

# ALERT

VOLUME 43, NUMBER 23 • JULY 28, 2017

 **CalChamber**  
CALIFORNIA CHAMBER OF COMMERCE

## 4 Job Killer Bills Active at Legislature's Summer Break



Three Senate job killer bills and one Assembly job killer bill remained active when the Legislature began its summer break on July 21.

In addition, nine tax-related job killer bills remain alive but are not subject to the July 21 deadline. Although they still are eligible for consideration, they are not set for hearings at this time.

The California Chamber of Commerce has identified 25 job killer bills to date.

### Still Moving

The following job killers are still moving: **Arbitration Discrimination**

• **SB 33 (Dodd; D-Napa) Discrimination Against Arbitration Agreements:** Unfairly discriminates against

arbitration agreements contained in consumer contracts for goods or services with a financial institution, as broadly defined, which is likely preempted by the Federal Arbitration Act and will lead to confusion and unnecessary litigation.

### Increased Labor Costs

• **AB 1209 (Gonzalez Fletcher; D-San Diego) Public Shaming of Employers:** Imposes new data collection mandate on California employers to collect and report data to the Secretary of State regarding the mean and median salaries of men and women in the same job title and job description, determine which employees perform "substantially similar" work, and then have that report posted on a publicly accessible website, where such employers will receive undue scrutiny and criticism for wage disparity that is not unlawful and

*See 4 Job Killer Bills: Page 8*

## Governor Signs Cap-and-Trade Extension



Governor Edmund G. Brown Jr. this week signed legislation extending the cap-and-trade program and providing the least costly path

### SUPPORT

to achieving the state's ambitious climate goals.

The California Chamber of Commerce and business community **supported AB 398 (E. Garcia; D-Coachella)** because it will make cap-and-trade the primary tool to meet the state's goal of reducing carbon emissions by 40% below 1990 levels by 2030.

Joining the Governor for the July 25 signing ceremony on Treasure Island were former Governor Arnold Schwarzenegger, Senate President pro Tempore Kevin de León (D-Los Angeles), Assemblymember Eduardo Garcia and dozens of local, environmental and business leaders.

AB 398 was signed at the same location on Treasure Island where Governor Schwarzenegger signed AB 32 (the California Global Warming Solutions Act of 2006), which authorized the state's cap-and-trade program more than a decade ago.

### Market Approach

The market-based approach of cap-and-trade provides the largest greenhouse

*See Governor Signs: Page 4*

## U.S. Department of Labor Seeks Input on Federal Overtime Exemptions



The U.S. Department of Labor (DOL) is seeking comments on the federal overtime rule, which defines who is exempt from minimum wage and overtime requirements under the Fair Labor and Standards Act (FLSA).

Last year, the previous administration issued an overtime rule that would have set a new federal salary threshold that must be met before an executive, professional or administrative employee can be exempt from overtime.

Employers challenged the new salary threshold of \$47,476 a year (\$913 a week), which was more than double the existing federal salary test and also higher than California's minimum salary test. This rule was set to go into effect in December 2016, but legal challenges placed the rule on hold and the new administration indicated that it would look into the overtime rule.

The DOL request for information (RFI) was published in the *Federal Register* on July 26.

### Questions

The RFI solicits feedback on questions related to:

*See U.S. Department of Labor: Page 4*

### Inside

**Major Bills Status Update:  
Pages 9-27**

## Labor Law Corner

# Key to Valid Alternative Schedule: How Workweek, Workday Are Set



**Barbara Wilber**  
HR Adviser

*Our company has established a 9/80 alternative workweek schedule, but the employees work 44 hours one week and 36 hours the next week. Everything I read limits an alternative schedule to 40 hours per week. Please explain.*

It is correct that the election of a valid 9/80 alternative workweek schedule is limited to 40 hours per workweek. A 9/80 schedule is a little different in that the employee works four 9-hour days and one 8-hour day in one workweek and in the next workweek the employee works four 9-hour days with one day off.

All employers are required to designate a workweek and a workday.

- A “workweek” is any seven consecutive 24-hour periods starting on the same calendar day each week.

- A “workday” is any consecutive 24-hour period starting at the same time each calendar day.

The key to establishing a valid 9/80 is to identify a workweek that allows the employee to work 40 hours in each designated workweek. This is accomplished by splitting the day.

One example is to start the 24-hour

workday at 12 noon, which results in 4 hours worked in one day and 5 hours worked in the next.

The next step is to choose a workweek. If the one day off is a Friday, for example, the workweek will begin at 12 noon on each Friday and run through 12 noon the next Friday. This method results in a correct 40-hour workweek.

Before establishing this type of **9/80 alternative workweek**, review an explanation of this method and a sample calendar on [HRCalifornia.com](http://HRCalifornia.com).

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*The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at [www.hrcalifornia.com](http://www.hrcalifornia.com).*

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## CalChamber-Sponsored Seminars/Trade Shows

More at [www.calchamber.com/events](http://www.calchamber.com/events).

### Labor Law

Leaves of Absence: Making Sense of It All. CalChamber. August 18, Sacramento. (800) 331-8877.

HR Boot Camp. CalChamber. August 24, Thousand Oaks; September 6, Beverly Hills. (800) 331-8877.

Meal and Rest Break Rules. CalChamber. September 21, Webinar. (800) 331-8877.

### Business Resources

Mobile World Congress Americas. GSMA and CTIA. September 12–14, San Francisco. (202) 736-3200.

### International Trade

Brazil Market Briefing and Mixer. California World Trade Center. August 2, Sacramento. (916) 319-4247.

International Business Roundtable: Finding Quality Logistics Providers. Northern California World Trade Center. August 17, Roseville. (510) 367-7389.

2017 U.S. Business Day. Taipei Economic & Cultural Office, Los Angeles. August 29, Taipei, Keelung City, Taiwan. (213) 380-3644 ext. 103.

Perumin-Extemin: Peru Mining Show.

Duquesne University Small Business Development Center. September 18–22, Lima, Peru. (412) 396-5670.

Expanding Horizons: A Workshop for Small Businesses Entering Emerging Markets. Overseas Private Investment Corporation (OPIC). September 19, Oakland. (800) 814-6548.

10th World Chambers Congress. Sydney Business Chamber, The International Chamber of Commerce, and The International Chamber of Commerce World Chambers Federation. September 19–21, Sydney, Australia.

Trade Mission to the Four Countries of the Pacific Alliance (Chile, Colombia, Mexico and Peru). U.S.-Mexico Chamber of Commerce California Regional Chapter. September 27–October 10, Santiago, Chile; Lima, Peru; Bogota, Colombia; Mexico City. (310) 922-0206.

Next Alert: August 11



# Career Programs Help Workers Gain Skills



Eloy Ortiz Oakley

There is a troubling chasm in the world of work today and it threatens U.S. prosperity and hopes of strengthening the middle class.

Millions of Americans — including those in historic working-class manufacturing states — find themselves disconnected from the economy. Even here in California, many workers worry they do



Allan Zarembeg

not have the skills to land or keep good-paying jobs. This is felt most acutely by older workers who feel stranded without new skills.

Today there are 6.8 million unemployed Americans actively looking for a job. At the same time, employers across the country struggle to find workers with the right skills to fill jobs in industries that are quickly evolving because of factors like globalization and technology.

## Delivering Opportunities

Closing this skills gap is imperative and employers and educators must work together in this effort. In California, we are

doubling down on delivering more and better career education opportunities so that both students and employers benefit.

Employers seek workers who understand technology and have the skills and flexibility to adapt to ever-changing circumstances.

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## Commentary By Eloy Ortiz Oakley and Allan Zarembeg

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Last month, the president announced a focus on apprenticeship and we applaud this recognition of industry-led, work-based learning. However, proposed federal budget cuts impacting the nation's job training programs will result in fewer opportunities for Americans to gain the skills they need to participate in the economy in a meaningful way.

Indeed, the cuts are so concerning that the National Governors Association took the unusual step of submitting a letter to congressional budget authors asking that they prioritize funding for career and technical education in next year's budget.

We commend their letter and the reasoning behind it.

## Hands-On Training

The California Community College system is our nation's largest provider of career education programs and we understand that it costs much more to provide career training than traditional classroom learning. Currently funded programs are the backbone sources of funding for community colleges across the country that are educating workers for the jobs of today and tomorrow.

It is estimated that by 2020, 65% of all jobs in the U.S. economy will require some form of training beyond high school. Career education (at both the high school and college level), which includes hands-on training and apprenticeships, is critical to both America's workers and U.S. economic competitiveness.

Technology training is becoming essential for all aspects of our employment needs and it requires more of an investment, not less.

And career programs work. Workforce training programs, such as those provided by the California Community Colleges system, train workers for a vast range of industry sectors, including manufacturing, energy and extraction, trade, agriculture, technology, hospitality, health care, small business and more.

But there's still much work to be done. The "skills gap" is real and will only grow in the coming years unless we act to ensure that our students have the education opportunities in place to train them for the jobs of today—and tomorrow.

## Funding Needed

Congress must act to protect our global competitiveness and the promise of an ever-growing economy by restoring proposed cuts.

Fully funding career training programs is consistent with President Donald Trump's message to improve our economy and our workforce by investing in the future.

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*Eloy Ortiz Oakley is chancellor of the California Community Colleges and a member of the California Chamber of Commerce Board of Directors; Allan Zarembeg is CalChamber president and CEO.*

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## CalChamber Calendar

### Fundraising Committee:

September 7, Beverly Hills

### Board of Directors:

September 7–8, Beverly Hills

### International Trade Breakfast:

September 8, Beverly Hills

### Public Affairs Conference:

October 17–18, Santa Monica



CalChamber

SAVE THE DATES

**CAPITOL SUMMIT &  
SACRAMENTO HOST BREAKFAST**

May 23–May 24, 2018

## Governor Signs Cap-and-Trade Extension

*From Page 1*

gas (GHG) emission sources with more flexibility and is less expensive to consumers than a command-and-control scheme. Cap-and-trade is designed to reduce emissions to meet the 2030 goal; regulatory mandates cannot guarantee that outcome.

AB 398 includes cost containment measures that will help mitigate some of the impacts on consumers and the economy, including a price ceiling, audited offsets that reduce costs and spur innovation, industry assistance to mitigate loss of jobs and emissions to other states, and reduced direct command-and-control measures by state and local regulators.

### Tax Reductions

Approved on bipartisan votes of 28-12 in the Senate and 55-22 in the Assembly on July 17, AB 398 also includes tax cuts that will help mitigate cost increases on rural Californians and partially offset some costs for California manufacturers and energy producers.

- **Sales Tax Exemption.** Manufacturers gained a partial, temporary exemption from state sales taxes, beginning in 2014, through 2022.

The exemption applied to purchases of equipment used in manufacturing and research and development (R&D), but did not apply to businesses in the financial

services, resource extraction or farming sectors. The exemption is limited to \$200 million per taxpayer per year.

The cap-and-trade bill extends this sales tax exemption for an additional eight years, through 2030, and expands its coverage to include equipment used in renewable energy production, storage and distribution. In addition, if any of these manufacturing/R&D/renewable energy activities occurs in an agricultural setting, the equipment now would qualify for an exemption.

The legislation also directs that proceeds from the cap-and-trade auctions reimburse the General Fund for the \$200 million to \$250 million value of the sales tax exemption, beginning now.

- **State Fire Fee Repeal.** Since 2011, the state has charged a fee on parcels with habitable structures on lands within the “State Responsibility Area,” which are lands protected by the California Department of Forestry and Fire Protection (CDFFP)—that is, not served by municipal fire departments or federal agencies. The fee was \$150 per parcel, adjusted annually for inflation, and is used to help pay for fire prevention and protection services by CDFFP.

The cap-and-trade measure suspends assessment of the fee immediately and repeals it in 2031.

AB 398 also declares the intent of the

Legislature that cap-and-trade auction revenues replace the approximately \$85 million foregone revenues from suspending the fire fee.

### Legislative Oversight

An important element of the cap-and-trade package to ensure accountability over the spending of revenues from the cap-and-trade auction is CalChamber-supported **ACA 1 (Mayes; R-Yucca Valley)**. The constitutional amendment also passed July 17 on bipartisan votes of 27-13 in the Senate and 59-11 in the Assembly. It was signed by the Governor the same day (Chapter 105).

ACA 1 establishes a legislative “check-up” of the cap-and-trade program in 2024, providing an opportunity to review 1) expenditures from the fund since 2020; 2) the commitment to regulatory and tax reforms enacted in AB 398; and 3) the effectiveness of the overall state program in reducing GHGs and minimizing the effect on the California economy.

The Legislature will enforce this check-up by requiring that any appropriations in 2024 be approved by a two-thirds supermajority of the Legislature.

As a constitutional amendment, ACA 1 will be voted on by the people in June 2018.

**Staff Contact: Amy Mmagu**

## U.S. Department of Labor Seeks Input on Federal Overtime Exemptions

*From Page 1*

- Salary level test;
- Duties test;
- Including nondiscretionary bonuses and incentive payments to satisfy a portion of the salary level;
- Salary test for highly compensated employees; and
- Automatic updating of the salary level tests.

### Ideas for Revision

The wording of the questions in the RFI suggests that the DOL may be considering several ideas for revising the federal overtime rule, such as:

- Updating the existing salary level of \$455 a week for inflation;
- Using multiple salary levels, perhaps based on employer size or geographical

location and cost of living in different parts of the United States; or

- Eliminating the salary test altogether and just relying on a duties test.

The RFI also seeks information on how the 2016 rule announcement affected employers. The 2016 rule was stopped about a week before it was supposed to be implemented.

Many employers already had increased salaries or taken other steps to prepare for implementing the rule. The DOL seeks to learn what changes employers made (adjusting salaries, reducing hours) and the economic and noneconomic impact of those changes.

### Submitting Comments

The 60-day comment period for all issues raised in the RFI ends on Septem-

ber 25, 2017. Instructions for submitting comments are available at [www.regulations.gov](http://www.regulations.gov).

The DOL is encouraging electronic submission of comments. Comments should reference the Regulatory Information Number (RIN) 1235-AA20.

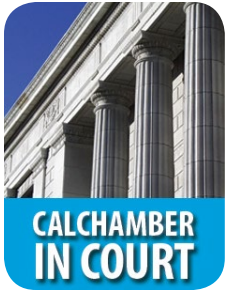
### Keep Following California Test

While the federal government tinkers with the federal overtime rule, California employers should continue to follow the California salary test to determine whether an employee can be classified as exempt under the executive, administrative and professional exemptions.

In addition to the salary test, California employees must meet a strict duties test to be classified as exempt.

**Staff Contact: Gail Cecchetti Whaley**

# State High Court Says Regional Entity Has Discretion in Environmental Analysis



In a narrowly drafted ruling, the California Supreme Court upheld a regional government body's discretion regarding the greenhouse gas (GHG) emissions analysis it

included in the environmental impact report (EIR) under the California Environmental Quality Act (CEQA) for its regional transportation plan.

While the court emphasized that its decision was “not a general endorsement of the adequacy” of the EIR prepared by the San Diego Association of Governments (SANDAG) and cautioned that its “conclusion that SANDAG did not abuse its discretion in its analysis of greenhouse gas emissions in the 2011 EIR does not mean that this analysis can serve as a template for future EIRs[,]” its ruling supported the result advocated in a friend-of-the-court brief joined by the California Chamber of Commerce in the case, *Cleveland National Forest Foundation et al. v. SANDAG* (S223603).

## Background

In late 2011, SANDAG certified the EIR for its regional transportation plan/sustainable communities strategy (Plan). The Plan outlined mobility options for people and goods in the San Diego region for a 40-year period ending in 2050. The EIR set forth an analysis of the Plan's environmental effects, including its projected impact on the region's GHG emissions.

Several groups, including the Cleveland National Forest Foundation and the Center for Biological Diversity, chal-

lenged the EIR in court, arguing SANDAG should have analyzed the consistency between the Plan's GHG emission impacts and GHG emission reduction goals set out in a 2005 executive order (2005 EO) by then-Governor Arnold Schwarzenegger.

The 2005 EO called for reducing GHG emissions in California to 80% below 1990 levels by 2050.

In its final EIR, SANDAG had acknowledged the “aspirational nature” of the 2005 EO's GHG emissions target, but explained it “chose not to use” the 2050 GHG emissions reduction target in the 2005 EO as a “threshold of significance” because the 2005 EO “is not an adopted GHG reduction plan within the meaning of” the *CEQA Guidelines* and “because SANDAG's role in achieving this target is uncertain and likely small.”

## Lower Court Rulings

The superior court found in favor of the plaintiffs, finding the EIR failed to fulfill its role as an informational document because it did not analyze the consistency between the Plan's GHG emission impacts and the 2005 EO's GHG emission reduction goals.

SANDAG appealed, arguing the EIR complied with CEQA, and the Cleveland National Forest Foundation and other environmental organizations cross-appealed. The California Attorney General intervened and also cross-appealed separately.

The Court of Appeal largely agreed with the plaintiffs and affirmed the trial court's judgment setting aside the EIR certification, but modified the judgment to require that a subsequent EIR fix most of the alleged deficiencies identified in the cross-appeals.

## Supreme Court Decision

In its decision, published July 13, 2017, the Supreme Court noted that the EIR “does not obscure the existence or contextual significance” of the 2005 EO's 2050 GHG emissions reduction target. “The EIR makes clear that the 2050 target is part of the regulatory setting in which the Plan will operate,” the court wrote.

“Although there were perhaps clearer or more graphic ways the EIR could have facilitated a comparison between 2050 projected emissions” and the 2005 EO's GHG emissions reduction target, the Supreme Court wrote, “the EIR presented the information enabling that comparison ‘in a manner calculated to adequately inform the public and decision makers, who may not be previously familiar with the details of the project.’”

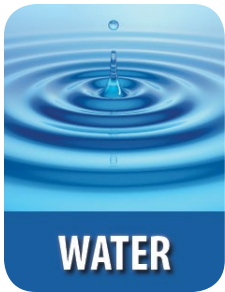
The Supreme Court added “it was not difficult for the public, reading the EIR, to compare the upward trajectory of projected greenhouse gas emissions under the Plan from 2020 through 2050 with the [2005 EO's] goal of reducing emissions to 80 percent below 1990 levels by 2050.”

“Moreover, SANDAG did not abuse its discretion in declining to adopt the 2050 goal as a measure of significance in light of the fact that the Executive Order does not specify any plan or implementation measures to achieve its goal,” the Supreme Court said.

“In sum, nothing we say today invites regional planners to ‘shirk their responsibilities’ under CEQA or other environmental statutes... To the contrary, we affirm that planning agencies like SANDAG must ensure that CEQA analysis stays in step with evolving scientific knowledge and state regulatory schemes.”

**Staff Contact:** [Louinda Lacey](#)

## CalChamber-Supported WaterFix Gains Critical State Approval



The California Chamber of Commerce-supported California WaterFix project has achieved the next crucial milestone on the road to securing the state's future water supplies.

The long-awaited plan to fix the state's aging water distribution system received approval from the state Department of Water Resources—a Notice of Determination (NOD)—which is the final approval needed at the state level under the California Environmental Quality Act.

### Federal Approval

In June the federal procedural step was met when the biological opinions (BiOps) from federal agencies responsible for protecting species listed under the federal Endangered Species Act (ESA) signed off.

After extensive environmental reviews that started under the Obama administration, the new BiOps released June 26 from

the National Marine Fisheries Service and the U.S. Fish and Wildlife Service found the construction and operations of WaterFix would not jeopardize the future existence of ESA-listed species.

### Progress

Over the last six months, critical strides have been made in moving WaterFix forward, including the issuance of the final Environmental Impact Report (EIR) on December 22, 2016.

The exhaustive review process for California WaterFix reflects nearly a decade of scientific and public analysis, including nearly a year of public review of the EIR, 600 public meetings throughout the state, and responses and revisions based on more than 40,000 public comments, concluding that WaterFix is the only viable plan to protect the state's water supply and the environment.

As WaterFix moves toward implementation, rigorous and continuing assessments of habitat and wildlife standards are expected.

### California WaterFix

Two-thirds of California homes,

farms, and businesses depend on water that flows through an aging distribution system to regions across the state.

The California WaterFix will address the severe vulnerability in the state's water infrastructure and secure local water supplies. Outdated, dirt levees would be replaced with a modern water pipeline built to withstand earthquakes and other natural disasters. Natural water flows would be restored to support the surrounding environments. The plan is critical for many California communities and the state's economy.

### Water Security Coalition

The CalChamber supports the WaterFix as part of the Californians for Water Security coalition of more than 12,000 California citizens and more than 180 organizations representing business leaders, labor, family farmers, local governments, water experts, environmentalists, public safety officials, infrastructure groups, taxpayer associations and others.

For more information on the California Water Fix and coalition, visit [www.watersecurityca.com](http://www.watersecurityca.com).

**Staff Contact: Valerie Nera**

## GO-Biz Accepting Applications for California Competes Tax Credit



The Governor's Office of Business and Economic Development (GO-Biz) has announced the third quarter application period is open for businesses

interested in applying for the California Competes Tax Credit (CCTC).

Applications must be submitted by August 21.

The California Competes Tax Credit is an income tax credit available to businesses that want to come, stay, or grow in California. Tax credit agreements are negotiated by GO-Biz and approved by a statutorily created "California Competes Tax Credit Committee," consisting of the State Treasurer, the Director of the

Department of Finance, the Director of GO-Biz, and one appointee each by the Assembly Speaker and Senate Rules Committee.

This program is open to any business planning to create new full-time jobs in the state, regardless of size or location. An online application is available on the California Competes website, [www.calcompetes.ca.gov](http://www.calcompetes.ca.gov).

Since 2014, GO-Biz has allocated \$492.5 million to 688 companies projected to create 70,747 new jobs and \$14.4 billion in new investments.

Members of the CCTC team are available to provide technical application assistance. An application guide, Frequently Asked Questions (FAQs) and program regulations are available on the California Competes Tax Credit page.

### Informative Webinars

During each application period, GO-Biz hosts [online webinars](#) about the CCTC program. Each webinar consists of a 45-minute presentation, followed by a question-and-answer session. Each presentation includes the following:

- Overview of the program;
- Program goals and evaluation criteria;
- Step-by-step instructions through the application process.

All businesses are encouraged to participate in the webinars to receive instructions on how to apply. Below is a list of upcoming webinars:

- **August 2;**
- **August 9;**
- **August 16.**

For more information or to register, visit [www.business.ca.gov](http://www.business.ca.gov).

# CalChamber Urges Quick Renegotiation of Trade Agreements to Help Economy



The California Chamber of Commerce has urged the Office of the U.S. Trade Representative (USTR) to be committed to a quick and efficient renegotiation of any free trade agreement (FTA).

Besides being an integral part of a successful world economy, FTAs serve the interest of American producers, employees and consumers, the CalChamber emphasized in [comments to the USTR](#).

The provisions of the FTAs and U.S. participation in the World Trade Organization (WTO) have been beneficial for U.S. industries, agricultural enterprises, farmers, ranchers, energy companies and automakers. Any renegotiation of U.S. FTAs must recognize the gains achieved and ensure that U.S. trade with its major trading partners remains strong and without interruption.

## Trade Agreements

The United States has negotiated and completed FTAs with 20 countries. The CalChamber understands that our economy and businesses are changing constantly, and agrees with the premise that the United States should seek to grow our economy by improving U.S. opportunities under its FTAs.

The United States currently has FTAs with Israel; Mexico and Canada under the

North American Free Trade Agreement (NAFTA); Jordan; Australia; Chile; Singapore; Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua under the Dominican Republic-Central America FTA (DR-CAFTA); Bahrain; Morocco; Oman; Peru; Panama; Colombia; and South Korea.

The CalChamber comments to the USTR include statistics on how much trade with the 20 countries has increased since the FTAs went into effect.

## Prosperity Tied to Trade

California is one of the 10 largest economies in the world with a gross state product exceeding \$2 trillion. International trade and investment are major parts of our economic engine that broadly benefit businesses, communities, consumers and state government. California's economy is diverse, and the state's prosperity is tied to exports and imports of both goods and services by California-based companies, to exports and imports through California's transportation gateways, and to movement of human and capital resources.

Although trade is a nationally determined policy issue, its impact on California is immense. In 2016, California exported to 228 foreign markets. Trade offers the opportunity to expand the role of California's exports. In its broadest terms, trade can literally feed the world and raise the living standards of those around us.

The U.S. Department of Commerce reported that in 2016, California exports amounted to \$163.6 billion, with California maintaining its perennial position as a top exporting state.

Exports from California accounted for 11% of total U.S. exports in 2016. California's top export destinations are Mexico, Canada, China, Japan and Hong Kong. California trade and exports translate into high-paying jobs for more than 1 million Californians.

California is a top exporter in the nation of computers, electronic products, and sales of food and kindred products. Computers and electronic products are California's top export, accounting for 26.1% of all the state's exports.

## CalChamber Position

The California Chamber supports expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

The comments were submitted July 21 in response to a *Federal Register* notice about the Administration's Review and Report to the President on Trade Agreements - Docket number USTR-2017-0010.

More information on the FTAs and WTO is available at [www.calchamber.com/international](http://www.calchamber.com/international).

Staff Contact: **Susanne T. Stirling**

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## 4 Job Killer Bills Active at Legislature's Summer Break

From Page 1

justified by a bona fide factor.

- **SB 63 (Jackson; D-Santa Barbara)**

**Imposes New Maternity and Paternity Leave Mandate:** Unduly burdens and increases costs of small employers with as few as 20 employees by requiring 12 weeks of protected employee leave for child bonding and exposes them to the threat of costly litigation.

**Increased Unnecessary Litigation Costs**

- **SB 49 (de León; D-Los Angeles)**

**Creates Uncertainty and Increases Potential Litigation Regarding Environmental Standards:** Creates uncertainty by giving broad and sweeping discretion to state agencies to adopt rules and regulations more stringent than the federal rules and regulations in effect on January 19, 2017 through an expedited administrative procedure, when the State agencies determine that federal action leads to less stringent laws and regulations than those in effect on January 19, 2017; and increases the potential for costly litigation by creating private rights of action under California law, which may be triggered when a state agency takes the foregoing discretionary action.

### Tax Increases; Not Subject to Deadline

The following nine tax-related job killer bills are not subject to the July 21 deadline. Although these bills aren't moving in the Legislature, they could be taken up at any time before the end of the session.

- **AB 43 (Thurmond; D-Richmond)**

**Targeted Tax on Contractors:** Unfairly targets one category of taxpayers to fund a benefit for all of the state by imposing a tax on contractors for the privilege of doing business with the Department of Corrections and Rehabilitation, and requires the contractor to absorb the cost while maintaining a price of lowest responsible bidder. *Held on the Assembly Appropriations Committee Suspense File, 5/26/17.*

- **AB 479 (Gonzalez Fletcher; D-San Diego and C. Garcia; D-Bell Gardens)**

**Targeted Tax on Alcohol:** Unfairly imposes an additional targeted excise tax on manufacturers, importers, and wholesalers of distilled spirits and a floor tax, that will increase their costs and force them to reduce in other areas, including labor. *Failed passage in Assembly Revenue and Taxation Committee, 5/8/17.*

- **AB 1003 (Bloom; D-Santa Monica)**
- Targeted Tax on Sweetened Beverages:**

Unfairly imposes a targeted excise tax on distributors of sweetened beverages to fund health-related programs for all, which will force distributors to reduce costs through higher prices to consumers or limiting their workforce. *In Assembly Rules; no hearing date set.*

- **AB 1356 (Eggman; D-Stockton)**

**Targeted Tax on High Earners:** Unfairly increases the personal income tax rate to 14.3%, the highest in the country, on one category of taxpayers (including sole proprietors), who already pay over half of the income tax revenue to the general fund, forcing them to mitigate costs through means including reducing workforce, in order to fund higher education that will benefit all of California. *In Assembly Higher Education Committee; no hearing date set.*

• **AB 1512 (McCarty; D-Sacramento)** **Targeted Tax on Opioids:** Unfairly imposes an excise tax on opioid distributors in California, which will increase their costs and force them to adopt measures that include reducing workforce and increasing drug prices for ill patients who need these medications the most, in order to fund drug prevention and rehabilitation programs that will benefit all of California. *In Assembly Revenue and Taxation Committee; no hearing date set.*

- **ACA 4 (Aguilar-Curry; D-Winters)**

**Lowers Vote Requirement for New Tax Increases:** Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on real property by giving local governments new authority to enact special taxes, including parcel taxes, to fund construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing, or the acquisition or lease of real property for public infrastructure or affordable housing, and lowering the vote threshold to impose such new taxes from two-thirds to 55%. *Referred to both the Assembly Local Government Committee and Assembly Appropriations Committee; no hearing date set.*

- **ACA 11 (Caballero; D-Salinas)**

**Targeted Retail Industry Tax Increase:** Exposes the retail industry to increased taxes by imposing a quarter-cent sales tax increase to fund affordable housing and homeless shelters, without creating greatly needed market rate housing. *Referred to both the Assembly Housing and Community Development Committee*

*and the Assembly Revenue and Taxation Committee; no hearing date set.*

- **SB 567 (Lara; D-Bell Gardens)**

**Multiple Tax Increases on California Employers:** Proposes multiple tax increases on California employers, including requiring payment of capital gains on the inheritance of a family business as well as eliminating a deduction for corporations with regard to CEO compensation, when California already has the highest personal income tax and sales tax rates in the country, as well as one of the highest corporate tax rates, which will discourage job growth in California. *Senate Inactive File, 6/1/17.*

- **SCA 6 (Wiener; D-San Francisco)**

**Lowers Vote Requirement for Tax Increases:** Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. *Held under submission in Senate Appropriations Committee Suspense File, 5/25/17; no hearing date scheduled.*

### Recently Stopped

A job killer bill discriminating against arbitration agreements in hospital contracts was never brought up for a hearing in the Assembly Health Committee, missing the deadline to advance this year. **SB 538 (Monning; D-Carmel)** would have restricted the formation of antitrust arbitration agreements in hospital contracts, leading to costly litigation over preemption by the Federal Arbitration Act.

CalChamber identified SB 538 as a job killer because if enacted, it would have led to many legal challenges regarding its validity, resulting in more litigation tying up the court system, increasing litigation costs and driving businesses out of business.

The bill is eligible to be reconsidered in January 2018.

### Next Deadline

The next significant deadline for the job killer bills is September 1, the date by which fiscal committees must send the bills along for consideration by the entire Senate or Assembly.

For more information on the remaining job killer bills, visit [www.CAJobKillers.com](http://www.CAJobKillers.com).



# CalChamber Status Update Report on Major Legislation for Business

The following list summarizes top priority bills for the California Chamber of Commerce and their status as of July 21, when the Legislature began its summer recess.

Within each subject area, the list presents bills in order of priority with the highest priorities at the top.

The CalChamber will publish a second status report in September, showing the status of priority legislation when

the Legislature begins its interim recess on September 15.

October 15 is the last day for the Governor to sign or veto bills passed by the Legislature on or before September 15.

The CalChamber will publish its final status report, showing the ultimate fate of bills sent to the Governor this year, in October.

Bills signed by the Governor will

become law on January 1, 2018. Urgency, tax and budget-related measures go into effect immediately upon being signed.

Each fall, the CalChamber also publishes a record of legislators' votes on key bills affecting the California business climate. Generally, the bills selected for the vote record have appeared in one of the status reports. This year's vote record is scheduled to be published on November 3.

Status of legislative action on bills as of July 21, 2017. Dates listed are the date the bill was assigned to a committee, the latest date of committee action, the next hearing date or when the bill reached the floor, unless action is stated.

Subject—CalChamber Position	Status
<b>Agriculture, Food and Natural Resources</b>	
<b>Lawsuit Exposure.</b> SB 300 (Monning; D-Carmel) Increases frivolous liability claims and exposes beverage manufacturers and food retailers to fines and penalties by mandating state-only labeling requirements for sugar-sweetened drinks. Oppose/ <b>Job Killer</b> .	Senate Health 2/23/17; Failed Deadline
<b>Labeling.</b> SB 504 (Wieckowski; D-Fremont) Increases costs to business through state-only labeling on food products containing synthetic dyes. Oppose.	Held in Senate Appropriations Suspense File 5/25/17; Failed Deadline
<b>Prohibits Seawalls or Armoring on Coastal Properties.</b> AB 1129 (M. Stone; D-Scotts Valley) Jeopardizes the safety of businesses on the coast who have seawalls protecting their properties by prohibiting seawalls or armoring on properties not in existence before 1977. Oppose.	Assembly Inactive File 6/1/17; Failed Deadline
<b>Low-Cost Accommodations.</b> AB 663 (Bloom; D-Santa Monica) Discourages development in the coastal zone by making it financially impossible to build with the requirement to provide low-cost housing. Oppose.	Assembly Inactive File 6/1/17; Failed Deadline
<b>Land Use.</b> AB 975 (Friedman; D-Glendale) Restricts adjacent and nearby private land use by expanding the definition of wild and scenic rivers and the areas of preserve. Oppose.	Assembly Inactive File 6/5/17; Failed Deadline
<b>Product Ban.</b> AB 1687 (Bloom; D-Santa Monica) Increases the costs to business and agriculture to exterminate pests by banning rat poisons containing anticoagulants. Oppose.	Assembly Environmental Safety and Toxic Materials 3/21/17; Failed Deadline
<b>Marketing.</b> AB 841 (Weber; D-San Diego) Limits businesses' ability to partner with schools on projects and programs that are mutually beneficial by prohibiting student incentive programs that contain certain food products. Oppose.	Senate Floor 7/5/17
<b>Land Conveyances.</b> SB 50 (B. Allen; D-Santa Monica) Before amendments, jeopardized multiple uses of land such as grazing or recreation by making federal land sales contingent on State Lands Commission terms. Opposition removed due to June 29, 2017 amendments. Neutral.	Assembly Appropriations 7/11/17
<b>Roads.</b> AB 425 (Caballero; D-Salinas) Facilitates forest management and dead tree removal by allowing temporary roads for use with the Forest Fire Prevention Pilot Program. Support.	Held in Senate Appropriations Suspense File 7/10/17

Subject—CalChamber Position	Status
<b>Codification.</b> AB 947 (Gallagher; R-Yuba City) Expedites lake and streambed agreements by codifying standards needed for routine and ongoing agricultural land management practices. Support.	Held in Assembly Appropriations Suspense File 5/3/17; Failed Deadline
<b>Small Business Participation.</b> AB 816 (Kiley; R-Granite Bay) Encourages small business and farmers to participate in regulatory hearings through webcasts to provide input on proposals that affect them. Support.	Senate Appropriations Hearing 8/21/17
<b>Public Participation.</b> AB 1337 (Patterson; R-Fresno) Encourages public participation in Fish and Game Commission meetings by providing a webcast on the internet. Support.	Senate Floor 7/11/17
<b>Labeling.</b> SB 602 (B. Allen; D-Santa Monica) Increases costs to pesticide manufacturers by requiring state-only labeling on products not scientifically proven to cause bee mortality. Oppose.	Senate Inactive File 6/1/17; Failed Deadline
<b>Transparency.</b> AB 684 (M. Stone; D-Scotts Valley) Before amendments, potentially made it more difficult to get qualified candidates for appointment to the California Coastal Commission by imposing administrative duties on the commissioners that should be handled by staff. Opposition removed due to June 29, 2017 amendments. Neutral.	Senate Appropriations Hearing 8/21/17
<b>Air Quality</b>	
<b>Gas Price Increase.</b> AB 1645 (Muratsuchi; D-Torrance) Jeopardizes the production of California-based fuel by banning the use of hydrogen fluoride and hydrofluoric acid at refineries that use more than 250 gallons and are located within two miles of a residence, notwithstanding the fact that there are significant safety regulations in place at the local, state and federal levels. Oppose/ <b>Job Killer</b> .	Assembly Environmental Safety and Toxic Materials 3/27/17; Failed Deadline
<b>Abatement Orders.</b> AB 1132 (C. Garcia; D-Bell Gardens) Before amendments, allowed a local air district to immediately shut down operations of a facility for a perceived imminent or substantial endangerment to public health or the environment while awaiting a hearing. Opposition removed due to June 5, 2017 amendments. No Position.	To Governor
<b>Burdensome Regulations.</b> AB 1647 (Muratsuchi; D-Torrance) Before amendments, created requirements for refineries that operate in California to install air monitoring systems along the fence line of the refineries' property as well as in surrounding communities. Concerns removed due to June 8, 2017 amendments. No Position	Senate Floor 7/11/17
<b>Anti-Crime</b>	
<b>Prevents Thefts.</b> AB 1326 (Cooper; D-Elk Grove) Saves retailers substantial losses from robberies by aggregating thefts in a one-year timeframe so that the \$950 threshold is met sooner and punishable by a stiffer penalty. Support.	Assembly Public Safety 3/13/17; Failed Deadline
<b>Banking/Finance</b>	
<b>Loans.</b> SB 815 (Senate Business, Professions and Economic Development Committee) Improves compliance with Americans with Disabilities Act (ADA) by expanding the availability of loans to small businesses to remedy ADA violations. Support.	Senate Business, Professions and Economic Development 4/19/17; Failed Deadline
<b>Budget</b>	
<b>Board of Equalization Reform.</b> AB 102 (Committee on Budget) Unnecessarily rushes substantive and significant reforms to the Board of Equalization and creates two new agencies, including an Office of Tax Appeals that allows unelected bureaucrats to determine major tax policy issues, through the budget process instead of allowing such policy to be deliberated through the normal schedule of the legislative process. Oppose.	Signed 6/27/17—Chapter 16

Subject—CalChamber Position	Status
<p><b>Board of Equalization Reform.</b> SB 86 (Committee on Budget and Fiscal Review) Unnecessarily rushes substantive and significant reforms to the Board of Equalization and creates two new agencies, including an Office of Tax Appeals that allows unelected bureaucrats to determine major tax policy issues, through the budget process instead of allowing such policy to be deliberated through the normal schedule of the legislative process. Oppose.</p>	<p>Assembly Budget 6/19/17</p>
<p><b>Stifles Innovation.</b> SB 103 (Committee on Budget and Fiscal Review) Stifles innovation by placing restrictions and prohibitions on the use or development of automated technology at the ports. Oppose.</p>	<p>Signed 7/21/17—Chapter 95</p>
<p><b>Stifles Innovation.</b> AB 118 (Committee on Budget) Stifles innovation by placing restrictions and prohibitions on the use or development of automated technology at the ports. Oppose.</p>	<p>Senate Inactive File 7/20/17</p>
<p><b>California Environmental Quality Act (CEQA)</b></p>	
<p><b>Barrier to Housing and Economic Development.</b> SB 224 (Jackson; D-Santa Barbara) Creates significant uncertainty for developers by requiring the Office of Planning and Research (OPR) to amend the California Environmental Quality Act (CEQA) Guidelines to redefine the baseline that may be used in the CEQA analysis and directing OPR, in drafting the Guidelines, to limit consideration of modifications to the environment at the project site caused by illegal, unpermitted, or emergency activities within the baseline conditions. If prior illegal, unpermitted, or emergency activities are excluded in a project’s baseline, it may require projects to mitigate not only the impacts of the project itself, but also the impacts of other historical activities for which the applicant has no legal liability and over which it had no control. Oppose/<b>Job Killer</b>.</p>	<p>Held in Senate Appropriations Suspense File 5/25/17; Failed Deadline</p>
<p><b>Sets Design Review Timeframe.</b> AB 190 (Steinorth; R-Rancho Cucamonga) Provides developers with certainty and helps expedite the development process by requiring a lead agency, where an ordinance requiring design review applies to a development project, to approve or disapprove the design of the development project within 30 days of the date that application has been determined to be complete, or the date of the certification of the environmental impact report, the date of the adoption of a negative declaration, or the date of a determination that the project is exempt from the California Environmental Quality Act, whichever occurs later. Support.</p>	<p>Assembly Local Government 1/30/17; Failed Deadline</p>
<p><b>Promotes Housing Development.</b> AB 239 (Ridley-Thomas; D-Los Angeles) Furthers the development of affordable housing, infill development, and development near transit stations, by extending the California Environmental Quality Act exemption for infill projects to unincorporated areas already surrounded by urbanized land uses and populations. Support.</p>	<p>Failed Passage in Assembly Natural Resources 4/24/17; Failed Deadline</p>
<p><b>Expedites and Reduces Cost for Transportation Infrastructure Projects.</b> AB 278 (Steinorth; R-Rancho Cucamonga) Streamlines and reduces regulatory burdens to inspect, maintain, repair, remove and replace existing highways and roads, or to add specified auxiliary lanes by exempting such projects under the California Environmental Quality Act. Support.</p>	<p>Failed Passage in Assembly Natural Resources 3/20/17; Failed Deadline</p>
<p><b>Expedites and Reduces Cost for Critical Levee Repairs.</b> AB 1273 (Gallagher; R-Yuba City) Streamlines and reduces regulatory burdens for repairs of critical levees of the State Plan of Flood Control by exempting such projects under the California Environmental Quality Act. Support.</p>	<p>Failed Passage in Senate Natural Resources and Water 7/11/17; Failed Deadline</p>
<p><b>Climate Change</b></p>	
<p><b>Reduces Compliance Costs.</b> AB 398 (E. Garcia; D-Coachella) Provides regulatory certainty for California businesses, helps maintain a healthy economy and provides the least costly path to achieving our climate goals by extending cap-and-trade to 2030 by providing market mechanisms rather than government command-and-control. Support.</p>	<p>Signed 7/25/17 (Urgency)</p>

Subject—CalChamber Position	Status
<p><b>Legislative Oversight.</b> ACA 1 (Mayes; R-Yucca Valley) Increases transparency and accountability by establishing a legislative “check-up” of the cap-and-trade program in 2024, providing an opportunity to review 1) expenditures from the fund since 2020, 2) the commitment to regulatory and tax reforms enacted in AB 398, and 3) the effectiveness of the overall state program in reducing greenhouse gases (GHGs) and minimizing the effect on the California economy. Support.</p>	<p>Signed 7/17/17—Chapter 105</p>
<p><b>Increased Compliance Costs.</b> AB 378 (C. Garcia; D-Bell Gardens) Increases the cost for compliance and creates additional regulatory burdens for businesses by relying on direct control measures to meet the state’s climate goals. Oppose.</p>	<p>Failed Passage in Assembly 6/1/17; Reconsideration Granted</p>
<p><b>Transportation and Housing Barrier.</b> SB 150 (B. Allen; D-Santa Monica) Before amendments, would have made it more difficult and more expensive to build roads, homes and transit by dictating a cookie cutter approach to how regions achieve emissions reduction targets through their Regional Transit Plans. Opposition removed due to June 21, 2017 amendments. No Position.</p>	<p>Assembly Appropriations 7/10/17</p>
<p><b>Regulatory Oversight.</b> AB 1301 (Fong; R-Bakersfield) Increases transparency and accountability by providing criteria around the information the California Air Resources Board presents to the Joint Legislative Committee on Climate Change Policy to show the cost impacts of our climate regulations. Support.</p>	<p>Failed Passage in Assembly Natural Resources 4/24/17; Failed Deadline</p>
<p><b>Greenhouse Gas Reduction Fund.</b> AB 1342 (Flora; R-Ripon) Before amendments, prematurely allocated money from the Greenhouse Gas Reduction Fund to support healthy forests and organics recycling. Opposition removed due to April 27, 2017 amendments. No Position.</p>	<p>Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline</p>
<p><b>Greenhouse Gas Reduction Fund.</b> AB 1369 (Gray; D-Merced) Prematurely allocates money from the Greenhouse Gas Reduction Fund for water storage. Oppose.</p>	<p>Assembly Water, Parks and Wildlife 3/27/17; Failed Deadline</p>
<p><b>Greenhouse Gas Reduction Fund.</b> AB 555 (Cunningham; R-Templeton) Prematurely allocates money from the Greenhouse Gas Reduction Fund for the replacement of school buses. Oppose.</p>	<p>Assembly Natural Resources 3/20/17; Failed Deadline</p>
<p><b>Greenhouse Gas Reduction Fund.</b> AB 1433 (Wood; D-Healdsburg) Before amendments, prematurely allocated money from the Greenhouse Gas Reduction Fund to support the Climate Adaptation and Resilience Based on Nature Act. Opposition removed due to April 27, 2017 amendments. Gutted and amended to a different subject area June 21, 2017. No Position.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Greenhouse Gas Reduction Fund.</b> AB 964 (Calderon; D-Whittier) Before amendments, prematurely allocated money from the Greenhouse Gas Reduction Fund to the Capital Access Loan Program for low-emission vehicle loans. Opposition removed due to April 27, 2017 amendments. No Position.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Education</b></p>	
<p><b>Extends Workforce Development.</b> AB 669 (Berman; D-Palo Alto) Before amendments, helped improve alignment of the state’s workforce needs and education resources by extending the Economic and Workforce Development program (set to expire in 2018) within the California Community Colleges system. Gutted and amended June 26, 2017 to a different subject area. Job creator label and support position removed. No Position/<b>Former Job Creator.</b></p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Career Technical Education (CTE).</b> AB 445 (Cunningham; R-Templeton) Assists schools by permanently extending the CTE Incentive Grant Program (authorized and funded in the 2015–2016 budget), whose goal is to provide relevant, industry-aligned skills training and instruction to address the demand in California’s changing job market. Support.</p>	<p>Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline</p>

Subject—CalChamber Position	Status
<p><b>Jeopardizes State Workforce Goals.</b> SB 574 (Lara; D-Bell Gardens) Unnecessarily impedes the ability of the University of California (UC) to use its restricted state funding in the most efficient manner possible to continue expanding enrollment without compromising on the quality of the education it provides or substantially increasing the state’s General Fund contribution by placing unreasonable restrictions on when the UC may contract for services. Oppose.</p>	<p>Assembly Appropriations 7/11/17</p>
<p><b>Increases Recruitment and Retention of STEM Teachers.</b> SB 436 (B. Allen; D-Santa Monica) Addresses the shortage of California science, technology, engineering and mathematics (STEM) teachers by providing necessary outreach, recruitment and incentives to attract and retain STEM professionals to teaching. Support.</p>	<p>Assembly Education 6/12/17; Failed Deadline</p>
<p><b>Expands Baccalaureate Degree Pilot Program.</b> SB 769 (Hill; D-San Mateo) Optimizes capacity and performance by extending a pilot program in the California Community Colleges system allowing community colleges to offer bachelor’s degree programs in a subject area related to an unmet workforce need in the local community that does not overlap with any degree programs offered at nearby postsecondary institutions. Support.</p>	<p>Assembly Appropriations 7/13/17</p>
<p><b>Increases Access to Computer Science.</b> SB 346 (Glazer; D-Contra Costa) Before amendments, promoted a coordinated effort by schools to offer computer science as part of their curriculum by requiring the California Department of Education to develop and the State Board of Education to consider adopting a plan to make the curriculum available in every school. Support position removed due to June 26, 2017 amendments. No Position.</p>	<p>Failed Passage in Assembly Higher Education 7/11/17; Reconsideration Granted; Failed Deadline</p>
<h2 style="color: red;">Energy</h2>	
<p><b>Increased Energy Costs.</b> SB 100 (de León; D-Los Angeles) Increases the cost of energy by creating an ambiguous zero-carbon energy by 2045 planning goal and requirements for regulatory agencies in the state. Oppose.</p>	<p>Assembly Appropriations 7/17/17</p>
<p><b>Energy Reliability.</b> SB 57 (Stern; D-Canoga Park) Jeopardizes energy resources and reliability by placing an additional moratorium on natural gas injection at the Aliso Canyon facility until a final root cause analysis is completed and released to the public. Oppose.</p>	<p>Urgency Clause Refused Adoption; Failed Passage in Senate 5/30/17</p>
<p><b>Threatens Grid Reliability and Safety.</b> SB 356 (Skinner; D-Berkeley) Threatens the safety and reliability of California’s transmission grid by requiring the release of security-sensitive and market-sensitive data. Oppose.</p>	<p>Assembly Appropriations 7/10/17</p>
<p><b>Increased Energy Costs.</b> SB 520 (Mitchell; D-Los Angeles) Increases the cost for energy in California by allowing for intervenors to collect compensation for engaging at the California Independent System Operator. Oppose.</p>	<p>Assembly Appropriations 7/19/17</p>
<p><b>Increased Energy Costs.</b> AB 304 (Eggman; D-Stockton) Increases the cost of energy by expanding the pool of applicants eligible to receive intervenor compensation to include school districts and community colleges. Oppose.</p>	<p>Assembly Utilities and Energy 2/13/17; Failed Deadline</p>
<p><b>Increased Energy Prices.</b> AB 1405 (Mullin; D-South San Francisco) Before amendments, increased the cost of energy for ratepayers by creating new policies for procurement under the integrated resources planning process. Opposition removed due to July 17, 2017 amendments. No Position.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Increased Energy Costs.</b> SB 338 (Skinner; D-Berkeley) Before amendments, increased the cost of energy for ratepayers by creating new policies for procurement under the integrated resources planning process. Opposition removed due to July 10, 2017 amendments. No Position.</p>	<p>Assembly Floor 7/20/17</p>
<p><b>Reduces Permitting Barriers.</b> AB 546 (Chiu; D-San Francisco) Reduces barriers and increases cost-effectiveness for energy storage permitting by allowing online submission for permit applications and allowing local governments to develop an energy storage handbook. Support.</p>	<p>Senate Appropriations Hearing 8/21/17</p>

Subject—CalChamber Position	Status
<b>Environmental Regulation</b>	
<p><b>Extends Superfund Liability to Emissions into the Air.</b> AB 421 (Santiago; D-Los Angeles) Imposes statutory liability on businesses and individuals for clean-up recovery costs associated with deposits or redeposits of certain substances that were emitted into the air under a statutory scheme that places the burden of proof on the defendant. Oppose/<b>Job Killer</b>.</p>	<p>Assembly Judiciary 4/5/17; Failed Deadline</p>
<p><b>Creates Uncertainty and Increases Potential Litigation Regarding Environmental Standards.</b> SB 49 (de León; D-Los Angeles) Creates uncertainty by giving broad and sweeping discretion to state agencies to adopt rules and regulations more stringent than the federal rules and regulations in effect on January 19, 2017 through an expedited administrative procedure, when the state agencies determine that federal action leads to less stringent laws and regulations than those in effect on January 19, 2017; and increases the potential for costly litigation by creating private rights of action under California law, which may be triggered when a state agency takes the foregoing discretionary action. Oppose/<b>Job Killer</b>.</p>	<p>Assembly Appropriations 7/11/17</p>
<p><b>Increases Costs to and Creates Uncertainty for Hazardous Waste Permit Operators.</b> AB 245 (Quirk; D-Hayward) Imposes unnecessary new costs on hazardous waste permit operators by requiring a public hearing be held within 90 days of the submittal of a hazardous waste permit renewal application, notwithstanding the multiple existing opportunities for public review; and creates uncertainty regarding the application of ambiguous language relating to the adequacy of financial assurances to be reviewed every five years. Oppose.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Increased Indirect Costs and Likely Processing Delays for Hazardous Waste Permit Operators.</b> AB 246 (Santiago; D-Los Angeles) Imposes unnecessary and substantial new indirect costs on hazardous waste permit operators and will likely result in further delays in permit processing by requiring the Department of Toxic Substances Control (DTSC), in consultation with air pollution control and air quality management districts, to assess all hazardous waste permitted facilities to determine if fence-line or other monitoring is necessary or available, and to provide a report on the assessment to the Legislature by September 1, 2018, notwithstanding the fact that DTSC has existing authority to require such conditions on a case-by-case basis. Oppose.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Increased Costs and Likely Processing Delays for Hazardous Waste Permit Operators.</b> AB 1179 (Kalra; D-San Jose) Prematurely and unnecessarily imposes new costs on hazardous waste permit operators and will likely result in further delays in permit processing by arbitrarily setting inspection frequencies for certain facilities and directing the Department of Toxic Substances Control (DTSC) to adopt regulations setting inspection frequencies for all facilities, notwithstanding the fact that DTSC is currently reforming its enforcement program at the regulatory level. Oppose.</p>	<p>Held in Senate Appropriations Suspense File 7/17/17</p>
<p><b>Lost Oil Production.</b> SB 188 (Jackson; D-Santa Barbara) Threatens oil production in the state by prohibiting any new production and eventually forcing closure of existing oil-related infrastructure. Oppose.</p>	<p>Assembly Appropriations 7/13/17</p>
<p><b>Burdensome Disclosure Requirements.</b> AB 1328 (Limón; D-Goleta) Increases costs by imposing burdensome chemical disclosure and monitoring requirements on oil and gas operators, and requiring that such information be provided to the State Water Resources Control Board. Oppose.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Repeals Technical Advisory Group on Oil and Gas Development.</b> SB 465 (Jackson; D-Santa Barbara) Inappropriately repeals a long-standing effective advisory group providing technical advice to the Division of Oil, Gas, and Geothermal Resources on production efficiency and reservoir protection and replaces it with an advisory council of at least 16 members, envisioned to include individuals with no technical expertise in such pertinent functions. Oppose.</p>	<p>Assembly Appropriations 7/13/17</p>

Subject—CalChamber Position	Status
<p><b>Upends Organizational Structure at Department of Toxic Substances Control.</b> SB 774 (Leyva; D-Chino) Creates substantial uncertainty for hazardous waste permit operators by establishing the California Toxic Substances Board within the Department of Toxic Substances Control (DTSC), with hiring/firing powers over the Director and various powers and duties relating to hazardous waste facilities permits and sites, including the ability to, following a review of documents submitted, information presented, and testimony taken at a hearing, direct the Director to require that certain conditions be placed on a permit to address perceived hazards to public health or the environment, notwithstanding the extensive record compiled and developed by staff during the preceding years. Oppose Unless Amended.</p>	<p>Assembly Appropriations 7/13/17</p>
<p><b>Burdensome Regulations.</b> AB 1646 (Muratsuchi; D-Torrance) Requires additional burdensome regulations to refineries by mandating they install audible alarm systems as well as an emergency alert system for residents, schools, public facilities, hospitals and residential care homes for an unspecified distance around a petroleum refinery to be determined by the relevant local unified program agency. Oppose Unless Amended.</p>	<p>Senate Appropriations 6/21/17</p>
<p><b>Provides Flexibility in Retail Hazardous Waste Management.</b> AB 514 (Salas; D-Bakersfield) Provides retailers with waste reduction and recycling options by exempting certain goods (e.g., sunscreen, lip balm, saline solution, and homeopathic remedies) from automatic incineration under the California Medical Waste Management Act. Support.</p>	<p>Senate Environmental Quality 7/5/17; Failed Deadline</p>
<p><b>Creates Unworkable Hazardous Waste Permitting Process.</b> AB 248 (Reyes; D-Grand Terrace) Before amendments, undermined the iterative permit application process by requiring premature submittal of permit renewal application paperwork and created uncertainty by failing to identify the consequences to the regulated community in the event the Department of Toxic Substances Control fails to take action on the permit renewal application within a specified timeframe, even if the permit applicant acted diligently and in good faith throughout the permit application process. Opposition removed due to May 26, 2017 amendments. No Position.</p>	<p>Senate Floor 7/18/17</p>
<p><b>Prematurely Increases Penalties on Hazardous Waste Permit Operators.</b> AB 249 (Gomez; D-Los Angeles) Before amendments, prematurely increased penalties on hazardous waste permit operators by imposing the federal per-day penalty of \$37,500, notwithstanding the fact that comprehensive reform of the Department of Toxic Substances Control permitting, enforcement and fiscal management is under review and consideration. Gutted and amended to a different subject area June 20, 2017. Opposition removed. No Position.</p>	<p>Senate Rules 6/21/17</p>
<p><b>Government Contracting</b></p>	
<p><b>Targeted Tax on Contractors.</b> AB 43 (Thurmond; D-Richmond) Unfairly targets one category of taxpayers to fund a benefit for all of the state by imposing a tax on contractors for the privilege of doing business with the Department of Corrections and Rehabilitation, and requires the contractor to absorb the cost while maintaining a price of lowest responsible bidder. Oppose/<b>Job Killer</b>.</p>	<p>Held in Assembly Appropriations Suspense File 5/26/17</p>
<p><b>State Boycott of Border Wall Vendors.</b> SB 30 (Lara; D-Bell Gardens) Unfairly and broadly targets businesses to prohibit them from contracting for goods and services with the state based on principles unrelated to the contractor's ability to perform the service or provide the goods, the quality of the goods or service, and the cost of the contract. Oppose.</p>	<p>Assembly Accountability and Administrative Review 6/15/17; Failed Deadline</p>
<p><b>Costly County Contractor Process.</b> AB 1250 (Jones-Sawyer; D-South Los Angeles) Imposes a cost to contractors with county contracts, subjects contractor and subcontractor employees' private information to Public Records Act requests, and seeks to severely limit options for these counties to determine the most appropriate solution to providing efficient and effective public service by establishing significant and costly obstacles for agencies and for vendors contracting for personal services. Oppose.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Prevailing Wages.</b> AB 1066 (Aguiar-Curry; D-Winters) Before amendments, increased costs for tree removal by imposing prevailing wages, placing upward cost pressure for lumber producers, potentially resulting in a negative impact on competitiveness. Opposition removed due to June 29, 2017 amendments. No Position.</p>	<p>Senate Appropriations Hearing 8/21/17</p>

Subject—CalChamber Position	Status
<b>Government Transparency.</b> AB 1052 (T. Allen; R-Huntington Beach) Increases government transparency and efficiency in government spending by improving the Financial Information System for California (FISCAL). Support.	Assembly Appropriations 4/26/17; Failed Deadline
<b>Entrepreneur Assistance to State.</b> AB 86 (Calderon; D-Whittier) Creates the opportunity for government operations to improve policies in new and efficient ways from volunteer entrepreneurs, at no cost to the state. Support.	Held in Senate Appropriations Suspense File 7/10/17
<b>Health</b>	
<b>Government-Run Health Care.</b> SB 562 (Lara; D-Bell Gardens) Penalizes responsible employers and individuals and results in significant new taxes on all Californians and California businesses by creating a new single-payer government-run, multibillion-dollar health care system financed by an unspecified and undeveloped “revenue plan.” Oppose/ <b>Job Killer.</b>	Held at Assembly Desk 6/1/17; Failed Deadline
<b>Arbitration Discrimination.</b> SB 538 (Monning; D-Carmel) Unfairly and unlawfully discriminates against arbitration agreements by restricting the formation of antitrust arbitration agreements in hospital contracts, leading to costly litigation over preemption by the Federal Arbitration Act. Oppose/ <b>Job Killer.</b>	Assembly Health 6/15/17; Failed Deadline
<b>Health Care Coverage Mandate.</b> SB 172 (Portantino; D-La Cañada Flintridge) Increases health care premiums by mandating coverage for fertility preservation services due to infertility caused by necessary medical treatment. Oppose.	Held in Senate Appropriations Suspense File 5/25/17; Failed Deadline
<b>Increases Health Care Premiums.</b> SB 399 (Portantino; D-La Cañada Flintridge) Increases costs and undermines the ability of health care issuers to promote and manage applied behavioral analysis for children with autism by making a number of changes to how the autism services are provided. Oppose.	Senate Health 3/14/17; Failed Deadline
<b>Health Care Mandate.</b> AB 1601 (Bloom; D-Santa Monica) Adds to the problem of rising health care costs by mandating health care issuers to cover hearing aids for enrollees under 18 years of age. Oppose.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline
<b>Health Care Mandate.</b> AB 1316 (Quirk; D-Hayward) Before amendments, would have driven up health care premiums and costs by mandating health care plans and insurers to cover blood lead poisoning screening for all children, even those not at risk for lead poisoning. Opposition removed due to May 2, 2017 amendments. No Position	Senate Appropriations Hearing 8/21/17
<b>Increases Health Care Costs.</b> SB 349 (Lara; D-Bell Gardens) Increases health care costs by setting dialysis clinic staffing ratios to the most stringent in the country and mandating transition times between patients leading to patient access issues with no clear evidence of clinical benefit to dialysis patients. Oppose.	Assembly Appropriations 6/29/17
<b>Limits Access to Care.</b> AB 1380 (Santiago; D-Los Angeles) Before amendments, undermined the ability of respite care providers to provide valuable services and created inconsistent standards by requiring in-home respite service providers through contracts with regional centers to spend at least 85% of regional center funds on direct care expenditures. Opposition removed due to June 29, 2017 amendments. No Position.	Senate Appropriations Hearing 8/21/17
<b>Health Care Mandate.</b> AB 1110 (Burke; D-Inglewood) Results in overutilization of covered services and increases health care premiums and costs by mandating that all children, regardless of medical necessity, receive a “comprehensive eye exam” upon enrollment into elementary school. Oppose.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline
<b>Health Care Coverage Mandate.</b> SB 221 (Wiener; D-San Francisco) Increases health care costs by mandating coverage for surgical and drug treatment of HIV-associated lipodystrophy by health plans and insurers. Oppose.	Senate Health 2/16/17; Failed Deadline



Subject—CalChamber Position	Status
<p><b>Health Care Mandate.</b> AB 1107 (Nazarian; D-Sherman Oaks) Increases health care costs by interfering with the ability of health plans to develop voluntary, evidence-based oncology clinical pathways that treat patients in accordance with current medical evidence and best practices without exposing patients and purchasers to unnecessary costs. Also unfairly singles out pathways developed by health plans even though national associations, providers, hospitals and drug makers also develop such oncology pathways. Oppose.</p>	<p>Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline</p>
<p><b>Prescription Drug Coupons.</b> AB 265 (Wood; D-Healdsburg) Before amendments, raised consumer awareness regarding drug pricing and helped curb rising drug costs by prohibiting drug manufacturers, when a lower-cost therapeutically equivalent or interchangeable drug is available, from offering coupons or discounts to consumers to reduce consumer out-of-pocket insurance expenses, which in the long term increase health care premiums and costs for all health care purchasers, including employers, by driving consumers to higher-cost brand name drugs. Support position removed due to May 10, 2017 amendments. No Position.</p>	<p>Senate Floor 7/10/17</p>
<h2 style="color: red;">Housing and Land Use</h2>	
<p><b>Reduces Rental Housing Supply.</b> AB 1506 (Bloom; D-Santa Monica) Discourages new construction and decreases the rental housing supply by allowing cities and counties to adopt rent control measures without any limitations through the repeal of the Costa-Hawkins Rental Housing Act (a California law that created a statewide formula for local governments to follow if they elect to implement rent control) and expanding rent control to single-family homes and condominiums. Oppose/<b>Job Killer</b>.</p>	<p>Assembly Housing and Community Development 3/16/17; Failed Deadline</p>
<p><b>Lowers Vote Requirement for New Tax Increases.</b> ACA 4 (Aguiar-Curry; D-Winters) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on real property by giving local governments new authority to enact special taxes, including parcel taxes, to fund construction, reconstruction, rehabilitation, or replacement of public infrastructure or affordable housing, or the acquisition or lease of real property for public infrastructure or affordable housing, and lowering the vote threshold to impose such new taxes from two-thirds to 55%. Oppose/<b>Job Killer</b>.</p>	<p>Assembly Local Government and Assembly Appropriations 4/24/17</p>
<p><b>Targeted Retail Industry Tax Increase.</b> ACA 11 (Caballero; D-Salinas) Exposes the retail industry to increased taxes by imposing a quarter-cent sales tax increase to fund affordable housing and homeless shelters, without creating greatly needed market rate housing. Oppose/<b>Job Killer</b>.</p>	<p>Assembly Housing and Community Development and Assembly Revenue and Taxation 7/3/17</p>
<p><b>Outlaws Certain Local Land Use Initiatives.</b> AB 890 (Medina; D-Riverside) Eliminates Californians' local initiative power to pursue changes in land use by giving exclusive authority to city councils and county board of supervisors to adopt or amend land use plans, change specified land use or zoning designations, or allow more intensive land uses within existing land use or zoning designations. Oppose.</p>	<p>Senate Appropriations 7/19/17</p>
<p><b>Creates Disincentive to Develop or Own Residential Hotels.</b> AB 423 (Bonta; D-Oakland) Places residential hotels in the City of Oakland in an untenable position by forcing them to stay in business despite a business hardship or inability to meet future code mandates for capital improvements. Oppose.</p>	<p>Failed Passage in Assembly 5/11/17; Reconsideration Granted</p>
<p><b>Creates Disincentive to Housing Development.</b> AB 915 (Ting; D-San Francisco) Increases the cost of housing development by requiring local governments to count the added density bonus units when they calculate the total number of affordable units required for the development, thereby forcing a developer to include an additional number of affordable units in exchange for a density bonus. Oppose.</p>	<p>Passed Senate Transportation and Housing 7/18/17</p>
<p><b>Promotes Local Agencies' Compliance with Housing Accountability Act.</b> AB 678 (Bocanegra; D-Pacoima) Seeks to ensure that local agencies comply with the provisions of the Housing Accountability Act by requiring a local agency to make relevant findings if it denies a housing development, clarifying provisions of the Act, and imposing added penalties on agencies that violate the Act by failing to make appropriate findings. Support.</p>	<p>Senate Floor 7/18/17</p>

Subject—CalChamber Position	Status
<b>Discourages No Growth/Development Ordinances.</b> AB 943 (Santiago; D-Los Angeles) Discourages no growth/development ordinances and promotes new housing construction by requiring that an ordinance to curb, delay, or deter growth or development in certain areas of a city and/or county, and under certain conditions, receive a 55% vote to become effective. Support.	Senate Appropriations Hearing 8/21/17
<b>Stimulates Additional Housing Production.</b> AB 1515 (Daly; D-Anaheim) Encourages housing project approvals by specifying that a housing development is deemed consistent with local plans and ordinances if there is substantial evidence such that a reasonable person could conclude that the project is consistent. Support.	Senate Floor 7/18/17
<b>Accountability of Local Agencies for Housing Development Project Decisions.</b> SB 167 (Skinner; D-Berkeley) Promotes accountability for decisions and approval of affordable housing developments by imposing additional requirements and penalties on local agencies when disapproving or conditionally approving in a manner that renders infeasible an affordable housing development project. Support.	Assembly Rules 7/12/17
<b>Unnecessarily Complicates Real Estate Transactions.</b> AB 1059 (Gonzalez Fletcher; D-San Diego) Increases the cost and complications of real estate transactions by prohibiting dual agency real estate agents and firms in commercial real estate. Oppose.	Assembly Judiciary 3/30/17; Failed Deadline
<b>Prevailing Wage on All Development Projects.</b> AB 199 (Chu; D-San Jose) Before amendments, increased housing costs and discouraged development by imposing prevailing wage on all development projects (private and public). Opposition and job killer tag removed due to April 6, 2017 amendments. No Position/ <b>Former Job Killer.</b>	Held in Senate Appropriations Suspense File 7/17/17
<b>Erodes Housing Affordability.</b> AB 1505 (Bloom; D-Santa Monica) Before amendments, increased the cost and reduced the supply of housing by authorizing local governments as condition of development to impose a costly and inflexible price-controlled inclusionary housing requirement and, in doing so, legislatively repealed an established court decision upholding developers' ability to set initial rental rates for new dwelling units. Opposition removed due to May 1, 2017 amendments. Neutral.	Senate Floor 7/11/17
<b>Expands Prevailing Wage.</b> SB 418 (Hernandez; D-West Covina) Before amendments, increased housing costs and discouraged development by imposing prevailing wage on more projects through defining a public subsidy as <i>de minimis</i> only if it is both less than \$275,000 and less than 2% of the total project cost. Opposition removed due to June 20, 2017 amendments. No Position.	Assembly Floor 7/20/17
<b>Immigration</b>	
<b>Employer Liability.</b> AB 450 (Chiu; D-San Francisco) Places employers in a no-win situation between federal immigration enforcement and state enforcement by punishing employers—rather than providing tools and resources for employees when federal immigration enforcement appears at their workplace regardless of whether a violation of law has been committed by the employer. Oppose.	Senate Appropriations Hearing 8/21/17
<b>Industrial Safety and Health</b>	
<b>Access to Employer Records.</b> AB 978 (Limón; D-Goleta) Inappropriately allows organizations unaffiliated with the employer to access an undefined and potentially unlimited scope of employer internal documents and circumvents the rulemaking process now underway to provide for access by employees to their employer's Injury and Illness Prevention Program (IIPP). Oppose Unless Amended.	Senate Floor 7/11/17
<b>Increased Cal/OSHA Costs on Employers.</b> SB 772 (Leyva; D-Chino) Blatant attempt to impose excessive costs on employers without transparency and without consideration of alternative methods for Cal/OSHA regulations to meet policy objectives, by exemption from Major Regulation statutory requirements for economic analysis of the most costly regulations. Oppose.	Assembly Floor 7/20/17

Subject—CalChamber Position	Status
<p><b>Small Business Penalty Relief.</b> AB 442 (Frazier; D-Discovery Bay) Recognizes challenges small businesses face in implementing workplace regulations, and provides relief for employers from Cal/OSHA violations that are nonserious and that the employer remedies. Support.</p>	<p>Assembly Labor and Employment 2/27/17; Failed Deadline</p>
<h2 style="color: red;">Insurance</h2>	
<p><b>Contains Costs for Business.</b> AB 1679 (Burke; D-Inglewood) Protects business from the rising cost of automobile insurance by providing an alternative and less costly approach to California Department of Insurance method of establishing reasonable repair rates, and clarifies the information provided by the insurance company when an insurable repair is undertaken. Support.</p>	<p>Held in Assembly Appropriations Suspense File 5/17/17; Failed Deadline</p>
<h2 style="color: red;">Labor and Employment</h2>	
<p><b>Public Shaming of California Employers.</b> AB 1209 (Gonzalez Fletcher; D-San Diego) Imposes new data collection mandate on California employers to collect and report data to the Secretary of State regarding the mean and median salaries of men and women in the same job title and job description, determine which employees perform “substantially similar” work, and then have that report posted on a publicly accessible website, where such employers will receive undue scrutiny and criticism for wage disparity that is not unlawful and justified by a bona fide factor. Oppose/<b>Job Killer</b>.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Unfair Scheduling Mandate.</b> AB 5 (Gonzalez Fletcher; D-San Diego) Burdens small and large employers with a scheduling mandate that requires employers to offer additional hours of work to employees before hiring a new employee or contractor and exposes employers to multiple threats of costly litigation for technical violations that do not cause an employee any harm. Oppose/<b>Job Killer</b>.</p>	<p>Assembly Appropriations 4/20/17; Failed Deadline</p>
<p><b>Imposes New Maternity and Paternity Leave Mandate.</b> SB 63 (Jackson; D-Santa Barbara) Unduly burdens and increases costs of small employers with as few as 20 employees by requiring 12 weeks of protected employee leave for child bonding and exposes them to the threat of costly litigation. Oppose/<b>Job Killer</b>.</p>	<p>Assembly Appropriations Suspense File 7/19/17</p>
<p><b>Significant Expansion of California Family Rights Act.</b> SB 62 (Jackson; D-Santa Barbara) Before amendments, increased costs, risk of litigation and created less conformity with federal law by expanding the family members for whom leave may be taken, which will provide a potential 24-week protected leave of absence for employers to administer. Gutted and amended March 20, 2017 to a different subject area. Job killer and oppose tag removed. No Position/<b>Former Job Killer</b>.</p>	<p>Assembly Appropriations 7/19/17</p>
<p><b>Significant Cost Increase on Employers and Costly Litigation.</b> AB 1565 (Thurmond; D-Richmond) Unnecessarily accelerates the minimum salary threshold for exempt employees, which will significantly increase costs, especially on small employers who currently have a delayed increase under the current minimum wage scheduled increases. Oppose.</p>	<p>Senate Floor 7/18/17</p>
<p><b>Labor Commissioner Enhanced Authority.</b> SB 306 (Hertzberg; D-Van Nuys) Unnecessarily allows the Labor Commissioner to seek injunctive relief before completing an investigation and determining retaliation has occurred, as well as requiring an employer to pay the costs and fees of the Labor Commissioner to pursue a civil action for retaliation, even if the claim lacks merit, as well as exposes employers to a daily \$100 penalty, capped at \$20,000 for a posting violation. Oppose.</p>	<p>Assembly Appropriations 7/5/17</p>
<p><b>Expansion of Liability.</b> AB 1701 (Thurmond; D-Richmond) Unfairly imposes liability onto a direct contractor, as defined, for the wage-and-hour violations of a subcontractor that the direct contractor did not cause. Oppose.</p>	<p>Senate Rules 7/18/17</p>
<p><b>Increased Litigation.</b> AB 1008 (McCarty; D-Sacramento) Exposes employers to increased litigation under the Fair Employment and Housing Act for utilizing relevant criminal history of an applicant in its employment decisions to maintain safety in its workplace. Oppose Unless Amended.</p>	<p>Senate Appropriations Hearing 8/21/17</p>

Subject—CalChamber Position	Status
<p><b>Pregnancy Discrimination.</b> AB 569 (Gonzalez Fletcher; D-San Diego) Creates a new mandate in the Labor Code, prohibiting employers from taking any adverse employment action against an employee due to the employee’s use of various medical options for reproductive health, even though the Fair Employment and Housing Act currently provides these protections to employees, thereby creating inconsistencies and confusion amongst employers with regard to interpretation and enforcement of these competing provisions. Oppose.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<p><b>Mandated Paid Internships.</b> AB 387 (Thurmond; D-Richmond) Increases costs on health professionals by requiring such employers to pay individuals who are completing internships necessary for licensure, registration, or certification minimum wage, which may ultimately limit employers willing to offer such internship opportunities. Oppose.</p>	<p>Assembly Inactive File 6/1/17; Failed Deadline</p>
<p><b>Exposure to Litigation.</b> AB 168 (Eggman; D-Stockton) Exposes employers to costly litigation for inquiring into an applicant’s prior salary or failing to provide a pay scale upon demand, even though the employee has not suffered any harm or wage loss as a result of the violation. Oppose.</p>	<p>Senate Floor 7/18/17</p>
<p><b>Labor Code Private Attorneys General (PAGA) Act Reform.</b> AB 281 (Salas; D-Bakersfield) Reduces costs to business by reforming PAGA to allow an employer the right to cure a violation before a financially devastating representative action is filed, and if civil litigation is filed, requires the employee seeking penalties on behalf of others to actually have suffered from the alleged violation. Support.</p>	<p>Assembly Labor and Employment 2/13/17; Failed Deadline</p>
<p><b>Flexible Workweek.</b> AB 1173 (Harper; R-Huntington Beach) Provides employers with the opportunity to accommodate employees’ needs as well as business demands by allowing employees to request a voluntary, flexible workweek agreement that can be repealed by the employee at any time with proper notice. Support.</p>	<p>Assembly Labor and Employment 3/9/17; Failed Deadline</p>
<p><b>Reliance on Agency Advice.</b> SB 524 (Vidak; R-Hanford) Reduces litigation and encourages compliance with labor laws by allowing employers to rely in good faith on written advice received and published by the Labor Commissioner regarding the interpretation of California’s complex labor and employment laws and regulations. Support/<b>Job Creator.</b></p>	<p>Failed Passage in Senate Labor and Industrial Relations 4/26/17; Failed Deadline</p>
<p><b>Mandated Gratuity Payments.</b> AB 1099 (Gonzalez Fletcher; D-San Diego) Mandates an entity, as defined, to provide an opportunity for a consumer to tip an individual through the use of credit or debit card, which may create confusion, litigation, and interference with innovation in the marketplace. Oppose.</p>	<p>Senate Labor and Industrial Relations 6/14/17; Failed Deadline</p>
<h2 style="color: red;">Legal Reform and Protection</h2>	
<p><b>Discrimination Against Arbitration Agreements.</b> SB 33 (Dodd; D-Napa) Unfairly discriminates against arbitration agreements contained in consumer contracts for goods or services with a financial institution, as broadly defined, which is likely preempted by the Federal Arbitration Act and will lead to confusion and unnecessary litigation. Oppose/<b>Job Killer.</b></p>	<p>Assembly Floor 7/5/17</p>
<p><b>Gender Pricing Mandate.</b> AB 1576 (Levine; D-San Rafael) Unfairly exposes companies to costly, frivolous litigation with an automatic \$4,000 in statutory damages for alleged gender pricing discrimination based upon different consumer prices for female versus male products that businesses will be forced to settle to avoid costs or spend significant legal fees demonstrating those differences are based upon objective, nongender-related specific factors. Oppose/<b>Job Killer.</b></p>	<p>Assembly Inactive File 6/5/17; Failed Deadline</p>
<p><b>Unfair Competition Litigation.</b> AB 814 (Bloom; D-Santa Monica) Unnecessarily expands the significant authority to issue pre-litigation subpoenas to city attorneys in cities with more than 750,000, even though the District Attorney and Attorney General have this authority and there is no need to expand it to any further agencies. Oppose.</p>	<p>Held in Senate Appropriations Suspense File 6/26/17</p>
<p><b>Increased Litigation.</b> AB 889 (M. Stone; D-Scotts Valley) Unnecessarily prohibits the use of protective orders and confidentiality provisions in settlement agreements to protect private information of litigants from public disclosure when any alleged danger to public health or safety is alleged, which will interfere with settlement of cases, increase the use of judicial resources, and extend litigation. Oppose.</p>	<p>Assembly Inactive File 6/1/17; Failed Deadline</p>

Subject—CalChamber Position	Status
<b>ADA Reform.</b> AB 913 (Gray; D-Merced) Reduces frivolous Americans with Disabilities Act (ADA) litigation by prohibiting a “high-frequency litigant” from filing any new construction-related accessibility claims without first obtaining permission from the court and allowing a defendant the opportunity to obtain a dismissal of the action if it was filed for an improper purpose. Support.	Failed Passage in Assembly Judiciary 3/28/17; Failed Deadline
<b>Reduction of Evidentiary Standards for Elder Abuse.</b> AB 859 (Eggman; D-Stockton) Increases unnecessary litigation for alleged elder abuse by allowing the opportunity for a plaintiff to reduce the evidentiary standard from clear and convincing evidence to preponderance of evidence if evidence is lost or destroyed. Oppose Unless Amended.	Senate Rules 7/18/17
<b>ADA Reform.</b> AB 1148 (Steinorth; R-Rancho Cucamonga) Aligns statute to the intent of legislation last year by clarifying the definition of “commercial property” regarding notices concerning construction-related accessibility standards and Certified Access Specialist (CASp) inspections that must be included in a lease agreement. Support.	Signed 7/21/17—Chapter 87 (Urgency)
<b>Wage Garnishment.</b> SB 16 (Wieckowski; D-Fremont) Imposes a significant administrative burden on employers and creates potential liability for unlawful withholding of employee wages if the employer miscalculates the amount to withhold by creating a new formula for wage garnishment due to private student loan debt. Oppose.	Failed Passage in Assembly 6/29/17
<b>Electronic Contracts.</b> AB 380 (Dababneh; D-Encino) Reduces waste and streamlines the car purchase/leasing process by allowing consumers to elect to utilize electronic contracts and signatures. Support.	Senate Judiciary 5/10/17; Failed Deadline
<b>Other/Miscellaneous</b>	
<b>Bans Discounts.</b> AB 709 (McCarty; D-Sacramento) Causes retailers lost revenues by banning coupons and other discount programs for the sale of tobacco products and imposes additional civil penalties for violations. Oppose.	Failed Passage in Senate Business, Professions and Economic Development 7/10/17; Failed Deadline
<b>Privacy and Technology</b>	
<b>Automatic Renewal and Continuous Services.</b> SB 313 (Hertzberg; D-Van Nuys) Protects the ability of business to offer free gifts or trials while allowing consumers who signed up online to cancel online. Negotiated amendments removed opposition. No Position.	Passed Assembly Privacy and Consumer Protection 7/18/17
<b>Connected Devices.</b> SB 327 (Jackson; D-Santa Barbara) Imposes onerous, duplicative and premature data security and notification mandates on manufacturers and retailers of devices which connect to the internet. Oppose.	Senate Inactive File 6/1/17; Failed Deadline
<b>Internet Service Providers.</b> AB 375 (Chau; D-Monterey Park) Drastically restricts the ability of internet providers to use broad categories of information without providing any new protections for consumers. Oppose.	Senate Rules 7/19/17
<b>Unmanned Aircraft Systems (UAS).</b> SB 347 (Jackson; D-Santa Barbara) Creates inconsistencies with federal law and risks stunting UAS growth and its associated economic benefits by restricting operations and navigation of UAS and delegating regulation to the California Department of Transportation. Oppose.	Assembly Privacy and Consumer Protection 6/12/17; Failed Deadline
<b>Licensee Private Information.</b> AB 1513 (Kalra; D-San Jose) Inappropriately makes the contact information for all home healthcare licensees available to labor organizations for the stated purpose of unionizing. Oppose.	Senate Appropriations Hearing 8/21/17
<b>Electronic Device Privacy.</b> AB 165 (Cooper; D-Elk Grove) Rolls back important protections of the California Electronic Communications Privacy Act (CalECPA) by ending the application of the CalECPA to a local educational agency. Oppose.	Assembly Privacy and Consumer Protection 1/30/17; Failed Deadline

Subject—CalChamber Position	Status
<b>Personal Information Breach Protection.</b> AB 241 (Dababneh; D-Encino) Protects consumers who use government services by requiring government agencies to provide theft prevention and mitigation services to California residents if certain personal information is breached and conforms these requirements with existing private sector data breach requirements. Support.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline
<b>Identify Theft.</b> AB 1297 (Chau; D-Monterey Park) Appropriately penalizes the criminals who cause the most significant harm by enhancing the punishment for perpetrators of identity theft based on the number of affected victims. Support.	Assembly Public Safety 3/13/17; Failed Deadline
<b>Breach Notification.</b> AB 1359 (Chau; D-Monterey Park) Significantly increases the exposure risk for sensitive information by expanding the entities that receive notification of a breach. Oppose.	Held in Assembly Appropriations Suspense File 5/26/16; Failed Deadline
<b>Rental Car Liability.</b> SB 466 (Bates; R-Laguna Niguel) Protects rental car companies from civil liability when they assist law enforcement in finding missing children by permitting the company to access the GPS information in a vehicle that is subject to an AMBER alert. Support.	To Governor
<b>Rental Car Returns.</b> AB 1185 (O'Donnell; D-Long Beach) Protects the assets of a rental car company by updating the time frame that allows the company to determine in a timely manner the status of a company vehicle when it is past the return date while still protecting the privacy of customers during the rental period. Support.	Senate Judiciary 5/24/17; Failed Deadline
<b>Product Regulation</b>	
<b>Expanded Polystyrene Ban.</b> SB 705 (B. Allen; D-Santa Monica) Increases cost of prepared food, overly burdens the restaurant industry, and threatens loss of jobs by banning food service containers made from expanded polystyrene foam as of January 1, 2020. Oppose/ <b>Job Killer.</b>	Senate Inactive File 6/1/17; Failed Deadline
<b>Burdensome Mandate on Beverage Containers.</b> AB 319 (M. Stone; D-Scotts Valley) Drives up the cost of beverages and imposes impractical technology requirements by requiring that the cap of a single-use plastic beverage container be tethered or affixed to the container. Oppose.	Assembly Natural Resources 2/21/17; Failed Deadline
<b>Sidesteps the Safer Consumer Products Program Process.</b> AB 958 (Ting; D-San Francisco) Politically rather than scientifically identifies certain chemicals used in food packaging as priority products under the Safer Consumer Products program, and directs the Department of Toxic Substances Control (DTSC) to adopt regulations with regard to those chemicals, unless it determines there is insufficient data to conduct and complete the priority product evaluation and regulatory process. If DTSC makes the foregoing determination, it must pursue the data necessary to conduct and complete the evaluation and regulatory process. Oppose Unless Amended.	Senate Appropriations Hearing 8/21/17
<b>State-Only Labeling.</b> SB 258 (Lara; D-Bell Gardens) Imposes a state-only labeling requirement on manufacturers of cleaning products that expands ingredient disclosure requirements on-label and online, and requires employers to provide to employees the information disclosed online by manufacturers through certain California occupational safety and health procedures. Oppose Unless Amended.	Assembly Appropriations 7/13/17
<b>Greater Transparency in Proposition 65 Cases.</b> AB 1583 (Chau; D-Monterey Park) Promotes transparency and fairness by allowing the alleged Proposition 65 violator to obtain the factual basis for the Certificate of Merit through normal civil discovery procedures. Support.	Senate Appropriations Hearing 8/21/17
<b>Promotes Greater Transparency and a Level Playing Field in Proposition 65 Cases.</b> AB 1621 (T. Allen; R-Huntington Beach) Reduces litigation costs and levels the playing field by requiring private enforcers of Proposition 65 to provide the alleged violator with the factual basis for the Certificate of Merit at the same time the information is provided to the Attorney General, a district attorney, or city attorney or prosecutor; making the basis for the certificate of merit discoverable; and authorizing a court to award reasonable attorney's fees to a defendant who has prevailed in a final determination of the action. Support.	Assembly Environmental Safety and Toxic Materials 3/30/17

Subject—CalChamber Position	Status
<p><b>State-Only Labeling.</b> AB 1575 (Kalra; D-San Jose) Before amendments, would have driven up the cost to businesses using professional cosmetic products by requiring state-only ingredient disclosure on the labels of such products, which failed to protect confidential business information, exacerbated the “overwarning” problem, and undermined existing worker protection laws. Opposition removed due to June 21, 2017 amendments. Neutral.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<h2 style="color: red;">Public Employees’ Retirement System</h2>	
<p><b>Divestiture.</b> AB 946 (Ting; D-San Francisco) Unfairly targets businesses in which to divest from state retirement funds on principles unrelated to fiduciary responsibility to the retirees. Oppose.</p>	<p>Assembly Public Employees, Retirement and Social Security 3/27/17; Failed Deadline</p>
<p><b>Investment Report.</b> AB 20 (Kalra; D-San Jose) Broadly targets businesses and inappropriately discourages certain investments by requiring the boards of the California Public Employees’ Retirement System (CalPERS) and the California State Teachers’ Retirement System (CalSTRS) to develop a report on companies associated with the Dakota Access Pipeline. Oppose.</p>	<p>Senate Appropriations Hearing 8/21/17</p>
<h2 style="color: red;">Recycling</h2>	
<p><b>New Recycling Bureaucracy for Food Service Plastic Packaging.</b> AB 1659 (Low; D-Campbell) Increases plastic packaging manufacturers’ costs by establishing a new bureaucracy requiring producers of food service packaging to form one or more food service plastic packaging stewardship organizations for plastics resins 1-7, and submit a plastic packaging stewardship plan for each plastic resin distributed, sold, or used in the state. Oppose.</p>	<p>Assembly Natural Resources 4/3/17; Failed Deadline</p>
<p><b>New Recycling Organization for Beverage Containers.</b> SB 168 (Wieckowski; D-Fremont) Increases beverage container manufacturers’ costs and creates uncertainty by establishing a new organization requiring them to develop and submit a plan and budget for recycling of beverage containers similar to that of the Used Mattress Recovery and Recycling Act, including the establishment of a stewardship fee to fund the costs of implementing the program. Oppose.</p>	<p>Senate Inactive File 6/1/17; Failed Deadline</p>
<h2 style="color: red;">Regulatory Reform</h2>	
<p><b>Small Business Penalty Relief.</b> AB 912 (Obernolte; R-Big Bear Lake) Recognizes the challenges small businesses face in implementing complex state rules by allowing adjustment of civil penalties based upon specific mitigating factors. Support/<b>Job Creator.</b></p>	<p>Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline</p>
<p><b>Regulatory Reform.</b> AB 12 (Cooley; D-Rancho Cordova) Promotes greater accountability, improved efficiency and modernization of regulations by requiring agencies to review and update their regulations. Support.</p>	<p>Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline</p>
<p><b>Regulatory Reform.</b> AB 77 (Fong; R-Bakersfield) Strengthens the accountability, transparency and oversight of the state’s regulatory process by the Legislature, which paves the way to effective and least burdensome regulations. Support.</p>	<p>Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline</p>
<p><b>Business Penalty Relief.</b> AB 1005 (Calderon; D-Whittier) Recognizes challenges businesses face in implementing myriad business regulations by allowing a business to fix the violation before an administrative penalty is imposed. Support.</p>	<p>Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline</p>
<p><b>Regulatory Review.</b> SB 555 (Morrell; R-Rancho Cucamonga) Brings accountability and transparency to regulations that California businesses must comply with, to open opportunities that could improve the regulatory climate for business through regulatory review. Support.</p>	<p>Failed Passage in Senate Governmental Organization 3/28/17; Reconsideration Granted; Failed Deadline</p>

Subject—CalChamber Position	Status
<b>Small Business.</b> AB 657 (Cunningham; R-Templeton) Helps small business navigate state regulations by increasing ability to contact small business liaisons in each agency. Support.	Signed 7/21/17—Chapter 81
<b>Taxation</b>	
<b>Targeted Tax on High Earners.</b> AB 1356 (Eggman; D-Stockton) Unfairly increases the personal income tax rate to 14.3%, the highest in the country, on one category of taxpayers (including sole proprietors), who already pay over half of the income tax revenue to the general fund, forcing them to mitigate costs through means including reducing workforce, in order to fund higher education that will benefit all of California. Oppose/ <b>Job Killer</b> .	Assembly Higher Education 3/30/17
<b>Targeted Tax on Sweetened Beverages.</b> AB 1003 (Bloom; D-Santa Monica) Unfairly imposes a targeted excise tax on distributors of sweetened beverages to fund health-related programs for all, which will force distributors to reduce costs through higher prices to consumers or limiting their workforce. Oppose/ <b>Job Killer</b> .	Assembly Rules 4/26/17
<b>Targeted Tax on Opioids.</b> AB 1512 (McCarty; D-Sacramento) Unfairly imposes an excise tax on opioid distributors in California, which will increase their costs and force them to adopt measures that include reducing workforce and increasing drug prices for ill patients who need these medications the most, in order to fund drug prevention and rehabilitation programs that will benefit all of California. Oppose/ <b>Job Killer</b> .	Assembly Revenue and Taxation 4/19/17
<b>Multiple Tax Increases on California Employers.</b> SB 567 (Lara; D-Bell Gardens) Proposes multiple tax increases on California employers, including requiring payment of capital gains on the inheritance of a family business as well as eliminating a deduction for corporations with regard to CEO compensation, when California already has the highest personal income tax and sales tax rates in the country, as well as one of the highest corporate tax rates, which will discourage job growth in California. Oppose/ <b>Job Killer</b> .	Senate Inactive File 6/1/17
<b>Targeted Tax on Alcohol.</b> AB 479 (Gonzalez Fletcher; D-San Diego) Unfairly imposes an additional targeted excise tax on manufacturers, importers, and wholesalers of distilled spirits and a floor tax, that will increase their costs and force them to reduce in other areas, including labor. Oppose/ <b>Job Killer</b> .	Failed Passage in Assembly Revenue and Taxation 5/8/17; Reconsideration Granted
<b>Estate Tax.</b> SB 726 (Wiener; D-San Francisco) Creates the opportunity to impose a state estate tax that will significantly harm family-owned or closely held businesses that are transferred upon death, and will add another layer of taxes on Californians. Oppose.	Senate Governance and Finance 3/29/17
<b>Expansion of Manufacturing Sales Tax Exemption.</b> AB 600 (Cooper; D-Elk Grove) Expands the existing manufacturing sales tax exemption to allow more businesses and manufacturing equipment to qualify, which will incentivize manufacturers to stay in California and grow their manufacturing presence here. Support.	Held in Assembly Appropriations Suspense File 5/26/17
<b>Elimination of Deduction for Punitive Damages.</b> SB 66 (Wieckowski; D-Fremont) Increases California employers' tax exposure and leverages such employers into costly settlements by eliminating the existing deduction for punitive damages, which would also create a lack of conformity with federal law. Oppose.	Assembly Revenue and Taxation 6/12/17
<b>Manufacturing and Research Tax Credit.</b> SB 600 (Galgiani; D-Stockton) Enhances the existing manufacturing and research-and-development incentive program to draw to the state high-paying jobs from across multiple industry segments and to fuel our economic expansion by extending the sunset date for the credit, expanding who qualifies and expanding the useful life definition. Support.	Held in Senate Appropriations Suspense File 5/25/17
<b>Taxpayer Refund.</b> AB 433 (Bocanegra; D-Pacoima) Eases the refund process for taxpayers by allowing a business or person the ability to assign the right to claim a refund for any sales tax in excess of \$50,000, to the taxpayer. Support.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline



Subject—CalChamber Position	Status
<b>Property Tax Assessment.</b> AB 652 (Flora; R-Ripon) Eliminates confusion by clarifying that property is not provided a base year value for purposes of assessment until construction is complete. Support.	Signed 7/21/17—Chapter 80 (Tax Levy)
<b>Offers in Compromise.</b> AB 525 (Aguiar-Curry; D-Winters) Provides an avenue for taxpayers to resolve certain tax liabilities by extending the sunset date to allow the Board of Equalization to continue to enter into offers to compromise on tax liability. Support.	Senate Floor 7/18/17
<b>Notice of Parcel Tax.</b> AB 448 (Daly; D-Anaheim) Provides timely notice by requiring any local agency within 30 days of the approval of a new parcel tax to provide notice of the parcel tax to any property owner that does not reside within the jurisdiction of the agency. Support.	Senate Governance and Finance 6/8/17
<b>Reduction of Penalties.</b> AB 449 (Calderon; D-Whittier) Relieves taxpayers of financial penalties who mistakenly fail and who have paid all their taxes in full to obtain a reduction of the penalty for failure to furnish information to the Franchise Tax Board from 25% to 15%. Support.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline
<b>Minimum Franchise Tax Payments.</b> AB 1085 (Calderon; D-Whittier) Provides flexibility to business by providing options for a business to pay the minimum franchise tax: by the 4th month of the year, in three equal installments over the year, or two equal installments. Support.	Senate Governance and Finance 6/14/17
<b>Relief from Penalties.</b> SB 11 (Gaines; R-El Dorado Hills) Protects against inappropriate assessment of penalties for a late tax payment for sales-and-use tax to the Board of Equalization (BOE) when the failure to make a payment was due to the BOE’s website. Support.	Assembly Consent Calendar 7/20/17
<b>Tax Administration.</b> AB 1171 (Obernolte; R-Big Bear Lake) Alleviates the burden on the accelerated filing deadline for 2016 taxes by providing relief from penalties for partnership filings that are filed by October 2017. Support.	Senate Governance and Finance 6/8/17
<b>Tax Credits.</b> AB 1347 (Ridley-Thomas; D-Los Angeles) Limits the effectiveness of a tax credit by requiring any taxpayer to provide the tax credit to satisfy “supplier diversity goals,” defined as procurement of supplies from minority-owned business entities, and reduces the amount of a credit based upon the taxpayer’s satisfaction of the diversity goals, as well as subjects the taxpayer to penalties. Oppose Unless Amended.	Assembly Revenue and Taxation 3/13/17
<b>Relief from Penalties.</b> SB 375 (Bradford; D-Gardena) Relieves a taxpayer from any penalty for failure to file a timely tax return or provide information to the Franchise Tax Board if the taxpayer was not previously required to file a tax return or has not been assessed any penalties in the prior four tax years. Support.	Held in Senate Appropriations Suspense File 5/25/17; Failed Deadline
<b>Notice to Taxpayers.</b> SB 348 (Leyva; D-Chino) Educates taxpayers by requiring an election official to include in each county voter information guide information regarding the process for initiating a validation action challenging a levy or special tax. Support.	Assembly Local Government 6/14/17
<b>Telecommunications</b>	
<b>5G Wireless Rollout.</b> SB 649 (Hueso; D-San Diego) Maintains California’s leading edge of new technology by providing more uniform permit cost and procedure for 5G small cell installation in public rights of way. Support.	Assembly Appropriations 7/12/17
<b>Tourism</b>	
<b>Tourism Stimulus.</b> SB 187 (Berryhill; R-Twain Harte) Helps reverse California’s unprecedented decline in recreational fishing participation, which will increase jobs and tourism in the areas that depend on sport fishing, by changing the way fishing licenses are issued. Support.	Assembly Appropriations Suspense File 7/19/17
<b>Tourism Stimulus.</b> AB 478 (Waldron; R-Escondido) Helps reverse California’s unprecedented decline in recreational fishing participation, which will increase jobs and tourism in the areas that depend on sport fishing, by changing the way fishing licenses are issued. Support.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline

Subject—CalChamber Position	Status
<b>Tourism Stimulus.</b> AB 986 (Gallagher; R-Yuba City) Helps reverse California’s unprecedented decline in recreational fishing participation, which will increase jobs and tourism in the areas that depend on sport fishing, by reducing fishing license fees for veterans. Support.	Assembly Appropriations Suspense File 4/26/17; Failed Deadline
<b>U.S.-China Tourism Year.</b> ACR 50 (Chu; D-San Jose) Encourages continued travel between China and the United States that is expected to result in \$5 billion to the California economy from Chinese visitors. Support.	Senate Floor 6/28/17
<b>Transportation and Infrastructure</b>	
<b>Transportation Funding Package.</b> SB 1 (Beall; D-San Jose) Improves California’s transportation system by providing long-term revenues to fix roads, freeways and bridges across California and put more dollars toward transit and safety. Support.	Signed 4/28/17—Chapter 5 (Urgency)
<b>Lowers Vote Requirement for Tax Increases.</b> SCA 6 (Wiener; D-San Francisco) Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local governments new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to 55%. Oppose/ <b>Job Killer.</b>	Held in Senate Appropriations Suspense File 5/25/17
<b>Streamlines Licensing.</b> SB 182 (Bradford; D-Gardena) Eases burdens on transportation network companies by allowing drivers to obtain a single business license to operate in the state. Support.	Passed Assembly Privacy and Consumer Protection 7/18/17
<b>Streamlines Regulations.</b> SB 145 (Hill; D-San Mateo) Streamlines regulations for autonomous vehicles by eliminating the additional burdensome step of the Department of Motor Vehicles requirement to notify the Legislature upon receipt of an application seeking approval to operate an autonomous vehicle. Support.	Assembly Appropriations 7/12/17
<b>Provides Clarity.</b> AB 1222 (Quirk; D-Hayward) Provides clarity for businesses who use two-way wireless communications devices that are essential to performing job duties by updating the definition of “electronic wireless communication device.” Support.	Senate Appropriations Hearing 8/21/17
<b>Stifles Innovation.</b> SB 802 (Skinner; D-Berkeley) Before amendments, would have stifled innovation of autonomous vehicles by prohibiting Level 4 and 5 autonomous vehicles from testing in California unless they are battery electric vehicles or hydrogen fuel cell vehicles. Now creates a task force to review policies as they relate to new types of motor vehicles. Opposition removed due to April 20, 2017 amendments. Neutral.	Assembly Appropriations 7/12/17
<b>Water Supply and Quality</b>	
<b>Conservation.</b> AB 1654 (Rubio; D-Baldwin Park) Ensures that business has a seat at the table with state water authorities in developing water use efficiency and long-term conservation regulations that will affect competitiveness. Support was contingent on the passage of companion bill, AB 968 (Rubio), which was held in Assembly Appropriations so CalChamber now has no position. Amendments stripped bill to intent language. Expected to be part of water conservation package. No Position.	Senate Rules 7/17/17
<b>Housing.</b> AB 1668 (Friedman; D-Glendale) Before amendments stripping bill to intent language, limited new housing and business center developments by imposing unreasonable requirements on water districts that make it difficult to validate the required water supply for the next 20 years. Companion bill to AB 1669 (Friedman). Opposition removed due to July 3, 2017 amendments. Expected to be part of water conservation package. No Position.	Senate Rules 7/17/17
<b>Water Use.</b> AB 968 (Rubio; D-Baldwin Park) Ensures that business has a seat at the table with state water authorities in developing water use efficiency and long-term conservation regulations that will affect their competitiveness. Companion bill to AB 1654 (Rubio). Support.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline

Subject—CalChamber Position	Status
<b>Expanded State Authority.</b> AB 1667 (Friedman; D-Glendale) Jeopardizes business operations by granting extensive new authority to the State Water Board and the Department of Water Resources to impose new water use mandates on water districts. Oppose.	Senate Natural Resources and Water 7/11/17; Failed Deadline
<b>Expanded State Authority.</b> AB 1669 (Friedman; D-Glendale) Increases the cost of doing business in the state through new mandatory indoor and outdoor water use reductions without consulting the business community on the viability of such requirements. Companion bill to AB 1668 (Friedman). Oppose.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline
<b>Delta Conveyance.</b> AB 791 (Frazier; D-Discovery Bay) Delays design, permitting and construction of twin tunnels and adds years to the completion of water conveyance throughout the state by adding additional data requirements that provide no added benefits to the public process or environment. Oppose.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline
<b>Delta Conveyance.</b> AB 792 (Frazier; D-Discovery Bay) Places additional roadblocks to the construction of much-needed water conveyance by imposing another permit requirement from an additional agency. Oppose.	Assembly Water, Parks and Wildlife 3/20/17; Failed Deadline
<b>Delta.</b> AB 793 (Frazier; D-Discovery Bay) Potentially imposes Delta maintenance and repair obligations on water ratepayers without commensurate benefits. Oppose.	Assembly Water, Parks and Wildlife 3/2/17; Failed Deadline
<b>Land Use.</b> SB 252 (Dodd; D-Napa) Before amendments, curtailed landowners' use of private property by imposing more restrictions on well permits. Opposition removed due to July 17, 2017 amendments. Neutral.	Assembly Appropriations 7/17/17
<b>Water Conveyance.</b> AB 1000 (Friedman; D-Glendale) Prohibits new water projects in a specific part of the state by adding more unnecessary and unreasonable permit requirements for water conveyance. Oppose.	Senate Appropriations Hearing 8/21/17
<b>Water Rights.</b> AB 313 (Gray; D-Merced) Provides a fair dispute resolution process for water rights complaints by removing the authority from the State Water Board to the Office of Administrative Hearings. Currently, the State Board is the permitting agency as well as the appellate body. Support.	Senate Appropriations Hearing 8/21/17
<b>Water Efficiency.</b> SB 564 (McGuire; D-Healdsburg) Reduces water use by providing a funding mechanism for property owners to purchase water efficient equipment and drought tolerant landscaping. Support.	Assembly Floor 7/18/17
<b>Goals.</b> AB 554 (Cunningham; R-Templeton) Creates an incentive to continue to pursue desalination projects as a viable means to create additional water supply by establishing a desalination goal. Support.	Held in Assembly Appropriations Suspense File 5/26/17; Failed Deadline
<b>Workers' Compensation</b>	
<b>Terrorism/Workplace Violence.</b> AB 44 (Reyes; D-Grand Terrace) Before amendments, exempted from utilization review medical treatment for employees or first responders who are injured as a result of an action of terrorism or violence in the workplace. Opposition removed due to April 20, 2017 amendments. Neutral.	Senate Appropriations Hearing 8/21/17
<b>Apportionment to Pre-existing Disability.</b> AB 570 (Gonzalez Fletcher; D-San Diego) Violates the fundamental agreement between worker and employers by requiring employers to compensate injured workers for disability that has not, with medical certainty, resulted from a workplace injury. Oppose.	Senate Appropriations Hearing 8/21/17
<b>Aggregate Disability Payments.</b> AB 1295 (Chu; D-San Jose) Complicates the claims-handling process and creates a disincentive to apply medical standards by prohibiting an overturned denial of treatment or temporary disability paid from being included in the calculation of the aggregate disability payment. Oppose.	Assembly Insurance 3/13/17; Failed Deadline

# ALERT

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