



July 20, 2020

The Honorable Nancy Pelosi
Speaker

The Honorable Mitch McConnell
Majority Leader

United States House of Representatives
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
United States House of Representatives
2468 Rayburn House Office Building
Washington, DC 20515

United States Senate
317 Russell Senate Office Building
Washington, DC 20515

The Honorable Chuck Schumer
Democratic Leader
United States Senate
322 Hart Senate Office Building
Washington, DC 20515

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy and Leader Schumer:

On behalf of the tens of thousands of member employers and millions of employees that our respective organizations represent, thank you for your leadership during this unprecedented crisis. The combined actions of state, regional and local business organizations are working to protect the health of their employees, customers and the 40 million Americans in California who will ultimately lay the foundation for our state and national economic recovery.

As your discussions move forward on Recovery 4 legislation, our organizations strongly **support** appropriate fiscal relief for state, local and tribal government programs.

Given the significant economic pressures local and state government are facing to scale up necessary programs like contact tracing and testing, low-interest loan programs, on-the-ground compliance assistance, hazard pay for frontline worker assistance, debt relief, housing approvals and more, appropriate fiscal relief will provide a significant boost to shore up substantial budget shortfalls at every level of government. Your assistance will help fund important additional safety measures related to COVID-19 that will enable essential businesses to continue operating and reopen all businesses more quickly, which will ultimately lead to stronger employment and economic recovery at the national, state and local levels.

For financial support to be beneficial, additional policy reforms are needed and will ensure a stronger and faster economic and jobs recovery. Major reforms such as relief from costly litigation could truly mean the difference between employers opening their doors and workers returning to work, or being forced to shutter their businesses permanently.

The business community has quickly adapted to stay-at-home orders by providing telecommuting options for countless employees, while quickly maintaining the nation's essential infrastructure and services that cannot be done from home. This flexibility has kept hundreds of thousands of workers employed, while also providing working parents the ability to take care of their children as schools across the nation abruptly closed for the year. As a side benefit, telecommuting has significantly reduced greenhouse gas emissions, reduced vehicle-miles traveled, eased congestion and—if continued—will reduce wear on our streets and roads.

Unfortunately, California laws and regulations continue to jeopardize businesses' ability to provide a safe work alternative for their employees. This is increasingly urgent as cases are once again on the rise and many school districts have yet to create a plan to re-open, even though many school years begin in less than six weeks.

California workers' compensation costs — already the highest in the nation before the pandemic — will assuredly rise even more under COVID-19 with the recent presumption imposed by the state. Other uniquely California regulatory costs like greenhouse gas emission reduction requirements, paid leave rules, Private Attorneys General Act (PAGA) class action lawsuits, and burdensome restrictions and fees on housing and commercial and industrial construction, coupled with a budget deficit of as much as \$54 billion, will all contribute to substantial challenges to putting people back to work or allowing them to work safely from their homes.

COVID-19 has fundamentally changed how we will manage our businesses and organizations going forward, with the worst of the economic impact likely still to come. The success of our efforts to reopen our economy ultimately relies on building greater confidence among employees that their jobs are safe and secure and that critical recovery services will remain in place.

We deeply appreciated your leadership and quick action on the previous recovery legislation and respectfully and urgently request that Congress work to approve both financial relief to help states recover their economies and litigation relief so businesses large and small can reopen their doors and get workers back to work, or continue to provide work-from-home options for the long term. Passage of additional recovery legislation will protect core civic services like public health, safety, food security, energy protection and education and help our states and cities — and America's economy — come out of this crisis stronger and more resilient. Thank you once again for your hard work during this national crisis.

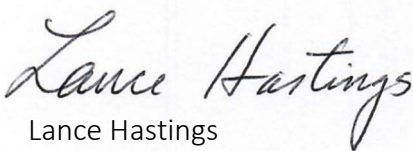
Sincerely,



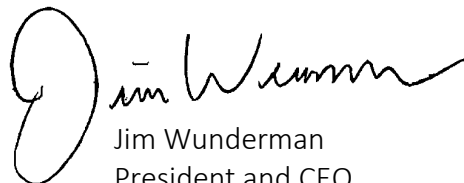
Robert C. Lapsley
President
California Business Roundtable



Peter Tateishi
Chief Executive Officer
AGC of California



Lance Hastings
President
California Manufacturers and Technology
Association



Jim Wunderman
President and CEO
Bay Area Council



Jeff Montejano
Chief Executive Officer
Building Industry Association of Southern
California



Clint Olivier
Executive Director
Central Valley Business Federation



Erin Guerrero
Executive Director
California Attractions and Parks Association



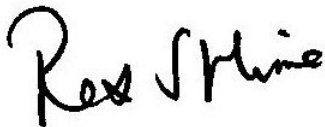
Tracy Hernandez
Founding CEO
Los Angeles County Business Federation



Jennifer Barrera
Executive Vice President
CalChamber



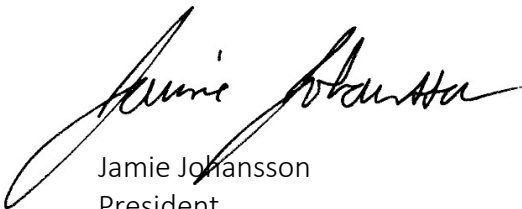
Nicholas Ortiz
President and CEO
Greater Bakersfield Chamber



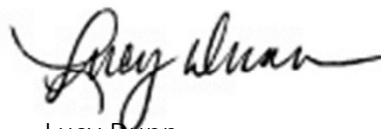
Rex S. Hime
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California Farm Bureau Federation



Lucy Dunn
President and CEO
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Rachel Michelin
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Ronald Fong
President and CEO
California Grocers Association

Carl Guardino
President and CEO
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California Restaurant Association

Dan C. Dunmoyer
President and CEO
California Building Industry Association

Tricia Geringer
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Agricultural County of California

Jerry Sanders
President and CEO
San Diego Regional Chamber of Commerce

Lynn Mohrfeld
President and CEO
California Hotel & Lodging Association

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