

AMENDED IN ASSEMBLY AUGUST 22, 2011

AMENDED IN ASSEMBLY JUNE 15, 2011

**SENATE BILL**

**No. 644**

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**Introduced by Senator Hancock**  
**(Coauthors: Senators Leno and Runner)**  
**(Coauthor: Senator DeSaulnier)**  
*(Coauthor: Assembly Member Skinner)*

February 18, 2011

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~~An act to amend Section 1720.4 of the Labor Code, relating to public works.~~ *An act to add Section 5451.5 to the Government Code, relating to local finance, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

SB 644, as amended, Hancock. ~~Public works: volunteers.~~ *West Contra Costa Healthcare District: certificates of participation: lien.*

*The Local Health Care District Law authorizes health care districts in the state to provide for various forms of financing for the purpose of carrying out their duties under the law, including financing secured by public revenues.*

*This bill would require that all obligations of the West Contra Costa Healthcare District in connection with specified certificates of participation be secured by a statutory lien on all of the revenues generated from certain dedicated parcel taxes, according to specified criteria.*

*This bill would make legislative findings and declarations as to the necessity of a special statute for the West Contra Costa Healthcare District.*

*This bill would declare that it would take effect immediately as an urgency statute.*

~~Existing law defines “public works,” for purposes of regulating public works contracts, as, among other things, construction, alteration, demolition, installation, or repair work that is performed under contract and paid for in whole or in part out of public funds. Pursuant to existing law, all workers employed on public works projects are required to be paid not less than the general prevailing rate of per diem, except as specified.~~

~~Existing law governing public works does not apply to specified work performed by a volunteer, a volunteer coordinator, or members of the California Conservation Corps or a community conservation corps.~~

~~Those provisions are effective only until January 1, 2012, and as of that date are repealed.~~

~~This bill would extend the repeal of this provision to January 1, 2017.~~

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

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

1     *SECTION 1. Section 5451.5 is added to the Government Code,*  
2     *to read:*

3     5451.5. (a) *All obligations of the West Contra Costa*  
4     *Healthcare District in connection with any and all certificates of*  
5     *participation executed and delivered by or on behalf of the district*  
6     *between June 8, 2004, and December 31, 2012, including*  
7     *certificates of participation executed and delivered before January*  
8     *1, 2035, to refund those certificates of participation, shall be*  
9     *secured by a statutory lien on all of the revenues generated from*  
10    *parcel taxes levied pursuant to Measure D, approved by the voters*  
11    *of the district at the special election held on June 8, 2004.*

12    (b) *This lien shall arise automatically without the need for any*  
13    *action or authorization by the district or the board of directors of*  
14    *the district. The lien shall be valid and binding from the time the*  
15    *certificates of participation are executed and delivered.*

16    (c) *The parcel tax revenue shall immediately be subject to this*  
17    *lien, and the lien shall immediately attach to the parcel tax revenue*  
18    *and be effective, binding, and enforceable against the district, its*  
19    *successors, purchasers of those revenues, creditors, and all others*  
20    *asserting the rights therein, irrespective of whether those parties*

1 *have notice of the lien and without the need for any physical*  
2 *delivery, recordation, filing, or further act.*

3 *SEC. 2. The Legislature finds and declares that a special law*  
4 *is necessary and that a general statute cannot be made applicable*  
5 *within the meaning of Section 16 of Article IV of the California*  
6 *Constitution because of the unique circumstances regarding*  
7 *financing obligations of the West Contra Costa Healthcare District.*

8 *SEC. 3. This act is an urgency statute necessary for the*  
9 *immediate preservation of the public peace, health, or safety within*  
10 *the meaning of Article IV of the Constitution and shall go into*  
11 *immediate effect. The facts constituting the necessity are:*

12 *In order to enable the West Contra Costa Healthcare District*  
13 *to complete its financing, and meet its obligations to employees,*  
14 *vendors, and other creditors in a timely manner, it is necessary*  
15 *for this act to take effect immediately.*

16 ~~SECTION 1. Section 1720.4 of the Labor Code is amended to~~  
17 ~~read:~~

18 ~~1720.4. (a) This chapter shall not apply to work performed by~~  
19 ~~any of the following:~~

20 ~~(1) A volunteer. For purposes of this section, "volunteer" means~~  
21 ~~an individual who performs work for civic, charitable, or~~  
22 ~~humanitarian reasons for a public agency or corporation qualified~~  
23 ~~under Section 501(c)(3) of the Internal Revenue Code as a~~  
24 ~~tax-exempt organization, without promise, expectation, or receipt~~  
25 ~~of any compensation for work performed.~~

26 ~~(A) An individual shall be considered a volunteer only when~~  
27 ~~his or her services are offered freely and without pressure and~~  
28 ~~coercion, direct or implied, from an employer.~~

29 ~~(B) An individual may receive reasonable meals, lodging,~~  
30 ~~transportation, and incidental expenses or nominal nonmonetary~~  
31 ~~awards without losing volunteer status if, in the entire context of~~  
32 ~~the situation, those benefits and payments are not a substitute form~~  
33 ~~of compensation for work performed.~~

34 ~~(C) An individual shall not be considered a volunteer if the~~  
35 ~~person is otherwise employed for compensation at any time (i) in~~  
36 ~~the construction, alteration, demolition, installation, repair, or~~  
37 ~~maintenance work on the same project, or (ii) by a contractor, other~~  
38 ~~than a corporation qualified under Section 501(c)(3) of the Internal~~  
39 ~~Revenue Code as a tax-exempt organization, that is receiving~~

1 ~~payment to perform construction, alteration, demolition,~~  
2 ~~installation, repair, or maintenance work on the same project.~~  
3 ~~(2) A volunteer coordinator. For purposes of this section,~~  
4 ~~“volunteer coordinator” means an individual paid by a corporation~~  
5 ~~qualified under Section 501(c)(3) of the Internal Revenue Code~~  
6 ~~as a tax-exempt organization, to oversee or supervise volunteers.~~  
7 ~~An individual may be considered a volunteer coordinator even if~~  
8 ~~the individual performs some nonsupervisory work on a project~~  
9 ~~alongside the volunteers, so long as the individual’s primary~~  
10 ~~responsibility on the project is to oversee or supervise the~~  
11 ~~volunteers rather than to perform nonsupervisory work.~~  
12 ~~(3) A member of the California Conservation Corps or of~~  
13 ~~Community Conservation Corps certified by the California~~  
14 ~~Conservation Corps pursuant to Section 14507.5 of the Public~~  
15 ~~Resources Code.~~  
16 ~~(b) This section shall apply retroactively to otherwise covered~~  
17 ~~work concluded on or after January 1, 2002, to the extent permitted~~  
18 ~~by law.~~  
19 ~~(c) This section shall remain in effect only until January 1, 2017,~~  
20 ~~and as of that date is repealed.~~