

Final Status Report on Major Business Bills

The following list summarizes the final status of California Chamber of Commerce priority bills that were sent to the Governor this year.

The CalChamber will publish a record of legislators' votes on key bills affecting

the California business climate on November 5. Generally, the bills selected for the vote record have appeared in one of the status reports.

Bills signed by the Governor will become law on January 1, 2022. Urgency,

tax and budget-related measures go into effect immediately upon being signed. In those cases, the date the Governor signed the bill is noted.

Subject—CalChamber Position	Status
Banking and Finance	
New Mandate. AB 1177 (Santiago; D-Los Angeles) Burdens businesses with another unnecessary regulation that requires them to provide direct payroll deposit to the BankCal in addition to any other direct payroll program with commercial institutions or even if they do not provide direct deposit at all. Also exposes employers to steep penalties and Private Attorneys General Act litigation for any mistake. Opposition removed after August 26, 2021 amendments turned bill into a feasibility study. Neutral.	Signed—Chapter 451
Crowdfunding. AB 511 (Muratsuchi; D-Torrance) Allows start-up and emerging small businesses to help find investors to help capitalize them while providing greater protections for investors participating in crowdfunding. Support.	Signed—Chapter 617
Budget	
COVID-19 Paid Sick Leave. SB 95 (Skinner; D-Berkeley) Imposes costly new paid sick leave mandate on employers that is retroactive to January 1, 2021, exposing employers to litigation. Oppose.	Signed—Chapter 13 3/19/21
Onerous Return to Work Mandate. SB 93 (Senate Budget and Fiscal Review) Imposes an onerous and stringent process for specific employers to return employees to the workforce for specified industries, including hotels and restaurants that have been disproportionately impacted by this pandemic, which would have delayed rehiring and employers' ability to reopen after being forced to close or reduce operations due to COVID-19. Oppose.	Signed—Chapter 16 4/16/21
California Environmental Quality Act (CEQA)	
CEQA Transparency. AB 819 (Levine; D-San Rafael) Codifies existing best practices by requiring lead agencies to post and submit electronically certain CEQA notice and other environmental review documents. Support.	Signed—Chapter 97
Climate Change	
Cost Shift on Agricultural Products. SB 27 (Skinner; D-Berkeley) Originally sought to impose carbon neutrality metrics on the agricultural sector, resulting in cost shifts to consumers and reduction in crop diversity. Opposition removed after amendments that provide more flexibility for the agricultural sector. Neutral.	Signed—Chapter 237

Subject—CalChamber Position	Status
Crime	
Retail Theft Enforcement. AB 331 (Jones-Sawyer; D-South Los Angeles) Extends the organized retail theft criminal statutes and the California Highway Patrol’s task force to better enforce crimes against retailers. Support.	Signed—Chapter 113 7/21/21
Education	
Facilitate Pupil Financial Aid Applications. AB 469 (Reyes; D-San Bernardino) Requires high schools to assist students in preparing the Free Application for Federal Student Aid (FAFSA), which would ensure that more of California’s students receive already-available federal funds to pursue higher education. Also includes an opt out provision for circumstances where such completion is not necessary or preferred. Support.	Signed—Chapter 560
Federally Preempted Limitation on Arbitration. AB 272 (Kiley; R-Roseville) Creates a federally preempted right for minors to disavow an arbitration clause — but no other provisions — in enrollment agreements signed by their parents. Oppose.	Signed—Chapter 146
Ensure California Students Can Complete Cal Grant Applications Despite COVID-19-Related Disruptions. AB 1185 (Cervantes; D-Corona) Temporarily extends the deadline for Californians to apply for Cal Grant funding to support higher education to allow for COVID-19-related disruptions to the application process. Support.	Vetoed
Elections and Fair Political Practices	
Restrictions on Citizen Ballot Initiatives and Voter Signature Gathering. SB 660 (Newman; D-Fullerton) Drastically increases the cost of voter initiatives by requiring any citizen initiative to pay employees an hourly rate to collect signatures for ballot initiatives, referendums, and recall petitions, as opposed to piece-rate signature gathering, thus excluding low-funded citizen initiatives from the ballot process. Oppose.	Vetoed
Political Contributions Disclosures for LLCs. SB 686 (Glazer; D-Contra Costa) Expands disclosure obligations to LLCs and requires LLCs to file a statement of members for any political contribution of \$1,000 or more. Opposition removed due to June 23, 2021 amendments that increase the financial threshold, reduce the lookback period for inclusion on the statement of members, and strike section 84110 from the bill. Neutral.	Signed—Chapter 321
Gaming/Alcohol	
Alcohol Sales. SB 389 (Dodd; D-Napa) Allows restaurants to sell prepackaged alcohol for off-site consumption. Support.	Signed—Chapter 657
Wineries. SB 19 (Glazer; D-Contra Costa) Opens new opportunities for increased revenues by allowing wineries to have one additional off-site tasting room. Support.	Signed—Chapter 274
Hazardous Waste	
Treated Wood Waste. AB 332 (Assembly Environmental Safety and Toxic Materials Committee) Provides an option to manage and dispose of treated wood waste through alternative standards if certain criteria are met, a process that had been in place for decades before sunseting in 2020, in order to avoid the unnecessary and cost-prohibitive management of these materials as Resource Conservation and Recovery Act (RCRA) hazardous waste materials. Support.	Signed—Chapter 147 8/30/21

Subject—CalChamber Position	Status
Health Care	
Costly Health Care Coverage Mandate. AB 570 (Santiago; D-Los Angeles) Originally sought to mandate employees' dependent parents and stepparents be provided health care coverage on employer-sponsored health plans. Opposition removed after May 24, 2021 amendments required only individual health plans, not employer-sponsored plans, provide coverage to dependent parents and stepparents. Neutral.	Signed—Chapter 468
Increases Health Care Costs. SB 524 (Skinner; D-Berkeley) Increases prescription drug costs for consumers by preventing certain network designs between employers, health plans, insurers, pharmacy benefit managers, and pharmacies. Oppose.	Vetoed
Health Care Cost Increase. SB 306 (Pan; D-Sacramento) Mandates health care service plans to provide coverage for home test kits for sexually transmitted diseases as well as their associated laboratory processing costs which will increase employer health care premiums. Oppose.	Signed—Chapter 486
Encourages Litigation and Disrupts Established Law. AB 849 (Reyes; D-San Bernardino) Originally encouraged litigation and sought to overturn state Supreme Court precedent by amending the Health and Safety Code to allow for \$500 per Patient's Bill of Rights violation for skilled nursing facility residents. Opposition removed due to August 16, 2021 amendments requiring a multi-factor assessment be used when awarding statutory damages as well as ensuring the bill would not be applied retroactively. Neutral.	Signed—Chapter 471
Reduction in Telehealth Options. AB 457 (Santiago; D-Los Angeles) Originally disrupted patient telehealth options by requiring a health plan arrange for an enrollee to treat with a third-party telehealth provider only if the service was not available through a contracting individual health professional. Opposition removed after September 3, 2021 amendments that provide greater protection for patient telehealth options. Neutral.	Signed—Chapter 439
Mandated Health and Dental Plan Payments to Providers for Business Expenses. SB 242 (Newman; D-Fullerton) Onerous mandate that requires health plans, health insurers, and dental plans to permanently fund provider expenses for personal protective equipment (PPE), infection control supplies, information technology systems, and other undefined business expenses. Oppose.	Signed—Chapter 538
Prior Authorization Waiver for Genetic Biomarker Testing. SB 535 (Limón; D-Goleta) Originally sought to prohibit health plans and insurers from requiring prior authorizations for all genetic biomarker testing for a patient with advanced, metastatic, recurrent, or progressive stage 3 or 4 cancer. Opposition removed after amendments clarified plans and insurers may institute a prior authorization requirement on biomarker testing that is not for Food and Drug Administration-approved therapy in addition to the bill's provisions going into effect in 2022. Neutral.	Signed—Chapter 605
Continues Review of Health Care Mandates. AB 1082 (Waldron; R-Escondido) Protects employers from increased health care premiums by extending authorization of the California Health Benefits Review Program to provide the Legislature valuable independent analyses of the medical, financial and public health impacts of proposed health insurance benefit mandates and repeals. Support.	Signed—Chapter 592
Housing and Land Use	
Pro-Housing Production. SB 9 (Atkins; D-San Diego) Streamlines more infill housing while providing substantial local control to land use development by allowing property owners to convert single-family homes into multiple units or divide the properties and build up to two residential units on each lot, all without triggering CEQA, so long as all units are consistent with all local land use laws. Support.	Signed—Chapter 162

Subject—CalChamber Position	Status
<p>Pro-Housing Production. SB 290 (Skinner; D-Berkeley) Removes four barriers that limit density bonus applicability in California by allowing low-income student housing projects to receive up to one incentive, aligning the density bonus approval requirements with those in the Housing Accountability Act, expanding the definition of for-sale projects beyond common interest developments, and adding a parking waiver for housing developments within one-half mile of transit that include 40% moderate-income units. Support.</p>	Signed—Chapter 340
<p>Pro-Housing Production. SB 8 (Skinner; D-Berkeley) Provides technical cleanup and extends the sunset date to January 1, 2030 for SB 330 (Skinner-2019), a law that promotes more affordable housing development in California by reducing permitting delays and unexpected fees levied during the housing development permitting process. Support.</p>	Signed—Chapter 161
<p>Pro-Housing Production. SB 10 (Wiener; D-San Francisco) Provides local cities and counties with full authority to streamline upzoning in their jurisdiction for up to 10 additional middle income density housing units per parcel, without triggering CEQA, if they choose. Support.</p>	Signed—Chapter 163
<p>Housing Production. AB 215 (Chiu; D-San Francisco) Helps ensure more housing units are constructed by requiring any localities not meeting their regional average production requirements to consult with the Department of Housing and Community Development; incentivizes local governments to amend local requirements to encourage more housing production; and empowers the Attorney General to enforce the Housing Crisis Act of 2019. Support.</p>	Signed—Chapter 342

Labor and Employment

<p>Increased Costs and Liability on Employers. SB 62 (Durazo; D-Los Angeles) Significantly increases the burden on nonunionized employers in the garment manufacturing industry in California, by eliminating piece rate as a method of payment even though it can benefit the employee, expanding joint and several liability for any wage violations to the entire supply chain, and shifting the evidentiary standards in a Labor Commissioner hearing to limit the ability for an employer to defend against an alleged wage violation. These additional requirements will encourage companies to contract with manufacturers outside of California, thereby limiting the demand and workforce of garment manufacturers in California. Oppose/Job Killer 2021.</p>	Signed—Chapter 329
<p>Forced Unionization Process for Agricultural Employees. AB 616 (Stone; D-Scotts Valley) Limits an employee’s ability to independently and privately vote for unionization in the workplace, by essentially eliminating a secret ballot election and replacing it with the submission of representation cards signed by over 50% of the employees, which leaves employees susceptible to coercion and manipulation by labor organizations. Also, unfairly limits an employer’s ability to challenge any order by the Agricultural Labor Relations Board (ALRB) by forcing employers to post an unreasonable bond, and then limits an employee’s ability to decertify a union, by forcing them to go through the ballot election process instead of submission of representation cards. Also includes an unnecessary presumption of retaliation that is effectively unlimited in scope because it would apply for the duration of an election campaign, which could last for a year or more. Oppose/Job Killer 2021.</p>	Vetoed
<p>Onerous Return to Work Mandate. AB 1074 (Lorena Gonzalez; D-San Diego) Prior to amendments, would have imposed an onerous and stringent process that is unlimited in time for specific employers to return employees to the workforce for specified industries, including hotels and restaurants that have been disproportionately impacted by this pandemic, which would have delayed rehiring and employers’ ability to reopen after being forced to close or reduce operations due to COVID-19. Job killer tag removed due to April 19, 2021 amendments eliminating COVID-19 related recall provisions from the bill. The remaining provisions had the potential to cause further harm to the hospitality industry by forcing a new service provider for a hotel to hire the previous contracted provider’s employees and navigate statutory barriers erected around operational positions, staffing redundancies, technical abilities, and staffs’ general ability to meet the hotel’s needs. The mandate would have increased operating costs, threatened small businesses, and represented a significant shift in how the law approaches contracting. Oppose/Former Job Killer 2021.</p>	Vetoed

Subject—CalChamber Position	Status
<p>Limitation on Severance Agreements. SB 331 (Leyva; D-Chino) Unnecessarily limits the use and scope of severance agreements, and subjects employers to multiple threats of litigation for any alleged violations, which will limit the use or offer of severance packages to employees. Opposition removed due to cumulative amendments through the legislative process including final set made on August 16, 2021 narrowing language in bill and clarifying that the amount of a severance agreement may be kept confidential. Neutral.</p>	Signed—Chapter 638
<p>Joint Liability. SB 727 (Leyva; D-Chino) Expands joint liability within construction industry by expanding a direct contractor’s liability to include penalties, liquidated damages, and interest. Oppose Unless Amended.</p>	Signed—Chapter 338
<p>Criminal Liability for Good Faith Mistakes. AB 1003 (Lorena Gonzalez; D-San Diego) Prior to amendments, would have proposed to criminalize small employers, managers, and supervisors, who in good faith, make a mistake in the application of the law, that even the Labor Commissioner and the courts disagree with on how to interpret. Job killer tag and opposition removed due to April 22, 2021 amendments narrowing the application of the bill to only criminalize fraudulent and knowingly unlawful conduct by bad actors. Neutral/Former Job Killer 2021.</p>	Signed—Chapter 325
<p>Small Employer Mediation Program. AB 1033 (Bauer-Kahan; D-Orinda) Establishes a more practical, streamlined procedure for implementing the small employer family leave mediation program established in 2020 by AB 1867 and fixes a drafting error in SB 1383. Sponsor/Co-Sponsor.</p>	Signed—Chapter 327
<p>Telecommuting. SB 657 (Ochoa Bogh; R-Yucaipa) Allows employers to satisfy notice requirements under the Labor Code using electronic means for telecommuting employees. Support.</p>	Signed—Chapter 109

Legal Reform and Protection

<p>Pain and Suffering Damages. SB 447 (Laird; D-Santa Cruz) Prior to amendments, undermined existing law and provided individuals with an additional category of noneconomic damages for a tort, that will significantly increase attorney fees and costs of litigation in California. Opposition removed due to August 30, 2021 amendments that limited the scope of the claims that would be entitled to noneconomic damages as well as providing a sunset. Neutral.</p>	Signed—Chapter 448
<p>Government Price Fixing. AB 286 (Lorena Gonzalez; D-San Diego) Unnecessary government interference in business to business contracts, by fixing a contract price between two private entities. The bill claims to be addressing harm caused by the pandemic, but is not limited to the pandemic, and lacks any data that price fixing will provide any financial relief as opposed to loss. Opposition removed due to April 27, 2021 amendments that removed price fixing. Neutral.</p>	Signed—Chapter 513
<p>Automatic Renewal and Continuous Service Contracts. AB 390 (Berman; D-Palo Alto) Originally would have created prescriptive notice requirements for automatic renewal and continuous service offers, including requirements for free trials and gifts. Opposition removed due to June 14, 2021 amendments that resolve problems with the timing and means of notice and termination. Neutral.</p>	Signed—Chapter 450

Other

<p>Overbroad Burden on Procurement. AB 416 (Kalra; D-San Jose) Requires any companies submitting bids for state procurement contracts involving a range of common goods, including wood, rubber, paper, and others, to adopt new internal policies regarding sourcing of materials for all contracts, not just state-related contracts, and provide potentially proprietary information regarding their supply chain to the state as part of the application process. Oppose.</p>	Vetoed
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Subject—CalChamber Position	Status
Privacy and Cybersecurity	
Expansion to Information Privacy Act of 1977. AB 825 (Levine; D-San Rafael) Expands the Information Privacy Act of 1977 to include genetic data, broadly defined to include information that is not necessarily the direct result of analysis of a biological sample. Oppose Unless Amended.	Signed—Chapter 527
Prohibition on Use of Unlawfully Obtained Data. AB 1391 (Chau; D-Monterey Park) Originally sought to prohibit access and use of information that was obtained pursuant to the commission of a crime, regardless of whether the access or use was for a legitimate purpose. Opposition removed after August 16, 2021 amendments that provide more flexibility for legitimate identity protection and fraud prevention purposes. Neutral.	Signed—Chapter 594
Product Regulation	
Chemical Ban and Warning Labels. AB 1200 (Ting; D-San Francisco) Bans intentionally adding any class of PFAS in foodware products by January 1, 2023, and, prior to amendments, created a new warning label for all cookware products warning customers of the health and environmental risks associated with a product containing any chemical on the Department of Toxic Substances Control list of thousands of chemicals, with no thresholds or other scientific basis for establishing when a warning is appropriate. Opposition removed on August 25, 2021 after a number of Author amendments were taken, including the elimination of the warning label and 1-800-number requirements, as well as technical amendments that narrowed the scope of products covered. Neutral.	Signed—Chapter 503
Chemical Ban. AB 652 (Friedman; D-Glendale) Prior to amendments, the bill circumvented the Safer Consumer Products program by proposing to ban per- and polyfluoroalkyl substances (PFAS) chemicals far beyond the stated intent of banning PFAS in juvenile products, including in electronics and medical devices, that would have substantial unintended consequences. Opposition removed on August 20, 2021 after a number of Author amendments were taken to narrow the scope of the bill and make other technical changes. Neutral.	Signed—Chapter 500
Recycling	
Battery Recycling Education and Fire Prevention. SB 244 (Archuleta; D-Pico Rivera) Reduces fires caused by improper battery disposal by requiring CAL FIRE, the California Highway Patrol, Department of Toxic Substances Control, and CalRecycle to work with waste industry experts and local governments to develop protocols for managing discarded lithium-ion batteries and to develop a guidance document to inform, educate and increase public awareness about fire risk from improper disposal of lithium-ion batteries. It also requires waste industry enterprises to work with county fire marshals annually to develop a protocol for discarded lithium-ion batteries and thus prevent future fires. Support.	Vetoed
Taxation	
Tax Relief for Businesses that Received PPP Funds. AB 80 (Burke; D-Inglewood) Brings California into partial conformity with federal tax law by allowing up to \$150,000 of expenses paid for using Paycheck Protection Program loans to be deductible. Support If Amended.	Signed—Chapter 17 4/29/21
License Renewal Fee Relief. SB 94 (Skinner; D-Berkeley) Relieves bars, restaurants, and those working in barbering and cosmetology from having to pay license renewal fees for two years. Support.	Signed—Chapter 9 2/23/21
License Fee Relief. AB 83 (Assembly Budget Committee) Provides for two years of fee relief for restaurants, bars and those working in barbering and cosmetology. Support.	Signed—Chapter 11 3/17/21

Subject—CalChamber Position	Status
<p>Small Business Grant Program. SB 87 (Caballero; D-Salinas) Establishes a \$2.6 billion grant program that offers struggling small businesses a lifeline while they struggle through pandemic-induced shut-downs and regulations. Support.</p>	<p>Signed—Chapter 7 2/23/21</p>

Telecommunications

<p>Duplicative Outage Reporting and Network Resiliency Requirements. SB 341 (McGuire; D-Healdsburg) Imposes significant costs and operational burdens on telecom providers by duplicating existing and ongoing network outage reporting regulations and requiring providers to duplicate emergency reporting to the California Public Utilities Commission, despite existing requirements to report to California Office of Emergency Services. Oppose.</p>	<p>Signed—Chapter 425</p>
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Transportation and Infrastructure

<p>Unnecessarily Targets New Technology. SB 500 (Min; D-Irvine) Originally proposed to require that autonomous vehicles be all electric well in advance of other vehicles, despite great potential to increase safety, efficiency, and other environmental improvements, hindering technological development in the commercial and passenger space. Position changed after amendments removed medium/heavy duty trucking and better aligned implementation date to market conditions. Neutral.</p>	<p>Signed—Chapter 277</p>
<p>Ensure Transportation Funding. SB 339 (Wiener; D-San Francisco) Extends the Road User Charge Advisory Committee and allows the Transportation Agency to conduct pilot studies to evaluate potential replacements for gas tax funding for roads and infrastructure. Support.</p>	<p>Signed—Chapter 308</p>

Unemployment Insurance

<p>Data Sharing Between EDD and Department of Corrections to Prevent UI Fraud. AB 110 (Petrie-Norris; D-Laguna Beach) Requires the Department of Corrections and counties to share the names and Social Security information of current inmates with the Employment Development Department (EDD) to prevent payments on fraudulent claims using inmate information, and requires EDD to utilize this information in its screening process. This would bring California up to speed with other states, and also help prevent one of the most widespread types of fraud that was widely reported during the COVID-19 shut-down from occurring in the future. Support.</p>	<p>Signed—Chapter 511</p>
<p>Requires EDD to Plan for Next Crisis. SB 390 (Laird; D-Santa Cruz) Requires EDD to develop a comprehensive plan to prepare for future economic recessions and the correlated increased demands on EDD’s system for distributing unemployment insurance benefits, including staffing, logistics, and identity verification tools. Support.</p>	<p>Signed—Chapter 543</p>

Workers’ Compensation

<p>Workers’ Compensation: Apportionment. SB 788 (Bradford; D-Gardena) Undermines the doctrine of apportionment in the workers’ compensation system by prohibiting apportionment where a permanent disability is caused in part by factors such as age or genetic characteristics. Opposition removed due to June 17, 2021 amendments removing age and genetic characteristics from the list of factors identified in the bill. Neutral.</p>	<p>Vetoed</p>
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Subject—CalChamber Position	Status
Workplace Safety	
<p>New Private Right of Action, PAGA Litigation, and Regulations for Warehouses. AB 701 (Lorena Gonzalez; D-San Diego) Threatens warehouse employers with duplicative costly litigation by creating a new Private Attorneys General Act (PAGA) claim related to warehouse work speed. Job killer tag removed due to July 15, 2021 amendments narrowing the application of the bill on multiple fronts, including PAGA litigation and injunctive relief. Oppose/Former Job Killer 2021.</p>	Signed—Chapter 197
<p>Expansion of Cal/OSHA Authority and Enforcement. SB 606 (Lena Gonzalez; D-Long Beach) Significantly expands Cal/OSHA authority by creating a new “egregious employer” category in Labor Code and creating a new category of “enterprise-wide” citations that face higher citation amounts based on, at times, evidence at only one location. Job killer tag removed due to March 25, 2021 amendments limiting certain overbroad provisions, but CalChamber remained opposed due to structural changes to Cal/OSHA enforcement. Oppose/Former Job Killer 2021.</p>	Signed—Chapter 336
<p>Clarification and Cleanup re COVID-19 Notice. AB 654 (Reyes; D-San Bernardino) Clarifies and improves last year’s AB 685, which requires notice of COVID-19 cases in the workplace, by eliminating duplicative obligations for businesses in certain industries, matching them to corresponding federal guidelines, and making other favorable improvements. Support.</p>	Signed—Chapter 522 10/5/21
<p>Fair Notice for Local Public Health Orders. SB 336 (Ochoa Bogh; R-Yucaipa) Requires publication of local public health orders and creation of an email list for stakeholders to ensure they are kept apprised of any changes. Sponsor/Co-Sponsor</p>	Signed—Chapter 487 10/4/21
<p>Joint Liability Related to OSHA Citations for Drayage Drivers. Additional Joint and Several Liability for Port Drayage Carriers. SB 338 (Lena Gonzalez; D-Long Beach) Adds to existing published list of drayage motor carriers subject to joint and several liability due to unsatisfied judgments by adding certain other misconduct which would also place a drayage carrier on the list and therefore make them qualify for joint and several liability related to certain health- and safety-related offenses. Opposition removed due to June 14, 2021 amendments ensuring that any business placed on the list and subject to joint and several liability was able to efficiently appeal and ensuring that affected companies could be quickly removed once the issues were resolved. Neutral.</p>	Signed—Chapter 333