

15902

9/28/76

Memorandum 76-84

Subject: 1976 Legislative Program--Final Report

Attached is a final report on the 1976 Legislative Program. You will note that the Governor vetoed the liquidated damages bill. Assemblyman McAlister called to inform me of this fact. He said he understood the veto message states that the bill was vetoed because it permitted the seller to retain the deposit in the case where the buyer defaults on the purchase of a residence. Assemblyman McAlister will check further on the problems the Governor had with the bill and we will present a full report at the November meeting. The staff assumes that the Commission will want to submit a revised bill to the 1977 legislative session. Assemblyman McAlister is interested in carrying the bill.

Respectfully submitted,

John H. DeMouilly  
Executive Secretary

September 28, 1976

1976 LEGISLATIVE PROGRAM  
CALIFORNIA LAW REVISION COMMISSION

ENACTED

Statutes of 1976

- Chapter 22 - Operative Date of Eminent Domain Law (AB 2583)
- Chapter 73 - Partition of Real and Personal Property (AB 1671)
- Chapter 109 - Modification of Contracts (AB 2581)
- Chapter 143 - Relocation Assistance (AB 2761)
- Chapter 144 - Transfer of Out-of-State Trusts to California (AB 2855)
- Chapter 145 - Claim and Delivery Statute--Turnover Orders (AB 2895)
- Chapter 437 - Prejudgment Attachment (AB 2864)
- Chapter 888 - Service of Process on Unincorporated Associations (AB 3128)
- Chapter 994 - Byroads and Utility Easements (with byroads eliminated and resolution of local legislative body required)(AB 2582)
- Res. Ch. 30 - Continues Authority to Study Topics (ACR 130)
- ACR 170 - Authorizes study by Law Revision Commission of various aspects of tort liability but does not provide any additional funds. This ACR has been amended to make the Joint Legislative Committee the vehicle to carry on this study; Law Revision Commission no longer involved unless the Joint Legislative Committee and the Law Revision Commission determine at some future time that the Commission could be of assistance with respect to some aspect of the topic.

VETOED BY GOVERNOR

AB 3169 - Liquidated Damages

FAILED TO PASS LEGISLATURE

- AB 2580 - Admissibility of Duplicates (died in Assembly Judiciary Committee)
- AB 2847 - Undertakings for Costs (died in Assembly Judiciary Committee)

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RELEASE: Immediate

#352

Gov. Edmund G. Brown Jr. has vetoed the following bills:

AB 3169 - McAlister (D-San Jose)---Would have made liquidated  
damage provisions enforceable in contracts.

The governor's veto message: "I see no justification for changing  
the law pertaining to liquid damage clauses to favor the seller in  
contracts to purchase and sell real property. In cases where the  
value of the real property is expected to increase and the seller will  
suffer no actual damages, automatic retention by the seller of any  
amount deposited by the defaulting buyer is unreasonable."