Supp. 544 (C.D. Cal.1946), aff'd,*  
31 *Westminster School Dist. v. Mendez (9th Cir. 1947) 161 F. 2d*  
32 *774).*

33 SECTION 1. ~~Section 5920 of the Corporations Code is~~  
34 ~~amended to read:~~

35 ~~5920. (a) (1) Any nonprofit corporation that is defined in~~  
36 ~~Section 5046 and operates or controls a health care facility, as~~  
37 ~~defined in Section 1250 of the Health and Safety Code, or operates~~  
38 ~~or controls a facility that provides similar health care, shall be~~  
39 ~~required to provide written notice to, and obtain the written consent~~

1 of, the Attorney General prior to entering into any agreement or  
2 transaction to do either of the following:

3 (A) Sell, transfer, lease, exchange, option, convey, or otherwise  
4 dispose of, its assets to another nonprofit corporation or entity  
5 when a material amount of the assets of the nonprofit corporation  
6 are involved in the agreement or transaction.

7 (B) Transfer control, responsibility, or governance of a material  
8 amount of the assets or operations of the nonprofit corporation to  
9 another nonprofit corporation or entity.

10 (2) The substitution of a new corporate member or members  
11 that transfers the control of, responsibility for, or governance of  
12 the nonprofit corporation, the substitution of one or more members  
13 of the governing body that would transfer voting control of the  
14 members of the governing body, or any arrangement, written or  
15 oral, that would transfer voting control of the entity shall be deemed  
16 a transfer for purposes of this article.

17 (b) The notice to the Attorney General provided for in this  
18 section shall contain the information the Attorney General  
19 determines is required. The notice, including any other information  
20 provided to the Attorney General under this article, and that is the  
21 public file, shall be made available by the Attorney General to the  
22 public in written form, as soon as is practicable after it is received  
23 by the Attorney General.

24 (c) This section shall not apply to a nonprofit corporation if the  
25 agreement or transaction is in the usual and regular course of its  
26 activities or if the Attorney General has given the corporation a  
27 written waiver of this section as to the proposed agreement or  
28 transaction.

29 (d) This section shall apply to any foreign nonprofit corporation  
30 that operates or controls a health facility, as defined in Section  
31 1250 of the Health and Safety Code, or a facility that provides  
32 similar health care.

33 (e) This section shall not apply to an agreement or transaction  
34 if the other party to the agreement or transaction is an affiliate, as  
35 defined in Section 5031, of the transferring nonprofit corporation  
36 or entity, and the corporation or entity has given the Attorney  
37 General 20 days advance notice of the agreement or transaction.