

**ASSEMBLY BILL**

**No. 274**

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**Introduced by Committee on Environmental Safety and Toxic  
Materials (Assembly Members Alejo (Chair), Dahle (Vice Chair),  
Gonzalez, Gray, McCarty, and Ting)**

February 11, 2015

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An act to add Section 25269.9 to the Health and Safety Code, relating to hazardous substances.

LEGISLATIVE COUNSEL'S DIGEST

AB 274, as introduced, Committee on Environmental Safety and Toxic Materials. Oversight costs: uncollectible accounts.

Existing law requires the Department of Toxic Substances Control to comply with specified procedures when recovering oversight costs for corrective action taken pursuant to the hazardous waste control laws or for removal or remedial actions taken pursuant to the Carpenter-Presley-Tanner Hazardous Substances Account Act. The department is required to take specified actions with regard to uncollectible accounts, including reviewing all current outstanding receivables and making an appropriate adjustment for estimated uncollectible amounts. The department is authorized, if warranted, to write off or write down those receivable amounts.

This bill would define the term “uncollectible account” and, in addition to the authority specified above, would authorize the department not to pursue an uncollectible account and to write off that uncollectible account.

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

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

1     SECTION 1. Section 25269.9 is added to the Health and Safety  
2     Code, to read:

3     25269.9. (a) The Legislature finds and declares both of the  
4     following:

5     (1) The department should prioritize its cost recovery efforts to  
6     make the most efficient use of its resources available for that  
7     activity.

8     (2) It is not cost effective or practicable to seek recovery of an  
9     uncollectible account, as defined in subdivision (b).

10    (b) For purposes of this section, “uncollectible account” means  
11    an oversight cost that meets all of the following conditions:

12    (1) The oversight cost was incurred by the department on or  
13    after July 1, 1987, but not later than December 31, 2013, while  
14    overseeing a cleanup action pursuant to the authority specified in  
15    subdivision (a) of Section 25269.2.

16    (2) The amount of the uncollected cost is not more than five  
17    thousand dollars (\$5,000).

18    (3) The department will not incur further oversight costs with  
19    regard to that cleanup action.

20    (4) The department’s estimated cost to pursue the oversight  
21    costs exceeds the value of the oversight costs.

22    (c) In addition to the authority specified in Section 25269.8, the  
23    department is not required to pursue an uncollectible account and  
24    may write off that uncollectible account.

25    (d) The requirements of Chapter 5 (commencing with Section  
26    13940) of Part 4 of Division 3 of Title 2 of the Government Code  
27    shall not apply to any action taken by the department pursuant to  
28    subdivision (c).