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Public Entities, Officers, and Employees

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Public Entities, Officers, and Employees

Public Entities, Officers, and Employees; state public defender

Government Code §§15400, 15401, 15402, 15403 (new).

SB 1018 (Song); STATS 1975, Ch 1125

(Effective January 1, 1976)

Government Code §§15404, 15420, 15421, 15422, 15423, 15424, 15425 (new); §§27706, 27707.1 (amended); Penal Code §1240 (new); §§1239, 1241 (amended).

SB 1018 (Song); STATS 1975, Ch 1125

(Effective July 1, 1976)

Chapter 1125 has created the office of State Public Defender. The State Public Defender is to be appointed by the Governor, and shall formulate plans for the legal representation at the state appellate level of those who cannot afford an attorney [CAL. GOV'T CODE §§15402, 15403]. There shall be separate plans for the supreme court and for each appellate district, and each court will then approve the plan applicable to it [CAL. GOV'T CODE §15403]. These provisions (§§15400-15403) became effective on January 1, 1976, while the sections that set forth the other duties of the State Public Defender will take effect July 1, 1976. The State Public Defender is also authorized by Section 15421 of the Government Code to represent indigents in the following matters: (1) an appeal, petition for hearing or rehearing to any appellate court, a petition for certiorari to the United States Supreme Court, or a petition for executive clemency from a judgment relating to criminal or juvenile court proceedings; (2) a petition for an extraordinary writ or an action for injunctive or declaratory relief relating to a final judgment of conviction, wardship, or punishment imposed; (3) any proceeding after a judgment of death has been rendered; and (4) any proceeding where a person is entitled to representation at public expense. Section 15420 makes these authorized activities the primary responsibilities of the State Public Defender. Furthermore, Section 1240 of the Penal Code now requires the State Public Defender to be appointed as counsel in the above proceedings, unless the court finds reason to appoint, and does appoint, other counsel.

COMMENT

In *Douglas v. California* [372 U.S. 353 (1963)] the Supreme Court required the appointment of counsel to an indigent for an appeal that was a matter of right (e.g., Section 1237 of the Penal Code). Although Section 27706 of the Government Code authorizes the county public defenders to represent defendants at the appellate level, most defendants are provided with *private* counsel appointed by the courts [NATIONAL CENTER FOR STATE COURTS, *THE CALIFORNIA COURTS OF APPEAL* at 245 (1974)]. Unfortunately, these private attorneys often lack experience in the field of criminal law, and thus, often provide inadequate representation for the convicted indigent [*Id.* at 246]. While the creation of the State Public Defender will provide a systemized method of providing adequate appellate representation, it may also cause the courts to reverse previous California holdings concerning the "right to counsel."

In *People v. Vigil* [189 Cal. App. 2d 478, 11 Cal. Rptr. 319 (1961)] the court held that the decision to appoint counsel to an indigent for an appeal in California was in the court's discretion. Using the rationale that there was a lack of qualified attorneys to appoint in all cases, the court said that California courts should be allowed to use their discretion "as long as the Legislature does not see fit to create the office of public defender for the reviewing courts" [*Id.* at 481, 11 Cal. Rptr. at 321 (emphasis added)]. The Supreme Court's decision in *Douglas* [372 U.S. 353] overruled the *Vigil* holding, but in *Ross v. Moffit* [417 U.S. 600 (1974)], the Supreme Court refused to extend *Douglas* to appeals that were discretionary (not a matter of right). Thus, it appears *Vigil* is still applicable in California for discretionary appeals. With the creation of the State Public Defender, however, the rationale in *Vigil* appears no longer valid. Although this should not influence the federal courts, it is possible that the California courts may now extend the right to appointed counsel in all appeals, rather than allowing the courts to use discretion in making such appointments in appeals that are not a matter of right.

**Public Entities, Officers, and Employees;
business and industrial development corporations**

Corporations Code Part 6 (commencing with §14200) (new).

SB 124 (Roberti); STATS 1975, Ch 985

(Effective September 23, 1975)

Part 6 (commencing with §14200) has been added to the Corporations Code to authorize the formation of business and industrial develop-

ment corporations. The corporations authorized are to function as a stimulus for business prosperity, an expansion of business activity through loans, investments, or other business transactions to encourage new business in the state, and as an impetus for rehabilitation of existing businesses. In order to accomplish these objectives, Chapter 985 mandates cooperation with other public and private organizations for the promotion, financing, and development of all kinds of business activities in the state (§14201). Section 14215(c) authorizes business and industrial development corporations to make loans at the lowest rate of interest that is consistent with financial integrity to any person, firm, corporation, joint stock company, association, or trust provided the applicant for the loan has first applied for a loan and been refused through normal banking channels. Any person, public utility company, insurance company, corporation licensed to do business in this state, or financial institution may become a member and thereby make loans to a business and industrial development corporation (§14216). However, state-chartered banks, trust companies, savings and loan associations, and insurance companies must first obtain appropriate approval from the Superintendent of Banks, the Savings and Loan Commissioner, or the Insurance Commissioner before becoming members. A financial institution which does not become a member of a business and industrial development corporation is not allowed to acquire capital stocks of such a corporation. The amount of capital stock that one member may acquire is limited to ten percent of the loan limit of that member [discussed *infra*]. However, Section 14217 allows a member to acquire business and industrial development corporation stock in addition to the amount of other capital stock that that member is otherwise authorized to acquire.

Section 14221 allows a corporation to call for a loan from its members, which must be made by the members if it is within their loan limits (limited to 20 percent of all loans to the corporation). While Section 14225 requires that a member give a five-year notice prior to termination of participation, the member need make no further loans after notice of termination (§14226). This allows a member to be relieved of the obligation of answering a corporation's demand for loans though still nominally a member. Specific limitations on the amount of loans that commercial banks, trust companies, loan associations, and insurance companies may make are set forth in Section 14221. The adjusted loan limit for a member is the appropriate limit set forth in Section 14221, less the amount already made to the corporation by that member. A demand by a corporation for a loan will be prorated in relation

to the adjusted loan limits of each member (§14221). However, Section 14221 does not permit a loan to be made to a corporation if that loan will make the total obligations of a corporation exceed 50 times the amount then paid in on the outstanding capital stock of the corporation.

Chapter 985 expressly states that it was enacted in order to stimulate the state's sagging economy [CAL. STATS. 1975, c. 985, §2, at]. Chapter 985 appears to be an extension of the Small Business Assistance Law [CAL. CORP. CODE §14150 *et seq.*] which was enacted in 1973 for the purpose of promoting *small* business enterprises in *low* income areas. The addition of this Act will provide financing for *all* business activity in *all* areas of the state.

See Generally:

- 1) 10 CAL. ADMIN. CODE §§5030-61 (1971) (obtaining loans from the "Job Development Corporation Law Encounter Board").

**Public Entities, Officers, and Employees;
legislative, judicial, and gubernatorial records**

Government Code §§6261, Article 3.5 (commencing with §9070), 9131, 9132, 12022, 12032 (new); §§6252, 6254, 6257, 6259 (amended).

AB 23 (Ralph); STATS 1975, Ch 1246

Support: Common Cause; California Newspaper Publisher's Association

Section 6253 of the Government Code requires records of "state agencies" to be part of the public record and open for inspection. However, the legislature and judiciary were previously excluded from the legal definition of state agency [CAL. GOV'T CODE §6252]. Furthermore, prior to the enactment of Chapter 1246, correspondence to and from the Governor, records in the custody of the Governor or his staff, and records maintained by the Governor's legal affairs secretary were excluded from public disclosure by Section 6254. This new legislation now gives the public access to the records of the legislature, and requires judicial expenditures and gubernatorial records to be made public. Furthermore, the legislature and the Governor must now disclose their expenditures through annual reports to the Director of Finance and to the public.

With certain exceptions, legislative records must be made open for public inspection during normal office hours of the legislature, and copies must be furnished to the public upon request, at the actual cost

of making such copies (§9073). Section 9070(c) defines "legislative records" as any writing owned, used, or retained by the legislature that was prepared on or after December 2, 1974, relating to the conduct of the public's business. Section 9075, however, permits the following documents to be kept private: (1) preliminary drafts, notes, or legislative memoranda; (2) records concerning litigation in which the legislature is involved that has not yet been adjudicated or settled; (3) personnel, medical, or similar files that the Senate or Assembly Rules Committee or the Joint Rules Committee has determined would constitute an unreasonable invasion of privacy if disclosed; (4) records in the custody of the Legislative Counsel, provided that records are not transferred to that office for the purpose of evading the provisions of Chapter 1246; (5) correspondence to and from individual members of the legislature and their staff; and (6) communications from private citizens to the legislature.

The Joint Rules Committee and the Rules Committees of each house now have legal custody of all legislative records, and any requests for such records shall be made to the appropriate committee. The appropriate committee must promptly inform the requesting party whether the records will be made available for inspection, and if the committee decides not to make the records available, it must give its reasons within four working days (ten days if the legislature is not in session) which specify under what express provision of Chapter 1246, or the reasons it is in the public's interest, that the requested records are being withheld (§9074).

Any person may institute either injunctive or declaratory relief proceedings to enforce his or her right to inspect any of these records (§9076). Section 9077 provides that when a petition is verified and appears to specify an improper withholding of records, the court shall order the committee named in the petition to show good cause why the records are being withheld. The court shall, after reading the papers filed by both parties, hearing oral arguments, and inspecting the records *in camera*, rule on the petition. No one present at such an inspection may disclose any of the information in the records if the court determines it is in the public's interest to withhold the records from inspection [CAL. EVID. CODE §915(b)]. Sections 9078 and 9079 of the Government Code provide that court costs and reasonable attorney fees shall be awarded to the petitioner if he or she prevails, or to the public agency if the court finds the petitioner's claim to be clearly frivolous.

Annual reports of the Assembly, Senate, and Joint Rules Committees must be made to the public pursuant to Section 9131. Such reports

must list the total expenditures of each committee and each member of the legislature for living expenses reimbursement, automotive expenses, rent, telephone, postage, printing, office supplies, newsletters, per diem compensation for attendance at legislative sessions, and out-of-state or in-state travel expenses. These reports must include all expenses for the period ending November 30 of each year. Furthermore, Section 9132 requires reports to be filed annually by these committees with the Director of Finance that provide itemized statements of proposed expenditures of their respective contingent funds that will be included in the Governor's budget for the ensuing year.

Section 6254, as amended by Chapter 1246, still prevents disclosure of the records kept by the Governor's legal affairs secretary and correspondence to and from the Governor, or employees of his office. However, this section now requires all other records in the Governor's custody (defined as any writing prepared on or after January 6, 1975) to be disclosed. The Governor shall also make annual reports to the public and to the Director of Finance pursuant to new Sections 12022 and 12032. The expenditures listed in this report must be included in the Governor's budget for the ensuing fiscal year and shall include the itemized proposed expenditures for the support of the Governor, the Governor's office, and the Governor's residences. The report to the public shall be made on December 31 of each year and shall include the total expenditures of the Governor, including travel and living expenditures expense reimbursement, automotive and airplane expenses, rent, telephone, postage, printing, and office supplies.

Although Section 6252 still excludes the judiciary from the definition of a state agency that must make reports pursuant to Section 6253, Section 6261 has been added to require all judicial agencies to make an itemized statement of their total expenditures open for inspection.

See Generally:

- 1) Comment, *The California Public Records Act: The Public's Right of Access to Governmental Information*, this volume at 105.
- 2) Comment, *Interagency Information Sharing: A Legal Vacuum*, 9 SANTA CLARA LAWYER 301 (1969) (legality of disclosing privileged information).

**Public Entities, Officers, and Employees;
campaign disclosures and conflicts of interest**

Elections Code Article 9 (commencing with §11620) (new); Government Code Chapter 6 (commencing with §3800) (new).

AB 494 (Berman); STATS 1975, Ch 145
(Effective June 28, 1975)

Government Code §§81005, 82035, 87200 (amended).
AB 959 (Badham); STATS 1975, Ch 499
(Effective September 5, 1975)

The Political Reform Act of 1974 was passed by initiative in the June Primary Election of 1974, thereby adding Title 9 (commencing with §81000) to the Government Code. Among its provisions, the Act regulates campaign disclosures and conflicts of interest. Prior to the passage of the initiative, such disclosures were governed by the Waxman-Dymally Campaign Disclosure Act [CAL. ELECTIONS CODE §11500 *et seq.* (hereinafter referred to as Waxman-Dymally Act)] and conflicts of interest by the Moscone Governmental Conflict of Interests and Disclosure Act [CAL. GOV'T CODE §3600 *et seq.* (hereinafter referred to as Moscone Act)]. Nothing in the Political Reform Act directly repealed the Waxman-Dymally Campaign Disclosure Act, but its continued validity after January 6, 1975 (the effective date of the Political Reform Act) is doubtful [58 OPS. ATTY GEN. 213-17 (1975)]. However, the Waxman-Dymally and Moscone Acts were both enacted subsequent to the preparation of the Political Reform Act, and therefore both pieces of legislation may still be valid [Murphy, *Political Reform Initiative*, CALIFORNIA VOTING PAMPHLET, Primary Election, June 4, 1974 at 35]. Chapter 145 is therefore designed to obviate the conflicts by making the Waxman-Dymally and Moscone Acts inoperative as of January 6, 1975.

Chapter 145 adds Section 11620 to the Elections Code to render the Waxman-Dymally Campaign Disclosure Act inoperative only so long as those provisions of the Political Reform Act of 1974 dealing with campaign disclosures [CAL. GOV'T CODE Chapter 4 (commencing with §84100)] remain in effect. In addition, the Moscone Governmental Conflict of Interests and Disclosure Act has been made inoperative as of May 1, 1975 by the new Government Code Section 3800. Sections of the Moscone Act that are excepted, and will remain effective, are: 3704 (public agencies); 3705 (amending agency rules); 3706 (actions to challenge rules); 3709 (verification of statements); and 3710 (public access). These sections will remain operative for public agencies until they adopt their own rules pursuant to Section 87300 of the Government Code, which provides that each public agency shall adopt a Conflict of Interest Code consistent with the intent of the Political Reform Act. Section 3801 provides that planning commissions and planning officers are to be governed by the Moscone Act until they adopt their own rules pursuant to Section 87300. The effectiveness of Section 3800 is con-

tingent upon Chapter 7 (commencing with §87100) of the Government Code remaining in effect. Section 3800 also provides that statements that were to be filed in April 1975, shall have included information since their last disclosure statement under the Moscone Act through January 6, 1975. If no previous statement has been filed, the period shall be from April 1, 1974 through January 6, 1975.

Although the effectiveness of this bill is largely based upon the validity of the Political Reform Act of 1974, the bill specifically states that it was not the intent of the legislature to make any legislative determination of the validity of the Act. Thus, the validity of the Act is still an open question for the courts.

Members of the Public Utilities Commission, Fair Political Practices Commission, State Energy Resources Conservation and Development Commission, state or regional coastal zone conservation commissions, judges, and district attorneys were not required to file disclosure statements under the Moscone Act [CAL. GOV'T CODE §3700], or under the Political Reform Act prior to the enactment of Chapter 499. However, Chapter 499 has amended Section 82700 of the Government Code to require these public officials to file conflicts of interest disclosures along with the other officials required to file under this section. Section 81005(g) has been amended to designate the clerk of the court as the agency where judges are to record their statements. For the purposes of defining the jurisdiction of regional coastal zone commissions in the Political Reform Act of 1974, Section 82035 has been amended to define it as the permit area in which a regional coastal zone commission has jurisdiction. Chapter 499 also provides that every public officer now required to file under Section 87200 must make his or her first financial disclosure statement during January 1976.

See Generally:

- 1) 5 PAC. L.J., REVIEW OF SELECTED 1973 CALIFORNIA LEGISLATION 390, 475 (1974) (Waxman-Dymally Act) (Moscone Act).

**Public Entities, Officers, and Employees;
public utilities commission open meetings**

Public Utilities Code §§2114, 2115 (new); §454 (amended).

AB 952 (Papan); STATS 1975, Ch 1264

AB 1003 (Lewis); STATS 1975, Ch 518

Chapter 518 has amended Section 454 of the Public Utilities Code, which deals with rate increase rules, notice, and hearings, to now permit residential customers affected by a proposed rate increase to testify at

any hearing on the proposed increase. However, the presiding officer at such a hearing need not allow repetitive or irrelevant testimony.

In addition, Chapter 1264 has added Sections 2114 and 2115 to assure that documents or records that are submitted as evidence before the Public Utilities Commission are true and correct. Prior to the enactment of these sections, an agent testifying on the behalf of a public utility before the Commission could merely state that it was his or her belief that a document or record was true and correct, and the public utility was protected from criminal guilt if the document or record was false. Section 2114 now provides that a public utility is guilty of a felony, and subject to a fine not to exceed \$500,000, if an agent, acting on its behalf, perjures himself or herself in any testimony, declaration, deposition, or certification before the Commission. Section 2115 requires the person that prepares a document or record to certify the document or record as true and correct before it can be used as either evidence or as the basis for testimony of a witness before the Commission. However, if the person who prepared the documents is dead or incompetent, a person having knowledge of the facts in the documents or records may certify as to its truth. Furthermore, this rule requiring certification only applies to documents or records prepared directly or indirectly by, or under the supervision or direction of, the person, corporation, or public utility offering such documents or records as evidence. Therefore, criminal liability will be imposed pursuant to these sections should a public utility submit false documents or records.

See Generally:

- 1) 5 PAC. L.J., REVIEW OF SELECTED 1973 CALIFORNIA LEGISLATION 309 (1974) (notice of public utilities' rate increases).

**Public Entities, Officers, and Employees;
public utilities campaign advertising**

Public Utilities Code §453 (amended).

SB 334 (Alquist); STATS 1975, Ch 447

Opposition: Pacific Gas and Electric Company; San Diego Gas and Electric Company

In 1972 complaints were filed with the Public Utilities Commission in an attempt to stop Pacific Gas and Electric Company and Southern California Edison Company from enclosing campaign literature opposed to Proposition 20 (the coastline initiative) in monthly bill envelopes [Boushey, Harris, and Griselle v. P. G. & E. and Southern California Edison Co., 74 CAL. P.U.C. 351 (1972)]. In dismissing allegations that

such advertising was harmful, the Commission cited *Seiden v. P.G. & E.* [73 CAL. P.U.C. 419 (1972)] which held that Section 453 of the Public Utilities Code did not preclude public utilities from participation in political activities [*Boushey, Harris, and Griselle v. P.G. & E. and Southern California Edison Co.*, 74 CAL. P.U.C. 351, 353, (1972)]. Despite this decision, Chapter 447 has amended Section 453 to prohibit public utilities from including in a bill for services any material supporting or opposing any candidate, appointee, legislation, or ballot measure on the local, state, or national level.

This amendment will not completely supersede the *Seiden* case since public utilities may still *participate* in political activities. However, they will no longer have the advantage of using bill envelopes as a method of distributing campaign material. While there is nothing that prohibits the public utilities from still using their mailing lists, they must now at least pay separate mailing costs for their political advertising.

**Public Entities, Officers, and Employees;
payment of judgments against local public entities**

Government Code §§970, 970.2, 970.4, 970.6, 970.8, 971, 971.2 (amended).

SB 607 (Song); STATS 1975, Ch 285

Support: California Law Revision Commission

Opposition: City of Burbank; City of Huntington Beach

In 1963 the California Legislature enacted Chapter 2 (commencing with §970) of the Government Code, which provided four methods for local public entities to pay tort judgments [CAL. STATS. 1963, c. 1715, §3, at 3388]. This enactment provided for payment by such an entity by methods that depended on the entity's financial condition. These included: (1) payment in the year of the judgment (§970.4); (2) payment in the next fiscal year (§970.6); (3) payment in a maximum of ten annual installments (§970.6); and (4) payment by a bond issue pursuant to Sections 975 through 978.8. The above methods of payment were designed specifically for *tort* judgments, and certain inverse condemnation proceedings are not actionable as tort claims [*Albers v. County of Los Angeles*, 62 Cal. 2d 250, 398 P.2d 129, 42 Cal. Rptr. 89 (1965)]. Since nothing in these sections precluded the use of these methods for the purpose of paying inverse condemnation judgments that were not actionable as torts, it was unclear whether a public entity could use the methods of paying tort judgments to pay inverse condemnation judgments. [Van Alstyne, *Inverse Condemnation: Unintended Physical*

Damage, 20 HAST. L.J. 431, 494 n.288 (1969)]. With the expansion in the scope of inverse condemnation proceedings in recent years, there was a need for the legislature to clarify this ambiguity in order to minimize the disruptive effect on a local public entity of an unexpected large inverse condemnation judgment [Sandstrom, *Recommendation Relating to Payment of Judgments Against Local Public Entities*, CAL. LAW REVISION COMM'N, ANNUAL REPORTS 577, 580 (December 1974) (hereinafter cited as Sandstrom)]. Chapter 285 has amended the appropriate sections of Chapter 2 (commencing with §970) of the Government Code to permit inverse condemnation judgments against a local public entity to be paid in the same manner as tort claims.

Furthermore, Section 970.6 has been amended to insure against misuse by local public entities of the installment plan of paying the judgments. The installment plan was designed to allow entities that were in financial trouble to extend their payments over a maximum period of ten years. Although there has not been an evident misuse of this provision yet, this amendment will help insure against future misuse [Sandstrom, *supra*, at 580]. Amended Section 970.6 now prohibits the installment plan from being used to pay either tort or inverse condemnation judgments unless: (1) the governing body of the local agency has adopted an ordinance or resolution finding an unreasonable hardship will result unless the judgment is paid in installments, and (2) after a hearing, the court rules the judgment must be paid in installments to avoid unreasonable hardship. Sections 970.4 and 970.6 have also been amended to assure that interest be paid any time an entity pays a judgment in the next fiscal year (§970.4) or in installments (§970.6).

See Generally:

- 1) 5 WITKIN, SUMMARY OF CALIFORNIA LAW, *Constitutional Law* §9(a) (8th ed. 1974) (inverse condemnation).

**Public Entities, Officers, and Employees;
gas and electric rates**

Public Utilities Code §739 (new).

AB 167 (Miller); STATS 1975, Ch 1010

Support: California Action League; Energy for the People; Protective Council of California; Senior Citizens Inc.

Opposition: California Chamber of Commerce; Pacific Gas & Electric Co.; Public Utilities Commission

Chapter 1010 has declared that all people have a basic right to light and heat in minimum quantities at a low cost, and that present gas and

electric rate structures penalize the user of relatively small quantities. Thus, Section 739 has been added to the Public Utilities Code to require the Public Utilities Commission to establish a "lifeline" volume of gas and electricity which is the minimum amount of energy required to supply the average *residential* user of energy for heating, lighting, cooking, and refrigerating. This standard must take into account the different climates of the various geographic areas, and the primary energy source being used in a given area. Furthermore, a schedule of rates must be filed with the Public Utilities Commission by each gas and electric corporation which shall include a "lifeline rate." In order to shift the burden of the cost of energy, the maximum "lifeline rate" is to be no greater than rates which are in effect as of January 1, 1976. In addition, the Commission may not authorize an increase in the "lifeline rate" until such time as the average system rate has increased 25% over the rate in effect January 1, 1976. Thus, since the "lifeline" volume will cost less, a residential customer who uses only this amount of gas and electricity will pay a lower rate than either a residential user of more gas and electricity or a commercial user. The larger residential user will be required to pay the higher rate for all gas and electricity used over the "lifeline" volume, and the commercial user will pay the higher rate for all his or her energy needs. Due to the decreased revenues which the new "lifeline rate" will cause, it is possible that other rates will have to be raised, thus making the shift in the burden of energy costs more extreme.

COMMENT

Section 6 of Article 12 of the California Constitution gives the Public Utilities Commission the authority to fix rates for public utilities. The maximum "lifeline rate" established by Section 739 of the Public Utilities Code, however, appears to be a rate fixed by the legislature. While Section 3 of Article 12 makes public utilities subject to the control of the legislature, there is a question as to the legislature's authority to fix rates. It is the opinion of the Legislative Counsel that such rate fixing by the legislature *is* authorized by the constitution [18954 LEG. COUNSEL OPS. 1 (1974)]. However, the general counsel of the Public Utilities Commission expressed doubt as to the legislature's authority to fix rates [Letter from Richard D. Gravelle (general counsel of PUC) to Stephan Spellman (commerce & public utilities consultant), January 6, 1975 (hereinafter cited as *Gravelle*)]. He argued that if the legislature was given this authority, the authority of the Public Utilities Commission would be reduced to a "ministerial function" [*Gravelle, supra*, at 3]. He also argued that even if such legislative authority was found

constitutional by the supreme court, other problems would arise. These include: (1) since the legislature established the one rate ("lifeline rate"), it should act as a rate-making agency and fix all private utility rates; (2) the lack of Public Utilities Commission hearings and notice may raise a question of due process if similar legislative hearings and notice are not provided before fixing rates; and (3) if the legislature is allowed to establish rates, the Public Utilities Commission may no longer be able to grant rate increases pursuant to increases granted by the Federal Power Commission [*Gravelle, supra*, at 4-5]. Thus, it appears that not only will this Act most likely be constitutionally challenged, but it may also create practical problems which will require further legislation.

See Generally:

1) 20 CAL. ADMIN. CODE §§23, 24, at 14 (1974) (application for rate increases).