



Update from Sacramento

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Explaining the civil justice system

WITH 30 NEW LEGISLATORS, BUILDING RELATIONSHIPS AND EDUCATING THEM ON CIVIL JUSTICE WAS QUITE THE TASK

The CAOC legislative team is proud to announce yet another successful year in the Legislature. As we entered 2023, we were still proudly reflecting on the enormous successes CAOC had in 2022: an increase in the Medical Injury Compensation Reform Act (MICRA) limits (which hadn't been changed since 1975) and an increase in the mandatory auto minimum financial responsibility limits (which hadn't been changed since 1967). However, it was somewhat nerve-wracking coming into 2023, as we had never seen so many new legislators ever in one class – more than 30 new members! Building relationships with legislators takes time, support and trust, and to have over 30 new members was quite the task. And although we like to think we are masterful at explaining issues, most of the legislators are not lawyers, so explaining the civil justice system to legislators with mostly zero experience in our world was challenging.

CAOC 2023 sponsored and priority bills

In 2023, CAOC sponsored four bills, three of which are now signed into law and one that will be heard in January and then, we hope, to the governor. Bills include:

- **SB 365 (Wiener)** – Corporate Delay of Justice for Workers and Consumers signed by Governor Newsom SB 365, effective January 1, 2024, will prevent powerful corporations from delaying and denying justice for workers and consumers where a court rules either that a company's arbitration agreement is invalid or that a signed agreement does not exist. CAOC joined with co-sponsors California Attorney General Rob Bonta and the California Employment Lawyers Association to get this highly contested bill across the finish line.

Current law allows corporate defendants to stay the worker's or consumer's case – sometimes for years at a time – by simply filing an appeal. SB 365 instead grants the judge discretion to determine whether such a case should move forward if a company files an appeal, instead of

automatically staying the case in all instances. This was a major win for CAOC over fierce California Chamber of Commerce opposition.

- **SB 652 (Umberg)** – Expert Witness Standards signed by Governor Newsom CAOC's sponsorship of Senate Bill 652 (Umberg) arose from a recent errant court decision that threatens the credibility of expert witness testimony. One isolated court in *Kline v. Zimmer, Inc.* (2022) 79 Cal.App.5th 123, 131-32, review denied (Aug. 31, 2022) upends current law by allowing only defense experts to testify to any "possible" cause of injury rather than what "more likely than not" caused an injury. SB 652 will codify longstanding law regarding the standard for expert witness testimony. The bill will ensure that, when testifying to a jury, all experts provide their opinion to a reasonable degree of probability. "A reasonable degree of probability" means that the expert is testifying that the cause was *more likely than not* the cause of the person's injuries.
- **SB 21 (Umberg)** – Remote Access to the Civil Courts signed into law via budget language CAOC was a strong supporter of remote access to the courts and worked with leadership and stakeholders like legal aid and dependency counsel to craft SB 241 (Umberg) in 2021. That bill was given a very short sunset of July 1, 2023. CAOC joined with California Defense Counsel and the California Judges Association to co-sponsor SB 21, which extends that sunset to January 1, 2026 for civil cases.
- **SB 278 (Dodd)** – Holding Banks Legally Accountable for Assisting Financial Scams Against Elder Californians Financial scams against elders are on the rise in California, and too often banks turn a blind eye while scammers target elder Californians and rob them of their life savings. As mandated reporters, banks, credit unions, and other financial institutions are uniquely positioned to

detect when a customer might be the victim of a scam or other financial abuse – and take action to protect elders from the devastating loss of their life savings. Unfortunately, the language of California's current financial elder abuse statute (Welfare & Institutions Code § 15610.30) is unclear. As a result, recent court rulings conflict with the law and have set an impossible standard of proof required to hold banks accountable for assisting scammers. By adding a simple clarification to existing law, SB 278 will assure justice for the countless elderly victims of financial scams whose bank should have protected them. SB 278 passed the Senate and will be heard before the Assembly Banking Committee in January.

- **State Bar – Unauthorized Practice of Law and Deregulation** Four years of efforts led by CAOC, with very significant involvement from CAALA, other TLAs and legal aid attorneys across the state, ultimately succeeded in stopping the State Bar's dangerous deregulatory efforts to allow non-attorneys to practice law without attorney supervision and to allow corporations and apps to practice law and own law firms – at least for now, thanks to AB 2958 (2022-Judiciary Committee). CAOC remains vigilant in watching all State Bar efforts to deregulate the practice of law.

Once again, we are proud to report that not one piece of legislation that CAOC opposed passed the Legislature. The CAOC legislative attorney advocates (Nancy Drabble, Lea-Ann Tratten, Jacquie Serna, Saveena Takhar, and me) would like to thank the 2023 CAOC President Greg Rizio, the 2024 President Kathryn Stebner, and our 2023 Legislative Chair Geoff Wells for their guidance and support of our program. Thank you for your support of CAOC's legislative and political programs, and we look forward to continued success in 2024 and beyond.