

AMENDED IN ASSEMBLY FEBRUARY 29, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1682**

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**Introduced by Assembly Member Mark Stone**

January 20, 2016

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An act to amend Section 1002 of the Code of Civil Procedure, relating to civil procedure.

LEGISLATIVE COUNSEL'S DIGEST

AB 1682, as amended, Mark Stone. Confidential settlement agreements: *sexual offenses*.

Existing law prohibits a confidential settlement agreement in a civil action with a factual foundation establishing a cause of action for civil damages for an act that may be prosecuted as a felony sex offense. Existing law provides that the prohibition does not affect the ability of parties to enter into a settlement agreement or stipulated agreement requiring nondisclosure of the amount of money paid in settlement of a claim.

This bill would additionally prohibit a ~~confidential~~ *confidentiality provision in a* settlement agreement in a civil action with a factual foundation establishing a cause of action for civil damages for an act of childhood sexual abuse or sexual exploitation of a minor, as ~~defined~~ *specified*. The bill would repeal the provision specifying that a settlement agreement or stipulated agreement that requires nondisclosure of the amount of money paid in settlement of a claim is not prohibited. The bill would make a ~~confidential~~ *confidentiality provision in a* settlement agreement, as described in the bill, entered into on or after January 1, 2017, void as a matter of law and against public policy. The bill would make an attorney who demands such a ~~confidential~~ *confidentiality*

*provision in a settlement agreement as a condition of settlement or who advises a client to sign ~~such~~ an agreement with such a confidentiality provision subject to professional discipline and would require the State Bar of California to investigate and take appropriate action in cases brought to its attention.*

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 1002 of the Code of Civil Procedure is  
2 amended to read:

3 1002. (a) Notwithstanding any other law, a ~~confidential~~  
4 *confidentiality provision within a settlement agreement* is  
5 prohibited in any civil action the factual foundation for which  
6 establishes a cause of action for civil damages for any of the  
7 following:

- 8 (1) An act that may be prosecuted as a felony sex offense.
- 9 (2) An act of childhood sexual abuse, as defined in Section  
10 340.1.

11 (3) An act of sexual exploitation of a minor, as defined in  
12 Section 11165.1 of the Penal ~~Code~~. *Code, or conduct prohibited*  
13 *with respect to a minor pursuant to Sections 311.1, 311.5, or 311.6*  
14 *of the Penal Code.*

15 (b) Subdivision (a) does not preclude an agreement preventing  
16 the disclosure of any medical information or personal identifying  
17 information, as defined in subdivision (b) of Section 530.55 of the  
18 Penal Code, regarding the victim of the offense listed in subdivision  
19 (a) or of any information revealing the nature of the relationship  
20 between the victim and the defendant. This subdivision shall not  
21 be construed to limit the right of a crime victim to disclose this  
22 information.

23 (c) ~~An~~ *Except as authorized by subdivision (b), a confidentiality*  
24 *provision within a settlement agreement described in subdivision*  
25 *(a) that is entered into on or after January 1, 2017, is void as a*  
26 *matter of law and against public policy. An attorney who demands*  
27 *a ~~confidential~~ confidentiality provision within a settlement*  
28 *agreement described in subdivision (a), that is not otherwise*  
29 *authorized by subdivision (b), as a condition of settlement or who*  
30 *advises a client to sign ~~such~~ an agreement with such a*

1 *confidentiality provision* shall be subject to professional discipline  
2 and the State Bar of California shall investigate and take  
3 appropriate action in any such case brought to its attention.

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