

AMENDED IN SENATE AUGUST 30, 2000  
AMENDED IN SENATE SEPTEMBER 7, 1999  
AMENDED IN SENATE AUGUST 17, 1999  
AMENDED IN ASSEMBLY MAY 12, 1999  
AMENDED IN ASSEMBLY MAY 6, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1156**

**Introduced by Assembly Member ~~Gallegos~~ Members  
Ducheny and Battin  
(Principal coauthors: Assembly Members Zettel, Bates,  
Kaloogian, Baldwin, and Thompson)  
(Coauthor: Senator Kelley)**

February 25, 1999

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~~An act to add Section 11712.7 to the Vehicle Code, relating to vehicles.~~ *An act to add Section 332.2 to the Public Utilities Code, relating to public utilities, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1156, as amended, ~~Gallegos~~ *Ducheny*. ~~The Adrian Millan Motorcycle Safety Act~~ *Public utilities: ratepayer relief.*

*Existing law restructuring the electrical industry establishes a process for the recovery by specified electrical corporations of certain uneconomic costs during a transition period that began on January 1, 1998, and ends for an electrical*

corporation on the earlier of March 31, 2002, or the date that the electrical corporation fully recovers its uneconomic costs. Existing law imposes during the transition period a rate freeze and a rate reduction to remain in effect until March 31, 2002, unless the electrical corporation fully recovers its uneconomic costs at an earlier date. The San Diego Gas and Electric Company, for example, has recovered all uneconomic costs subject to existing law, and, pursuant to a decision of the Public Utilities Commission, is no longer subject to the rate freeze and rate reduction. An existing order of the commission adopts a bill stabilization plan for certain customers of the company.

This bill would require the Controller to establish a subaccount within the Special Fund for Economic Uncertainties. The bill would transfer \$150,000,000 from the fund to the subaccount and would appropriate those funds from the subaccount, upon approval of the Department of Finance, to the commission, for use by the commission to reduce the adverse impact of high-cost wholesale energy purchases on certain ratepayers if a specified rate ceiling is in effect, the commission determines that a specified revenue shortfall would result in a ratepayer surcharge greater than 10%, and the electricity rates were directly linked to Power Exchange costs. This bill would declare that, on January 1, 2004, any remaining balance in the account would revert to the General Fund.

This bill would make related legislative findings and declarations.

This bill would become operative only if AB 265 is enacted, as specified.

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

~~(1) Existing law makes it unlawful for a licensed motor vehicle dealer to sell, offer for sale, or display any new motorcycle, among other vehicles, unless there is securely attached thereto a specified statement relating to price information.~~

~~This bill, which would enact the “Adrian Millan Motorcycle Safety Act,” would make it unlawful for a licensed motor vehicle dealer to sell or lease a motorcycle to any person~~



~~without requiring the licensed purchaser or lessee who intends to drive the motorcycle off the dealer's premises to sign a form attesting that the person is licensed to operate the motorcycle and that the person releases the dealer from any civil liability for injuries that may be incurred, due to the driver's negligence, from driving the motorcycle off the premises. Because a violation of this provision would be a crime, the bill would impose a state-mandated local program by creating a new crime.~~

~~(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

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

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

- 1 ~~SECTION 1. This act shall be known, and may be~~
- 2 *SECTION 1. The Legislature finds and declares all of*
- 3 *the following:*
- 4 *(a) Summer price spikes in the wholesale electrical*
- 5 *market have led to a formal investigation by the Federal*
- 6 *Energy Regulatory Commission (hereafter FERC) as to*
- 7 *whether these rates are just and reasonable.*
- 8 *(b) The Public Utilities Commission (hereafter the*
- 9 *commission) has initiated a rate cap to protect retail*
- 10 *customers from wholesale price volatility. In so doing, the*
- 11 *commission has ordered the establishment of balancing*
- 12 *accounts until such time as the commission can complete*
- 13 *it's own prudence review.*
- 14 *(c) The summer price spikes were, at least in part, a*
- 15 *cause of a serious shortage of the supply of electricity.*
- 16 *(d) San Diegans were exposed to extraordinarily high*
- 17 *retail rates, from which other California ratepayers were*
- 18 *insulated.*



1 (e) *San Diegans, burdened by such high retail rates,*  
2 *conserved energy during this period at levels well above*  
3 *the rate of conservation in other parts of the state.*

4 (f) *This extraordinary level of conservation was a*  
5 *significant contribution to the ability of the state's*  
6 *electrical system to maintain operation during days of*  
7 *Stage 2 alerts.*

8 (g) *This contribution has helped the state avoid the*  
9 *extraordinary costs of cascading outages that could have*  
10 *originated in San Diego, spread throughout southern*  
11 *California and threatened the stability of the entire*  
12 *statewide transmission network.*

13 SEC. 2. *Section 332.2 is added to the Public Utilities*  
14 *Code, to read:*

15 332.2. (a) *Notwithstanding any other provision of*  
16 *law, the Controller shall establish an Electricity*  
17 *Ratepayer Relief Subaccount in the Special Fund for*  
18 *Economic Uncertainties for the purposes set forth in this*  
19 *section. The sum of one hundred fifty million dollars*  
20 *(\$150,000,000) is hereby transferred from that fund to the*  
21 *subaccount and is appropriated from the subaccount to*  
22 *the commission to be used, upon approval of the*  
23 *Department of Finance, to provide ratepayer relief*  
24 *consistent with this section.*

25 (b) *The funds shall be available to the Public Utilities*  
26 *Commission, subsequent to December 31, 2002, or*  
27 *December 31, 2003, if the rate ceiling imposed pursuant*  
28 *to Section 332.1 is extended to that date. The funds may*  
29 *be used by the commission to reduce the adverse impact*  
30 *of high-cost wholesale energy purchases upon all*  
31 *ratepayers whose electric bills are no longer subject to the*  
32 *static rate levels set pursuant to subdivision (a) of Section*  
33 *368 as of January 1, 2000, and whose rates for electricity*  
34 *were directly linked to Power Exchange costs. The*  
35 *commission may only use those funds if it determines that*  
36 *a revenue shortfall booked in the Transition Cost*  
37 *Balancing Account established by the commission due to*  
38 *high wholesale energy purchase costs will result in a*  
39 *surcharge to ratepayers of the electrical corporation that*



1 is greater than 10 percent of the ratepayers' average bill  
2 over a 12-month period.

3 (c) On January 1, 2004, any remaining balance in the  
4 account shall revert to the General Fund.

5 SEC. 3. This bill shall become operative only if  
6 Assembly Bill 265 is enacted and becomes operative on or  
7 before January 1, 2001.

8 SEC. 4. This act is an urgency statute necessary for  
9 the immediate preservation of the public peace, health,  
10 or safety within the meaning of Article IV of the  
11 Constitution and shall go into immediate effect. The facts  
12 constituting the necessity are:

13 In order to provide timely relief to retail electricity  
14 ratepayers who have experienced a rapid increase in  
15 retail energy bills due to the end of the rate freeze  
16 attendant to electric deregulation, thereby endangering  
17 the public peace, health, and safety, it is necessary that  
18 this act take immediate effect.

19 cited, as the "~~Adrian Millan Motorcycle Safety Act.~~"

20 ~~SEC. 2. The Legislature finds and declares as follows:~~

21 ~~(a) The Legislature recognizes the benefits of a~~  
22 ~~motorcycle safety program and the importance of~~  
23 ~~motorcycle safety awareness for all Californians.~~

24 ~~(b) The Legislature encourages the Department of~~  
25 ~~the California Highway Patrol and the Department of~~  
26 ~~Motor Vehicles to continue their public-awareness efforts~~  
27 ~~relative to the effectiveness and availability of the~~  
28 ~~motorcyclist safety program established under Article 2~~  
29 ~~(commencing with Section 2930) of Chapter 5 of Division~~  
30 ~~2 of the Vehicle Code. Further, the Legislature~~  
31 ~~encourages these departments to explore available~~  
32 ~~funding sources to expand their statewide~~  
33 ~~motorcycle safety public-awareness campaign and to~~  
34 ~~jointly develop these public-safety awareness programs.~~

35 ~~SEC. 3. Section 11712.7 is added to the Vehicle Code,~~  
36 ~~to read:~~

37 ~~11712.7. (a) No dealer issued a license under this~~  
38 ~~article may sell or lease a motorcycle to any person~~  
39 ~~without requiring the licensed purchaser or lessee who~~  
40 ~~intends to drive the motorcycle off the premises to sign~~



1 a form attesting that he or she is licensed to drive a  
2 motorcycle.

3 (b) The signed form described in subdivision (a) shall  
4 be in 12-point boldface type and shall be as follows:

5 ~~“I HEREBY ATTEST THAT I AM LICENSED TO~~  
6 ~~DRIVE A MOTORCYCLE AND THAT I RELEASE~~  
7 ~~THE DEALER FROM WHOM I HAVE PURCHASED~~  
8 ~~OR LEASED ANY MOTORCYCLE FROM ANY CIVIL~~  
9 ~~LIABILITY FOR INJURIES THAT I MAY INCUR, DUE~~  
10 ~~TO MY OWN NEGLIGENCE, FROM DRIVING THE~~  
11 ~~MOTORCYCLE OFF THE DEALER’S PREMISES.”~~

12 SEC. 4. ~~No reimbursement is required by this act~~  
13 ~~pursuant to Section 6 of Article XIII B of the California~~  
14 ~~Constitution because the only costs that may be incurred~~  
15 ~~by a local agency or school district will be incurred~~  
16 ~~because this act creates a new crime or infraction,~~  
17 ~~eliminates a crime or infraction, or changes the penalty~~  
18 ~~for a crime or infraction, within the meaning of Section~~  
19 ~~17556 of the Government Code, or changes the definition~~  
20 ~~of a crime within the meaning of Section 6 of Article~~  
21 ~~XIII B of the California Constitution.~~

