

ALERT

Pay Data Publication Bill to Be Heard in Assembly



A California Chamber of Commerce **job killer** bill that will encourage lawsuits against businesses and make hiring more burdensome will be heard in the Assembly Appropriations Committee in a couple of weeks.

The CalChamber is asking members to contact their state Assembly representative to **oppose SB 1162**. An easy-to-edit sample letter is available [here](#).

The proposal, **SB 1162 (Limón; D-Goleta)**, encourages litigation against employers based on the publication of broad, unreliable data collected by the state. It undermines employers' ability

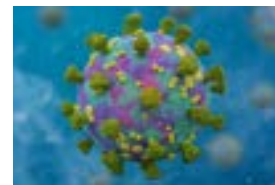
to hire, imposes burdensome administrative and record keeping requirements, and subjects employers to a private right of action and penalties under the Private Attorneys General Act (PAGA).

The additional burdens and costs this proposal would create will limit an employer's ability to offer higher wages and benefits to new or existing employees and discourage growth or expansion in California.

Reports Not Helpful, Will Only Facilitate Lawsuits

In 2020, SB 973 required all California employers with 100 or more employees to report pay data by *See Pay Data: Page 25*

State Change in COVID-19 Definition of 'Close Contact' Leaves Questions for California Employers



One of the most well-known elements of COVID-19 workplace safety was

changed last month — to relatively little fanfare — and it has left California employers with many questions.

The longstanding definition of a "close contact" — someone within 6 feet of an infected person for 15 minutes during their infectious period — has become a household term due to COVID-19 safety precautions over the last few years.

New Definition

That definition, however, **no longer applies in California**, due to a June 8 order by the California Department of Public Health (CDPH) that replaced it with a new definition: "someone sharing the same *indoor airspace* (e.g., home, clinic waiting room, airplane etc.) for a cumulative total of 15 minutes or more over a 24-hour period ..." (emphasis added).

Notably, this new CDPH definition also applies to employers' obligations under Cal/OSHA's COVID-19 Emergency Temporary Standards (ETS) due to the ETS's text specifically noting that CDPH orders may supersede its

See State Change: Page 5

Resources Secretary Briefs Business Leaders on Drought; Urges Conservation Efforts



California Natural Resources Agency Secretary Wade Crowfoot describes the state's drought and encourages business leaders to partner with the state to encourage water conservation. See story on Page 5.

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Labor Law Corner

Personnel/Payroll Record Requests: Timely Response Important



Lisa Guzman
HR Adviser

An employee has asked for a copy of his personnel file and payroll records. What documents is the employee legally entitled to receive?

Under California law, current and former employees have a right to examine and receive their personnel and payroll records. It is important that employers understand what records an employee has a right to receive and the timeframe for providing these records.

Labor Code

Under California Labor Code Section 1198.5, “Every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employee’s performance or to any grievance concerning the employee.”

Upon written request, the employer must provide a copy of the personnel records, but may charge the employee the actual cost of reproduction.

Similarly, under California Labor Code Section 226, current and former employees have a right to inspect or receive a copy of payroll records pertaining to their employment. An employer may charge the employee the actual cost of reproduction.

In addition, California Labor Code Section 432 provides that an employee or applicant is entitled to receive a copy of any document they have signed “relating to the obtaining or holding of employment.”

Definitions

What is included in the definition of “personnel records” and “payroll records” can be a source of confusion for many employers. So, to what records is an employee legally entitled?

Personnel Records

Although the Labor Code does not define “personnel records,” the California Division of Labor Standards Enforcement does provide some examples, including:

- Application for employment;
- Payroll authorization form;

- Notices of commendation, warning, discipline and/or termination;
- Notices of layoff, leave of absence, and vacation;
- Notices of wage attachment or garnishment;
- Education and training notices and records;
- Performance appraisals/reviews;
- Attendance records.

By law, an employer is **not required** to provide certain documents to a current or former employee, including:

- Records related to the investigation of a possible criminal offense.
- Letters of reference.
- Ratings, reports or records that were: obtained before the employee’s employment; prepared by identifiable examination committee members; obtained in connection with a promotional examination (California Labor Code Section 1198.5 (h)).

Payroll Records

In response to a payroll records request, an employer must provide either copies of itemized wage statements or paystubs received by the employee or a computer-generated record that contains all the information on those wage statements (California Labor Code Section 226).

Timely Response Required

• **Personnel records:** An employer must make personnel records available to the employee or his representative *within 30 calendar days* from the date it receives the *written request*. An employer is obligated to provide a form for making

See Personnel/Payroll: Page 4

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CalChamber-Sponsored Seminars/Trade Shows

More at www.calchamber.com/events.

Labor and Employment

HR Boot Camp Virtual Seminar.

CalChamber. August 11–12, September 8–9, Online. (800) 331-8877.

Leaves of Absence: Making Sense of It All Virtual Seminar. CalChamber. August 25–26, September 29–30, Online. (800) 331-8877.

Virtual HR Symposium. CalChamber. November 3–4. (800) 331-8877.

Business Resources

Invention-Con 2022. U.S. Patent and

Trademark Office. August 10–12, Online. (571) 272-7517.

International Trade

2022 Taiwan Trade Shows. Taiwan External Trade Development Council. Through October 30, Online and

See CalChamber-Sponsored: Page 24

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The Workplace

How to Handle Vacation, Sick Leave, Paid Time Off, Holidays



In **Episode 155** of *The Workplace* podcast, CalChamber employment law expert Matthew Roberts and CalChamber HR Adviser

Ellen Savage answer common questions that employers are asking regarding vacation policies.

Here in California, we have entered the dog days of summer, and many employees are ready to take a break. In fact, industry experts expect to see the busiest travel season since pre-pandemic 2019 — and maybe even busier, Roberts says at the start of the podcast.

Many employers have been calling the CalChamber Labor Law Helpline with questions pertaining to vacation policies because they have employees sitting on substantial banks of time, or because they have questions regarding California's special laws for vacation plans.

Vacation Policy Basics

Many employers know that having a vacation policy is not mandatory, Savage says. But when employers do offer it, the law treats it as vested wages, and employers cannot have a “use it or lose it policy.” It is considered the employee's money (vacation earned), and if they quit or are terminated, then the vacation hours must be paid out.

Employers can, however, establish restrictions.

For example, employers may restrict when an employee actually starts accruing vacation hours. Some policies start vaca-

tion accrual after an employee has worked for the company for 60 days, others start accrual after 90 days, and others even after a year. Nevertheless, if an employee quits, whatever vacation time they have accrued must be paid out, Savage stresses.

“Let's say I start working for you January 1, and I don't start accruing until July 1. That's fine. But let's say in August, I quit. You are still going to need to pay me out for that vacation I accrued during that small time I was accruing — even if you have a policy and it says I can't use it yet,” she explains.

Another restriction some companies establish is to offer vacation only for certain employees, Savage says. It's not unusual for employers to offer vacation only to full-time employees, or to offer vacation only to employees in certain departments. It's important to remember, however, that employers will need to determine how they will address a scenario where an employee moves from one of these categories to another.

Employers may also cap the amount of vacation that has been accrued so that the bank doesn't get completely out of control. Another way to prevent vacation banks from ballooning is to require the use of vacation time.

“An employer can actually say... ‘I need you to schedule some vacation; your bank is getting too big, it's a slow time of year.’ And an employer might actually schedule that vacation... You might say, ‘Hey, you need to use some vacation time in the next two months,’” Savage says.

What if someone asks to take four weeks of vacation and they have all the time in the bank, Robert asks?

Employers have the right to either

deny vacation requests for legitimate business reasons or limit the amount that can be taken at once, Savage replies. Employers may have “blackout periods” where employees cannot take vacation, such as during a business' busy season, during the summer, or because there is not sufficient staff coverage.

Employers should watch out for protected leaves during these periods, because if a protected leave specifically allows an employee to use vacation, even if it falls during the blackout period, the law is going to take precedence.

Protected Leave, Paid Time Off Plans

Under California's paid sick leave law, employers must provide a certain amount of time of paid sick leave per year. A lot of employers get into a situation where their employees know that vacation time is vested wages and California paid sick leave time is not (it doesn't get paid out once an employee leaves the company), and so employees want to use their paid sick leave bank for things like vacation or other personal time off, Roberts says.

Savage explains that it's not a wise idea to allow employees to use their paid sick leave for vacation purposes. If an employer allows this, they may be turning unvested paid sick leave into a vested vacation or paid time off (PTO) bank, because the employee may use it for reasons not permitted in the sick leave statute. Under California law, one of the things that makes a bank vested and payable at termination is when it is not limited to certain specific purposes.

“So, if you let me use a sick leave

See How to Handle: Page 4



CalChamber Member Feedback

“No one brings together industries and geographic regions like CalChamber. It's a powerful convenor of perspectives with a statewide impact. The CalChamber effectively provides a cohesive voice and powerful representation to a broad-based business community in both regulatory and legislative arenas.”

Kerry Hattevik
Vice President National Policy Development
NextEra Energy Resources

How to Handle Vacation, Sick Leave, Paid Time Off, Holidays

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day to go to Disneyland, then I could argue that that bank is now a vested bank payable at termination. So, you want to be nice, but it could come back to bite you,” Savage warns.

Some employers are exploring policies such as flexible or unlimited PTO plans, where an employee doesn’t accrue time off, but can take time off whenever they’d like. The benefit is that there are no vested wages because employees are not accruing hours, Roberts says.

Unlimited PTO plans are the Wild Wild West of labor law — there just are no rules, Savage replies. There is only one real case currently on this topic and unfortunately, the employer lost. Labor law experts don’t have a good idea of what a solid unlimited PTO plan looks like and the Labor Commissioner has not provided guidance on unlimited PTO plans.

In the one case on this topic, *McPherson v. EF Intercultural Foundation, Inc.*, the court found that the employer’s unlimited PTO plan was not a good one. The court did say, however, that an employer could potentially have an unlimited PTO plan, if the plan: states that the employees’ PTO is not a form of additional wages, but instead forms part of a promise of a flexible work schedule; clearly defines the rights and obligations of employees and employers; defines the consequences of failing to schedule time off; allows employees sufficient opportunity to take time off; and is administered fairly, so it doesn’t result in inequities. The last requirement may be problematic because some employees work a lot, and others work less.

“The *McPherson* case basically said, ‘We don’t like your plan. And if you did these things, we might like another plan, but we really don’t guarantee it. So let’s

just have another case come along, we’ll see what we think of that one.’ And that makes me nervous,” Savage says.

Roberts urges employers considering a flexible or unlimited PTO plan to consult with legal counsel, because without guidance, an employer can end up in a situation like the *McPherson* case and get hit with massive vacation wages and damages.

Holidays

No federal or state law requires employers to provide paid holidays, nor does a business have to shut down on the holiday, Savage explains. And if a business chooses to close on the holiday, it is not required to pay its non-exempt employees.

In California, if an employer offers holiday pay, they are essentially creating a contractual obligation to pay an employee while they are not working.

There are several options at an employer’s disposal if they offer holiday pay but need an employee to come in to work during a paid holiday. Savage’s preference, she says, is to pay the employee the holiday pay and additionally pay for all hours worked on the holiday, and pay it straight into their paycheck because it’s simpler.

Another option would be to provide another day off in lieu of the extra holiday pay, but there are concerns about when the holiday has to be taken, such as the same week or in the same pay period or in the same month.

“It is really easy for that day to end up getting lost — everybody forgets about it — and then it becomes the subject of...a waiting time penalty claim when it’s not paid out at termination,” she says.

Some employers would like to offer floating holidays, such as to allow an employee to celebrate their birthday or date of hire, Roberts says.

Savage replies that she doesn’t understand why employers in California would choose to use floating holidays. After all, an employee can use their vacation time and floating holidays interchangeably. It’s “an easy place for an employer to get tripped up and end up in a very expensive lawsuit.”

One-Size-Fits-All PTO Plans

Roberts explains that California’s paid sick leave law allows employers to wrap the requirements of the law into their existing PTO plan as long as it meets the requirements of the law.

This one-size-fits-all PTO plan may seem like a great way to put everything into a single bank, but combining a sick leave plan and vacation plan into a PTO bank is like “taking all the pieces from Monopoly and chess, throwing them on the same board and then trying to play a game,” Savage says.

In doing this, an employer is intertwining very different rules and it causes a lot of confusion.

“When people call me and say, ‘OK, my employee wants to use all three weeks of PTO that they have for sick leave, but I only let them use three days of sick leave,’ I say, ‘Well, how do you know how much of that PTO bank is sick leave?’ We don’t,” Savage says.

It is because of this uncertainty and confusion that Savage recommends that employers clearly separate their sick leave and vacation policies.

“Sick leave says 48 hours, vacation cap is ‘reasonable cap’ on accrual, like we just talked about. How do you set your caps? And Lord help you if you’re in a local area that has a local sick leave ordinance that you’re trying to layer in on top of that as well. Yeah, that’s just head spinning,” she says.

Personnel/Payroll Record Requests: Timely Response Important

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a written request. If the employer fails to comply with the request within 30 days, the employee can recover a \$750 penalty.

• **Payroll records:** An employer must provide an employee access to inspect or receive a copy of payroll records *within 21 calendar days* of an *oral or written request*. If the employer fails to respond

to the request, the employee can recover a \$750 penalty.

In summary, an employee has the right to review and receive copies of his or her personnel records, payroll records and any documents they have signed. Employers should respond to these requests in a timely manner to avoid facing penalties.

Column based on questions asked by callers on the Labor Law Helpline, 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.

Resources Secretary Briefs Business Leaders on Drought; Urges Conservation Efforts



In a virtual meeting with California's top business leaders last week, California Natural

Resources Agency Secretary Wade Crowfoot discussed critical aspects of the state's worsening drought and encouraged partnership in ongoing conservation efforts.

The July 12 virtual meeting came on the heels of Governor Gavin Newsom signing the state's 2022–2023 budget that includes \$2.8 billion in near- and long-term drought response actions to build water resilience and promote water conservation, including \$175 million for turf replacement and other water-saving strategies.

Extreme Drought

"Extreme drought is happening across the state and all throughout the West. This means we all need to work together

to take immediate action to conserve water and stretch our dwindling water supplies," said Crowfoot. "We recognize and appreciate that many California businesses have already made significant investments in reducing water use and ask for your help in spreading the word and encouraging others to do the same."

To view the drought briefing, [click here](#).

As the state endures the hot and dry summer months, conservation actions are underway by the state and businesses to help advance long-term water resilience across sectors. Capitol Park, the oldest arboretum west of the Mississippi which surrounds the California State Capitol, is taking [active steps to conserve water](#) through sustainable landscape maintenance practices all while ensuring the survival of trees and plants.

Partnership

"We appreciate the opportunity to partner with the state in driving near-term conservation as we work on longer-

term infrastructure priorities," said CalChamber President and CEO Jennifer Barrera. "As business leaders, we can take additional steps now to reduce water use and we can encourage our employees to do the same."

The state of California and CalChamber are encouraging business leaders to use their platforms and networks to educate employees and communities about extreme drought conditions and immediate steps to use less water at work and at home.

The California Department of Water Resources also hosted a commercial, industrial, and institutional (CII) water conservation workshop on July 19, inviting businesses to [attend](#) to share their input on strategies to reduce water use and other opportunities to advance CII conservation.

For more information on how Californians can take action today to save water, visit [SaveOurWater.com](#).

State Change in Definition of 'Close Contact' Leaves Questions

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terms. In other words: everywhere Cal/OSHA handles enforcement, this new CDPH definition also applies.

So what is intended by this new definition? And how does it apply to large, relatively undifferentiated spaces such as grocery stores, warehouses, manufacturing facilities, or airplane hangars? Well, that isn't perfectly clear yet.

FAQs Unclear

As has become common practice over the pandemic, California employers must look to FAQs for answers. CDPH issued FAQs on this new definition on June 20 — but they are not exactly easy to apply for employers.

The FAQs note that businesses may "prioritize" their identification of close contacts by "[i]dentifying close contacts

who may be considered 'high-risk contacts' based on their proximity ... duration or intensity of exposure, and/or ... risk of severe illness or death...." This language suggests that employers may "prioritize" which close contacts to identify, and potentially not identify others.

Currently, the ETS requires close contacts test after exposure (and potentially quarantine), have their information recorded, and be given notice — with slightly different treatment during outbreaks. But the ETS itself — and Cal/OSHA's supporting FAQs — does not allow employers to comply with the ETS's requirements as to only certain close contacts.

In other words, it remains unclear whether the flexibility suggested by CDPH in identifying close contacts will be similarly embraced by Cal/OSHA.

Questions

On a practical level, this leaves California employers in murky waters. If one worker on the opposite side of an airplane hangar tests positive, are workers located 30 feet away considered close contacts? What if there are others 60 feet away — can the employer "prioritize" those at 30 feet, and determine that those at 60 feet are not close contacts per the CDPH FAQs?

There are no good answers to these questions at present — and we would advise all employers to work closely with their counsel to come up with the best interpretation they can, and keep a close eye on [Cal/OSHA's own FAQs](#) for any updated guidance.

Staff Contact: Robert Moutrie

Biden Administration Launches U.S.-Kenya Strategic Trade and Investment Partnership



Last week, the Biden administration announced the launch of the United States-Kenya Strategic

Trade and Investment Partnership (STIP).

U.S. Trade Representative Katherine Tai met with Kenya's Ministry of Industrialization, Trade and Enterprise Development Cabinet Secretary, Betty Maina, on July 14 to announce the partnership, which will take the place of the [U.S.-Kenya Free Trade Agreement](#) that was formally launched by the Trump administration in July 2020.

New Partnership Agreement

The new STIP agreement will pursue high standard commitments on a wide range of subjects with a goal to increase investment; promote sustainable and inclusive economic growth; benefit workers, consumers, and businesses; and support African regional economic integration.

The consultations, which are set to begin within the next three months, will initially cover the below issues that have been identified by the Biden administration:

- **Agriculture:** The U.S. and Kenya will pursue measures to facilitate agricultural trade, with the two sides sharing an interest to achieve food security goals and increase farm productivity and livelihoods while addressing climate change.

- **Anti-Corruption:** The U.S. and Kenya will engage in information sharing of best practices to combat bribery and corruption and will look into negotiating certain commitments.

- **Digital Trade:** The U.S. and Kenya will foster trust in the digital economy by ensuring access to information, promoting development of secure digital infrastructure, promoting competition of small and medium enterprises (SMEs), and addressing discriminatory practices.

- **Environmental and Climate Change Action:** The U.S. and Kenya will commit to conservation and pursue measures to mitigate climate change including with

sustainable use and management of each country's natural resources.

- **Good Regulatory Practices:** The U.S. and Kenya will explore negotiating high-level commitments on a variety of regulatory practices including adequate time for public consultations, posting of proposed regulations, and basing regulatory decisions on best available information.

- **Micro, Small and Medium Enterprises (MSMEs):** The U.S. and Kenya will discuss approaches to integrate MSMEs into international trade.

- **Promoting Workers' Rights and Protections:** The U.S. and Kenya will work together to advance and protect labor rights.

- **Supporting Participation of Women, Youth, and Others in Trade:** The U.S. and Kenya will promote economic opportunities for women and youth that create high-quality jobs and sustainable livelihoods through international trade.

- **Standards Collaboration:** The U.S. and Kenya will discuss standards, conformity assessment procedures and technical regulations to reduce impediments on trade due to differences in their respective systems.

- **Trade Facilitation and Customs Procedures:** The U.S. and Kenya will discuss opportunities to streamline procedures and accelerate the World Trade Organization's Trade Facilitation Agreement implementation to better recover from the pandemic's impact on supply chains. The two countries will also look at other practices such as the August 2014 Agreement between the Government of the United States and the Republic of Kenya Regarding Mutual Assistance between their Customs Administrations and the Authorized Economic Operator (AEO) program.

Kenya

The population of Kenya totals 53.77 million people as of 2020 with the official languages of the country being English and Swahili, while many ethnic groups speak their mother tongues within their communities.

Kenya is classified as a lower-mid-

dle-income economy and is the largest economy in eastern and central Africa with a gross domestic product (GDP) of \$101.01 billion in 2020. Nairobi, Kenya's capital, serves as the major commercial hub.

U.S.-Kenya Relations

A trade agreement between the United States and Kenya would be the first between the United States and a sub-Saharan African country and would complement Africa's regional integration efforts, which include the landmark African Continental Free Trade Area (AfCFTA) brokered by the African Union in 2018, with the pan-African free trade zone taking effect on January 1, 2021 — postponed from July 1, 2020 due to the COVID-19 pandemic.

From its location on the eastern coast of Africa, Kenya serves as a gateway to the region and a major commercial hub that can provide opportunities for U.S. consumers, businesses, farmers, ranchers and workers. Kenya receives benefits under the African Growth and Opportunity Act (AGOA) with the objective of expanding U.S. trade and investment with sub-Saharan Africa, to stimulate economic growth, to encourage economic integration, and to facilitate sub-Saharan Africa's integration into the global economy.

AGOA is a trade preference program enacted in 2000 that has been the model behind U.S.-African trade and investment since. The AGOA provides duty-free entry into the United States for almost all African products. This has helped to expand and diversify African exports to the United States. In 2015, the U.S. Congress renewed AGOA through 2025.

U.S.-Kenya Trade

Total two-way trade between the United States and Kenya amounts to more than \$1.24 billion annually. In 2021, the United States exported \$562 million worth of goods to Kenya, with oil and gas making up the largest export category at \$137 million. This was followed by chemicals at \$96 million and transportation equipment at \$71 million.

See U.S.-Kenya Trade: Page 24

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 1, 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 final recess on August 31.

September 30 is the last day for the Governor to sign or veto bills passed by the Legislature before September 1 and in the Governor’s possession on or after September 1.

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, 2023. 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.

Each fall, the CalChamber 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 October 21.

Status of legislative action on bills as of July 1, 2022. 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 Senate or Assembly floor, unless action is stated.

Subject—CalChamber Position	Status
Agriculture, Food and Natural Resources	
Livestock Ban. AB 2764 (Nazarian; D-Van Nuys) Bans new or expanded commercial animal feeding and processing operations for meat, poultry, eggs, and dairy. Will increase food prices for Californians and force food to be imported from out of state to meet consumer demand. Oppose/ Job Killer .	Assembly Agriculture 3/17/22; Failed Deadline
Product Restrictions. AB 2146 (Bauer-Kahan; D-Orinda) Imposes restrictions on use of pesticide important for combatting citrus disease. Circumvents science-focused regulatory processes. Oppose.	Senate Appropriations Suspense File 6/20/22
Smoke Exposure Study. AB 2213 (Aguiar-Curry; D-Winters) Creates an advisory committee to study impacts of wildfire smoke on grapes and wine and investigate ways to prevent or minimize smoke damage. Support.	Assembly Appropriations Suspense File 5/18/22; Failed Deadline
Air Quality	
Carbon Capture Projects. SB 905 (Skinner; D-Berkeley) Requires California Air Resources Board (CARB) to create the Geologic Carbon Sequestration Demonstration Initiative but caps the number of demonstration projects at 5 and limits the projects to a very narrow list of industries, thereby stifling the ability of carbon capture technology to become more prevalent and help to reduce additional greenhouse gases (GHGs). Oppose Unless Amended.	Assembly Appropriations 6/20/22
Sustainable Aviation Fuel Incentives. AB 1322 (R. Rivas; D-Hollister) Requires state agencies to develop a plan to incentivize the production of sustainable aviation fuel to no less than 1.5 billion gallons per year by 2030 and implement said plan by December 31, 2025. Support.	Senate Appropriations 6/8/22
Carbon Capture Sequestration Expansion. AB 2101 (Flora; R-Ripon) Adds whole orchard recycling projects to the list of eligible Carbon Capture Sequestration Registry projects that are eligible to seek funding from state agencies or private entities. Support.	Signed

Subject—CalChamber Position	Status
<p>Triples Fees for Stationary Sources. AB 1897 (Wicks; D-Oakland) Arbitrarily triples the fees through civil actions for individual stationary sources if those sources are a refinery. It singles out a specific industry and facility rather than looking at the issue from a comprehensive or statewide perspective. Oppose.</p>	<p>Senate Appropriations 6/28/22</p>

Banking and Finance

<p>Burdensome Foreclosure Requirements. SB 1323 (Archuleta; D-Pico Rivera) Increases difficulty in recovering collateral property when a borrower is in default. Increases risks associated with lending and creates an unnecessary new procedure for selling property with equity after default. Oppose.</p>	<p>Assembly Appropriations 6/28/22</p>
<p>Credit Availability. AB 2424 (B. Rubio; D-Baldwin Park) Prevents frivolous and false disputes made by credit repair services that delay credit availability. Updates the Credit Repair Services Act to provide transparency for costs of services rendered and expected results. Support.</p>	<p>Senate Appropriations 6/29/22</p>

Budget

<p>COVID 19 Economic Relief. AB 87 (Committee on Budget) Transfers \$150 million into the California Emergency Relief Fund to fund remaining eligible wait-listed grant applicants from last year’s California Small Business COVID-19 Relief Grant Program. Additionally, conforms state tax law to federal tax law for entities that received grants from Restaurant Revitalization Fund and Shuttered Venue Operators Grant programs so these entities will avoid state tax obligations they don’t shoulder federally. Support.</p>	<p>Senate Budget and Fiscal Review 2/9/22</p>
<p>California Employer Economic Relief. SB 113 (Committee on Budget and Fiscal Review) Restores Net Operating Loss deduction and lifts cap placed on business incentive tax credits that were suspended in 2020’s state budget. Support.</p>	<p>Signed—Chapter 3 2/9/22</p>

California Environmental Quality Act (CEQA)

<p>Expands CEQA and Hurts Housing. AB 1001 (C. Garcia; D-Bell Gardens) Creates new highly subjective, non-quantifiable and litigation-bait standards in CEQA that will threaten California’s economic recovery and ability to construct much-needed housing. It also removes local government discretion regarding how to analyze and mitigate proposed project impacts, thereby making projects more expensive, harder to build and more likely to be thrown into courts by NIMBY opposition. Oppose/Job Killer.</p>	<p>Senate Environmental Quality 5/4/22; Failed Deadline</p>
<p>Warehouse and Logistics Project Ban. AB 2840 (Reyes; D-San Bernardino) Circumvents the California Environmental Quality Act, creates an unprecedented ban on warehouses and logistics use projects irrespective of whether there are any project impacts, usurps local authority over land use decisions, exacerbates supply chain problems, and forces union labor for proposed private projects that are not banned. Oppose/Job Killer.</p>	<p>Senate Governance and Finance 6/8/22; Failed Deadline</p>
<p>Makes CEQA Worse and Hurts Housing. SB 1404 (Stern; D-Canoga Park) Arbitrarily and statutorily defines what is considered a significant environmental impact when removing an oak tree, substantially changing how the California Environmental Quality Act (CEQA) has operated since its inception. In doing so, SB 1404 would have made the construction of housing even harder and jeopardized the state’s ability to mitigate wildfires. Oppose.</p>	<p>Senate Appropriations Suspense File 5/9/22; Failed Deadline</p>

Subject—CalChamber Position	Status
<p>CEQA: Transportation Impacts. (SB 1410; Caballero; D-Salinas) Requires the Office of Planning and Research, by January 1, 2025, to conduct and submit study on the impacts and implementation of transportation impact guidelines required by existing law. Also requires the office, upon appropriation of funds by the Legislature, to establish a grant program to provide financial assistance to local jurisdictions for implementing those guidelines. Support.</p>	<p>Assembly Appropriations Suspense File 6/29/22</p>

Climate Change

<p>Increased Regulatory Burden. SB 260 (Wiener; D-San Francisco) Imposes a mandatory climate tracking, auditing, and cap on climate emissions that will fall heavily on all California businesses, impacting competitiveness and increasing costs. Oppose.</p>	<p>Assembly Appropriations 6/21/22</p>
<p>Duplicative Cap and Trade Reporting. AB 2793 (Muratsuchi; D-Torrance) Requires CARB to provide triennial updates on the state’s cap and trade program. This bill is duplicative and unnecessary as there are already frequent updates provided as well as CARB going through its existing Scoping Plan process right now. Additionally, this would bring uncertainty to the existing marketplace, which is operating efficiently and effectively. Oppose.</p>	<p>Assembly Floor 5/19/22; Failed Deadline</p>
<p>Limiting Cap and Trade. SB 1391 (Kamlager; D-Los Angeles) Dramatically undercuts the rather successful cap and trade program by making it nearly impossible for the program to be linked with other states or nations in terms of expanding the program and making it even more inclusive of other entities. Particularly as CARB is in the middle of the Scoping Plan process, this proposal is premature. Oppose.</p>	<p>Assembly Appropriations 6/20/22</p>
<p>Excessive Regulatory Authority to Non-Legislative Body. AB 1640 (Ward; D-San Diego) Without clarifying amendments, the bill could be read to confer broad regulatory authority to entities that are not subject to the oversight of any legislative body or elected official. Neutral.</p>	<p>Senate Appropriations 6/28/22</p>
<p>Increases the Cost of Construction. SB 1297 (Cortese; D-San Jose) By imposing requirements for new and untested materials in building construction, threatens to increase litigation and impose additional costs on buildings, including housing. Oppose Unless Amended.</p>	<p>Assembly Appropriations 6/20/22</p>

Crime

<p>Occupational License Eligibility. AB 1662 (Gipson; D-Carson) Allows prospective applicants for occupational licenses to seek an early determination as to whether a prior criminal conviction will prohibit them from being licensed. Enables prospective applicants to know their eligibility before spending time on training. Support.</p>	<p>Senate Appropriations 6/29/22</p>
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Education

<p>Inland Rising Fund. AB 2046 (Medina; D-Riverside) Establishes Inland Rising Fund to support development, operation and maintenance of new research into medicine and climate change at the University of California Riverside, and the University of California Merced. Support.</p>	<p>Senate Appropriations 6/22/22</p>
<p>Grants for More Computer Science Teachers. AB 1853 (Berman; D-Palo Alto) Creates a grant program encouraging K-12 computer science certification for educators and coursework to improve California’s computer science education pipeline. Support.</p>	<p>Assembly Appropriations Suspense File 4/27/22; Failed Deadline</p>

Subject—CalChamber Position	Status
STEM Partnership Academies. AB 1923 (Mathis; R-Visalia) Reprioritizes existing science, technology, engineering and math (STEM) grant funding to prioritize education for pupils that are underrepresented in STEM, including rural populations, economically disadvantaged populations, as well as other populations. Support.	Signed
Career Technical Education. AB 2058 (O'Donnell; D-Long Beach) Re-works and improves funding structure for workforce development, including convening a stakeholder workgroup by January 2023, among other provisions. Support.	Senate Education 6/8/22; Failed Deadline
Golden State Apprenticeship Program. AB 2263 (Villapudua; D-Stockton) Provides financial aid for those entering apprenticeship and vocational training programs to help address California's skills gap. Support.	Assembly Appropriations Suspense File 5/4/22; Failed Deadline
College and Career Access Pathways. AB 2617 (Holden; D-Pasadena) Appropriates \$500 million to the Department of Education to provide competitive grants to establish opportunities for high school students to take classes at community colleges concurrently. Support.	Senate Appropriations Suspense File 6/27/22
Cybersecurity Regional Alliances and Multistakeholder Partnerships Pilot Program. AB 2695 (Berman; D-Palo Alto) Creates pilot program to improve cybersecurity education at multiple California State University (CSU) campuses, with data to be shared with the CSU Chancellor and Legislature annually. Support.	Assembly Appropriations Suspense File 5/18/22; Failed Deadline
Financial Literacy Education. AB 2051 (Cunningham; R-San Luis Obispo) Improves financial literacy education for California's youth by providing educational materials and professional development to promote financial literacy education. Support.	Senate Appropriations 6/22/22
Financial Literacy Education. AB 2215 (B. Rubio; D-Baldwin Park) Improves financial literacy education for California's youth by requiring the Department of Education to develop curriculum and instructional materials and share them on its website. Support.	Senate Education 6/1/22; Failed Deadline

Elections and Fair Political Practices

Political Contributions. AB 1819 (Lee; D-San Jose) Unconstitutional proposal bans corporations with 50% or more of foreign investment from contributing to campaigns or independent expenditures. Oppose.	Assembly Appropriations Suspense File 5/11/22
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Energy

Undergrounding Mandate. SB 884 (McGuire; D-Healdsburg) The bill attempts to incentivize investor-owned utilities (IOU) to underground their poles and wires, but in reality it simply reduces the IOU's ability to generate a rate of return for the massive investment that this would require. Additionally, it requires telecommunications companies to underground their equipment on any site that is collocated with the energy companies. This would slow the pace of undergrounding that is currently being proposed while dramatically increasing the cost of energy for consumers — residential, commercial and industrial. Oppose.	Assembly Appropriations 6/27/22
Transportation Electrification. AB 1814 (Grayson; D-Concord) Disproportionately benefits non-community choice aggregators in deploying infrastructure around transportation electrification. Oppose.	Assembly Utilities and Energy 2/18/22; Failed Deadline

Subject—CalChamber Position	Status
<p>Grid Regionalization. ACR 188 (Holden; D-Pasadena). Encourages the California Independent System Operator to report on the impacts of grid regionalization with other organizations in Colorado, Nevada and other regional states. Grid regionalization is an effective policy to help ensure that energy is delivered in an efficient and effective manner. Support.</p>	Senate Floor 6/27/22

Environmental Regulation

<p>Ban on Enhanced Oil Recovery. SB 1314 (Limón; D-Goleta) Prohibits enhanced oil recovery produced by a carbon dioxide capture project or a carbon dioxide capture and sequestration project into a Class II injection well, including the facilitation of enhanced oil recovery from another well. This prohibits an important tool to potentially reduce greenhouse gases. Oppose.</p>	Assembly Appropriations 6/20/22
<p>PFAS Ban in Cosmetics. AB 2771 (Friedman; D-Glendale) Holds companies liable for the presence of perfluoroalkyl and polyfluoroalkyl substances (PFAS) even if the company did not add the PFAS to their cosmetic product. Oppose Unless Amended.</p>	Senate Health 6/29/22

Gaming/Alcohol

<p>Cigarette Filter Ban. AB 1690 (L. Rivas; D-Arleta) Interferes with Food and Drug Administration regulations and puts California at a disadvantage by banning single-use filtered cigarettes in the state. Neutral.</p>	Assembly Inactive File 5/16/22; Failed Deadline
<p>Craft Distillers: Delivery. SB 620 (Allen; D-Santa Monica) Recent amendments unfairly exclude the use of common carriers who contract out for delivery services, which limits the ability to engage in direct-to-consumer shipping and is an unwarranted attempt to eliminate legal contracting in the common carrier industry. Oppose Unless Amended.</p>	Assembly Governmental Organization 4/28/22; Failed Deadline

Hazardous Waste

<p>Super Liens. AB 870 (Santiago; D-Los Angeles) Creates statutory super liens that empower the state to levy liens on contaminated properties that supersede all other liens, even ones recorded before, thereby disrupting banking and lending in California for all types of properties including residential. Oppose Unless Amended.</p>	Assembly Judiciary 1/11/22; Dead
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Health Care

<p>Government-Run Health Care. AB 1400 (Kalra; D-San Jose) Penalizes employers, eliminates individual choice, and results in hundreds of billions of dollars in new taxes on all Californians and California businesses by creating a new single-payer government-run, multibillion-dollar health care system. Oppose/Job Killer.</p>	Died on Assembly Floor 2/1/22.
<p>Government-Run Health Care. ACA 11 (Kalra; D-San Jose) Penalizes employers, eliminates individual choice, and results in hundreds of billions of dollars in new taxes on all Californians and California businesses by creating a new single-payer government-run, multibillion-dollar health care system. Oppose/Job Killer.</p>	Assembly Print 1/5/22
<p>CARE ACT Services for the Mentally III. SB 1338 (Umberg; D-Santa Ana) Changes the state’s process for caring for those facing extreme mental illness or drug addiction. Creates a system with advocates for those who need care, but also provides wraparound services to ensure those most in need get the treatment that’s needed. Support.</p>	Assembly Appropriations 6/28/22

Subject—CalChamber Position	Status
<p>Increases Health Care Premiums. AB 933 (Daly; D-Anaheim) Increases health care premiums by requiring an enrollee’s or insured’s prescription drug cost sharing be calculated at the point of sale (POS) based on a price that is reduced by an amount equal to 90% of all rebates received, or to be received, in connection with the dispensing or administration of the drug. Oppose.</p>	<p>Assembly Appropriations 1/11/22; Failed Deadline</p>
<p>Health Care Cost Driver. AB 1880 (Arambula; D-Fresno) Increases health care costs for employers by requiring prior authorization and step therapy denial appeals be reviewed by clinical peers in addition to expensive new reporting requirements for health plans and insurers. Oppose Unless Amended.</p>	<p>Senate Appropriations Suspense File 6/27/22</p>
<p>Health Care Cost Increase. AB 2024 (Friedman; D-Glendale) Increases health care costs by prohibiting cost sharing for screening mammography, medically necessary or supplemental breast examinations, or testing. Oppose.</p>	<p>Senate Appropriations 6/29/22</p>
<p>Health Care Cost Driver. AB 2029 (Wicks; D-Oakland) Increases health care costs by mandating plans and insurers provide coverage for fertility services to diagnose and treat infertility, including in vitro fertilization. Oppose.</p>	<p>Assembly Appropriations Suspense File 5/18/22; Failed Deadline</p>
<p>Prevents Health Entities from Executing Prudent Business Decisions. AB 2080 (Wood; D-Santa Rosa) Presumptively characterizes health plan, insurer, and health system market activity as anti-competitive and gives the Attorney General unnecessary and overbroad power to reject this activity. Oppose.</p>	<p>Senate Health 6/8/22; Failed Deadline</p>
<p>Locking Vial Mandate for Schedule II Drugs. AB 2265 (Arambula; D-Fresno) Increases prescription drug prices by requiring non-hospital pharmacies to dispense schedule II and IIN drugs in a lockable vial and seek reimbursement for the vials from drug manufacturers. Oppose Unless Amended.</p>	<p>Assembly Appropriations Suspense File 4/27/22; Failed Deadline</p>
<p>Increases Health Care Costs. SB 473 (Bates; R-Laguna Niguel) Increases health care costs by capping cost sharing for insulin prescriptions at \$50 for 30-day supply and no more than \$100 total per month, regardless of the amount or type of insulin ordered. Oppose.</p>	<p>Assembly Appropriations 6/14/22</p>
<p>Increases Health Care Premiums. SB 853 (Wiener; D-San Francisco) Increases health care premiums by mandating plans and insurers that include a pharmacy benefit to provide coverage for a drug or dose during the entire duration of a utilization review and during any appeal of that review. Oppose.</p>	<p>Assembly Appropriations 6/28/22</p>
<p>Increases Prescription Drug Costs. SB 939 (Pan; D-Sacramento) Increases prescription drug costs for consumers by allowing any drug to be dispensed by mail by any pharmacy. Oppose Unless Amended.</p>	<p>Assembly Health 5/27/22; Failed Deadline</p>
<p>Prescription Drug Cost Driver. SB 958 (Limón; D-Goleta) Increases prescription drug costs for employers by banning brown bagging and augmenting white bagging practices for injectable and infusible medications. Oppose.</p>	<p>Assembly Health 5/27/22; Failed Deadline</p>
<p>Expensive Diagnostic Imaging Mandate. SB 974 (Portantino; D-La Cañada Flintridge) Increases premiums for employers and employees by mandating plans and insurers provide coverage without imposing cost sharing for follow-up screening mammography and medically necessary diagnostic breast imaging. Oppose.</p>	<p>Assembly Appropriations 6/28/22</p>
<p>Health Care Cost Driver. SB 999 (Cortese; D-San Jose) Increases health care costs for employers by requiring plans and insurers to retain expensive health care providers to review step therapy and prior authorization appeals and denials. Oppose Unless Amended.</p>	<p>Assembly Appropriations 6/28/22</p>

Subject—CalChamber Position	Status
<p>Health Care Mandate. SB 1337 (McGuire; D-Healdsburg) Increases premiums for California’s employers and employees by mandating plans and insurers provide coverage for coordinated specialty care services for the treatment of first episode psychosis. Oppose.</p>	<p>Senate Appropriations Suspense File 5/16/22; Failed Deadline</p>
<p>Increases Health Care Premiums. SB 1361 (Kamlager; D-Los Angeles) Increases health care premiums by requiring an enrollee’s or insured’s prescription drug cost sharing be calculated at the point of sale (POS) based on a price that is reduced by an amount equal to 90% of all rebates received, or to be received, in connection with the dispensing or administration of the drug. Oppose.</p>	<p>Senate Appropriations Suspense File 5/16/22; Failed Deadline</p>
<p>Health Care Cost Increase. AB 1859 (Levine; D-San Rafael) Before amendments, increased health care costs by requiring health plans and insurers to schedule outpatient appointments within an extremely short period of time. Amendments allowed plans more time to schedule follow-up appointments. Neutral.</p>	<p>Senate Appropriations 6/23/22</p>

Housing and Land Use

<p>Wildfire Housing Bill. SB 12 (McGuire; D-Healdsburg) Establishes legally treacherous land use hurdles that would provide NIMBY opponents with additional tools to block the development of housing in very high fire severity zones even though housing projects will be required to develop to the highest building code and fire resiliency standards in the world. Oppose.</p>	<p>Assembly Housing and Community Development 5/24/22; Failed Deadline</p>
<p>Ellis Act Restrictions. AB 854 (Lee; D-San Jose) Prohibits an owner of a residential rental property from being able to withdraw their rental units from the market or take any action to recover possession of accommodations unless all the owners of the accommodations have been owners of record for at least 5 continuous years. Further, prohibits an owner of rental units who files a notice of intent to withdraw the rental units from the market, and the owner subsequently acquires a new property containing accommodations within 10 years of that filing, from ever withdrawing the accommodations at the new property from the market. Oppose.</p>	<p>Died on Assembly Floor 2/1/22</p>
<p>Fire Hardening of New Homes. AB 2705 Quirk-Silva; D-Fullerton) Requires significantly greater wildfire protection for new home and community construction through the land use approval process within very high fire hazard severity zones. Based on three decades of experience, science, and an analysis of the State Fire Marshal’s Property Loss Data, the bill proposes to set more stringent requirements based on size of the project. Support.</p>	<p>Senate Appropriations 6/21/22</p>
<p>Blocks Consumer Credit Reports for Rentals. SB 1335 (Eggman; D-Stockton) Prohibits a rental property owner from requiring a consumer credit report as part of the application process for a rental housing accommodation in instances where there is a government rent subsidy. In doing so, the bill hurts rental property owners and their ability to determine a tenant’s ability to pay, as well as complicating the application process for tenant applicants as rental property owners look for other ways to verify a tenant. Oppose.</p>	<p>Assembly Housing and Community Development 6/2/22; Failed Deadline</p>
<p>Codifies Building Codes. AB 1710 (Lee; D-San Jose) Proposes to codify building standards pertaining to residential and outdoor LED fixtures thereby changing longstanding policies to address these types of issues relating to maintaining occupant safety at night with the Department of Housing and Community Development (HCD). Oppose.</p>	<p>Assembly Print 1/26/22; Failed Deadline</p>
<p>Rent Control. AB 2050 (Lee; D-San Jose) Upends the Ellis Act and creates a host of challenges for existing and new property owners — families and tenants alike — by forcing rental property owners to stay in business even when they no longer can afford to do so and interferes with new owner’s desire to live in their own purchased property. Oppose.</p>	<p>Assembly Inactive File 6/2/22</p>

Subject—CalChamber Position	Status
<p>Prohibits Background Checks on Rental Units. AB 2203 (L. Rivas; D-Arleta) Prohibits a rental property owner from requiring a consumer credit report as part of the application process for a rental housing accommodation in instances where there is a government rent subsidy. Oppose.</p>	<p>Assembly Inactive File 5/26/22</p>
<p>Rental Registry in California. AB 2469 (Wicks; D-Oakland) Requires the state to develop and administer a rental registry online portal and for cities and counties to collect onerous information from rental property owners to post in the portal. Will do nothing to help solve our housing affordability crisis and cost state and taxpayers millions of dollars to administer an expensive new public website and program. Oppose.</p>	<p>Assembly Housing and Community Development 3/10/22; Failed Deadline</p>

Labor and Employment

<p>Increased Overtime Requirement. AB 2932 (Low; D-Campbell) Significantly increases labor costs by imposing an overtime pay requirement after 32 hours and other requirements that are impossible to comply with, exposing employers to litigation under the Private Attorneys General Act (PAGA). Oppose/Job Killer.</p>	<p>Assembly Labor and Employment 3/24/22; Failed Deadline</p>
<p>Publication of Pay Data. SB 1162 (Limón; D-Goleta) Encourages litigation against employers based on the publication of broad, unreliable data collected by the state. Undermines employers' ability to hire, imposes burdensome administrative and record keeping requirements, and subjects employers to a private right of action and penalties under the Private Attorneys General Act (PAGA). Oppose/Job Killer.</p>	<p>Assembly Appropriations 6/22/22</p>
<p>Unfair Denial of State Opportunities. AB 2095 (Kalra; D-San Jose) Places new onerous administrative burdens on employers by requiring annual reporting of wage and hour data and employee benefits on an employer's entire United States workforce that will unfairly criticize employers for lawful conduct by publishing that data on the Labor and Workforce Development Agency's website and using such data to rank employers and deny them state opportunities, and will subject employers to frivolous litigation and settlement demands. Oppose/Job Killer.</p>	<p>Assembly Appropriations Suspense File 4/27/22; Failed Deadline</p>
<p>Expansion of Duty to Accommodate Employees and Litigation Under FEHA. AB 2182 (Wicks; D-Oakland) Imposes new burdens on employers to accommodate any employee with family responsibilities, which will essentially include a new, uncapped protected leave for employees to request time off and exposes employers to costly litigation under the Fair Employment and Housing Act (FEHA) by asserting that any adverse employment action was in relation to the employee's family responsibilities, rather than a violation of employment policies. Oppose/Job Killer.</p>	<p>Assembly Appropriations Suspense File 5/11/22; Failed Deadline</p>
<p>State of Emergency. SB 1044 (Durazo; D-Los Angeles) Allows employees to leave work or refuse to show up to work if employee feels unsafe regardless of existing health and safety standards or whether employer has provided health and safety protections and subjects employers to costly PAGA lawsuits if they dispute the employee's decision or need to have another employee take over any job duties. Oppose/Job Killer.</p>	<p>Assembly Appropriations 6/27/22</p>
<p>Forced Unionization Process for Agricultural Employees. AB 2183 (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 the cards submitted 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.</p>	<p>Senate Appropriations 6/28/22</p>

Subject—CalChamber Position	Status
<p>Fast Food Industry: Franchises; Wage and Hour. AB 257 (Holden; D-Pasadena) Undermines the existence of the franchise model by holding franchisors responsible for all conduct by individual franchisees. Establishes Fast Food Sector Council that would have unprecedented authority to write its own labor and employment laws for fast food restaurant employees, circumventing the California Legislature and other regulatory agencies' position in establishing such laws. Oppose.</p>	<p>Senate Appropriations 6/28/22</p>
<p>Exclusivity Options. AB 2926 (Kalra; D-San Jose) Retroactively prohibits use of exclusivity options in any industry, to the detriment of many workers, and undermines collective bargaining in the music and film industries. Oppose.</p>	<p>Assembly Arts, Entertainment, Sports, Tourism and Internet Media 3/31/22; Failed Deadline</p>
<p>Exclusivity Options. AB 983 (Kalra; D-San Jose) Changes the rules for recording agreements in our state, undermines the freedom to contract, and jeopardizes California's music industry. Oppose.</p>	<p>Senate Judiciary 6/23/22; Failed Deadline</p>
<p>Exclusivity Options. AB 437 (Kalra; D-San Jose) Prohibits use of exclusivity clauses in acting contracts, which undermines collective bargaining in the film industry and will result in lower value contracts and job loss. Oppose.</p>	<p>Senate Appropriations 6/29/22</p>
<p>COVID-19 Vaccination Requirements. AB 1993 (Wicks; D-Oakland) Mandates employers to ensure all employees and independent contractors are vaccinated against COVID-19. Watch.</p>	<p>Assembly Labor and Employment 2/10/22; Failed Deadline</p>
<p>Call Centers. AB 1601 (Weber; D-San Diego) Improperly seeks to penalize California companies who move their call centers out of the country. Oppose.</p>	<p>Senate Appropriations 6/28/22</p>
<p>Background Checks. SB 1262 (Bradford; D-Gardena) Preserves access to work by removing road-blocks to timely completion of employment background checks. Support.</p>	<p>Assembly Appropriations 6/28/22</p>
<p>Flexible Workweek. AB 1761 (Voepel; R-Santee) Allows for an employee-selected flexible work schedule and relieves employers of the administrative cost and burden of adopting an alternative work-week schedule per division, which accommodates employees, helps retain employees, and allows the employer to invest these savings into growing its workforce. Support.</p>	<p>Assembly Labor and Employment 2/10/22; Failed Deadline</p>
<p>Disability Access: Funding. AB 2164 (Lee; D-San Jose) Benefits small businesses and consumers by providing funding to small businesses to ensure their properties are accessible. Support.</p>	<p>Senate Appropriations 6/28/22</p>
<p>Child Care. AB 1649 (Quirk-Silva; D-Fullerton) Increases access to child care by permanently extending a policy that ensures subsidized childcare providers are paid a guaranteed rate for their services. Support.</p>	<p>Assembly Appropriations Suspense File 4/6/22; Failed Deadline</p>

Legal Reform and Protection

<p>Disclosure of Trade Secrets, Increased Litigation, and Outlawing Settlement Practices. SB 1149 (Leyva; D-Chino) Rewrites longstanding use of protective orders in lawsuits, as well as outlawing non-disclosure agreements as part of settlements based on vague terminology. Will force companies to settle early so as to avoid public release of broad documents sought in discovery, as well as overwhelm California courts with unprecedented discovery fights as companies seek to protect their trade secrets. Oppose.</p>	<p>Assembly Floor 6/16/22</p>
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Subject—CalChamber Position	Status
<p>Revival of Long-Expired Civil Claims. AB 2777 (Wicks; D-Oakland) Allows plaintiffs to file civil claims related to sexual harassment or assault in 2023 no matter how old the claim. Will lead to businesses facing lawsuits without the ability to produce contrary evidence because such evidence has disappeared and memories have faded in the interceding years. Oppose.</p>	Senate Appropriations Suspense File 6/27/22
<p>Limiting Use of Liens by Creditors and Drastically Reducing Interest Rates on Liens. SB 1200 (Skinner; D-Berkeley) Rewrites existing law regarding judgment liens, including cutting interest on unpaid judgment liens from 10% to 3%, hurting both public and private entities who rely on liens to collect unpaid debts. Oppose.</p>	Assembly Floor 6/30/22
<p>Massive Reduction in Ability to Collect on Debts via Wage Garnishment. SB 1477 (Wieckowski; D-Fremont) Rewrites California’s already-protective wage garnishment formula, delaying ability of state to compel payments to businesses, victims of crimes, co-parents owed child care, and others owed money. Oppose.</p>	Assembly Floor 6/15/22
<p>Regulatory Oversight. AB 2893 (Daly; D-Anaheim) Improves the Standardized Regulatory Impact Analysis (SRIA) process by ensuring the covered agency incorporates feedback from the Department of Finance. Support.</p>	Senate Appropriations 6/28/22
<p>Certified Access Specialist Grant Program. AB 2829 (Low; D-Campbell) Assists small businesses in receiving disability access inspections, which help minimize Americans with Disabilities Act (ADA) lawsuits and related disability access liability. Support.</p>	Assembly Appropriations Suspense File 5/11/22
<p>Changes to Unfair Competition Law. AB 2766 (Maienschein; D-San Diego) Previously provided relatively unchecked new authority for city attorneys to enforce statute presently reserved for district attorneys and Attorney General. With amendments, limitations were placed on use of power by city attorneys. Neutral.</p>	Senate Floor 6/21/22

Marijuana/Cannabis

<p>Increases Cannabis Fees. SB 1097 (Pan; D-Sacramento) Requires cannabis producers to create duplicative and unnecessary labels and inserts on products that will also lead to higher fees for both producers and consumers. Oppose.</p>	Assembly Appropriations 6/21/22
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Privacy and Cybersecurity

<p>Workplace Technology. AB 1651 (Kalra; D-San Jose) Imposes overbroad, unworkable mandates on employers of all sizes, including public entities and tribal communities, that would reduce worker privacy, chill the development of new technologies, and wipe out small businesses for even a good faith mistake due to its excessively punitive enforcement mechanisms. Oppose.</p>	Assembly Privacy and Consumer Protection 4/21/22; Failed Deadline
<p>New Private Right of Action for Biometric Information. SB 1189 (Wieckowski; D-Fremont) Creates legal liability for businesses large and small, potentially in the millions to tens of millions of dollars, while not providing any exceptions, such as for the use of biometric data for safety, security, or other reasonable purposes. Also imposes new, untenable restrictions on the use and disclosure of biometric information in a thinly veiled attempt to undermine the California Privacy Rights Act (CPRA) limited private right of action for data breaches. Oppose.</p>	Senate Appropriations Suspense File 4/25/22; Failed Deadline

Subject—CalChamber Position	Status
<p>Student Test Taker Privacy Protection Act. SB 1172 (Pan; D-Sacramento) As amended, adds a new provision to the Business and Professions Code to prohibit a business providing proctoring services in an educational setting from collecting, retaining, using, or disclosing personal information except to the extent strictly necessary to provide those proctoring services and in other specified circumstances. Enforceable per existing law, Business and Professions Code Section 17200. Opposition removed after June 29, 2022 amendments. Neutral.</p>	<p>Assembly Appropriations 6/28/22</p>
<p>Age-Appropriate Design Code. AB 2273 (Wicks; D-Oakland) Creates overinclusive and difficult to interpret/implement standard for designing online services, products or features for young people by importing requirements used in United Kingdom without the guidance UK regulators make available to companies. Provides fewer opportunities to fix mistakes and a more aggressive approach to fines and penalties than the UK model. Uses subjective standard for the children to be protected rather than a well-established federal standard under the Children's Online Privacy Protection Act (COPPA). Oppose Unless Amended.</p>	<p>Senate Appropriations 6/29/22</p>
<p>Social Media Platform Duty to Children Act. AB 2408 (Cunningham; R-San Luis Obispo) Prohibits a social media platform, as defined, from using a design, feature, or affordance that the platform knew, or by the exercise of reasonable care should have known, causes a child user, as defined, to become addicted to the platform. Authorizes the Attorney General or a district attorney, county counsel, or city attorney to bring an action to recover or obtain certain relief, including a civil penalty of up to \$250,000 for a knowing and willful violation, and an award of litigation costs and attorneys' fees. Provides specified "safe harbors" wherein a social media platform would not be subject to a civil penalty. Oppose.</p>	<p>Senate Appropriations 6/29/22</p>
<p>Unnecessarily Expands Scope of Data Broker Registry. SB 1059 (Becker; D-Menlo Park) Undermines purpose and efficacy of existing Data Broker Registry with overly broad expansion of the definition of "data broker" that makes it harder for consumers to identify third-party entities selling their information. Requires businesses registered on the Registry to disclose information about any data breach they have experienced without defining clearly what makes a breach worthy of disclosure. Creates potential for consumer confusion and frustration by requiring covered entities to provide information already readily available to consumers in the entities' privacy policies. Transfers responsibility for the Registry to the new California Privacy Protection Agency, thus risking further delay in the rules businesses need to implement the California Privacy Rights Act. Oppose.</p>	<p>Senate Appropriations Suspense File 5/16/22; Failed Deadline</p>
<p>Mandatory Content Moderation Reporting and Auditing. AB 587 (Gabriel; D-San Fernando Valley) Requires all social media companies to make detailed disclosures on a quarterly basis detailing content moderation practices and procedures, including details that could threaten the security and efficacy of content moderation practices currently in place. Oppose Unless Amended.</p>	<p>Senate Appropriations 6/29/22</p>
<p>Restrictions on Smart Speakers. AB 1262 (Cunningham; R-San Luis Obispo) Creates an outright prohibition on the use of information from smart speakers for advertising. Creates an opt-in requirement for smart speakers and places limitations on how voice data can be used by smart speakers, all while requiring smart speakers to continue functioning. Oppose.</p>	<p>Senate Appropriations 1/12/22</p>
<p>New Authority without Safeguards. AB 2826 (Muratsuchi; D-Torrance) Grants sweeping new powers to the California Department of Technology, requiring companies to turn over data and information to loosely defined "qualified researchers" under terms dictated by the department without ensuring adequate protections of privacy for consumers or companies, including sensitive company information and intellectual property. Oppose.</p>	<p>Assembly Privacy and Consumer Protection 3/24/22; Failed Deadline</p>

Subject—CalChamber Position	Status
<p>Cyberbullying. AB 2879 (Low; D-Campbell) Requires social media platforms, as defined and subject to specified exceptions, to disclose all “cyberbullying,” reporting procedures in the social media platform’s terms of service and requiring a social media platform to establish a mechanism within its internet-based service that allows an individual to report cyberbullying or any content that violates the existing terms of service. Delayed enactment of penalties. Starting September 1, 2023, intentional violations are subject to specified civil penalties or injunction, to be prosecuted in a court of competent jurisdiction by the Attorney General. Specifies that its provisions shall not be deemed to create a private right of action or limit any existing private right of action. Opposition removed after June 21, 2022 amendments. Neutral.</p>	<p>Senate Appropriations 6/29/22</p>
<p>In-Vehicle Cameras. SB 346 (Wieckowski; D-Fremont) Requires manufacturers of cars with in-vehicle cameras to make certain disclosures, prohibits the sale/lease of new cars without a specified and prominent disclosure. Prohibits any images or video recordings collected through the operation of an in-vehicle camera from being used for any advertising purpose or being sold to third parties and significantly limits the sharing of such recording with third parties. Raises concerns with the removal of consumer choice/control over the use of their data; creates overly restrictive prohibitions against sharing data; fails to differentiate between identifiable and non-identifiable images and recordings; and undermines and complicates compliance with the Consumer Privacy Rights Act by establishing industry- and technology-specific privacy standards. Oppose.</p>	<p>Assembly Appropriations 6/21/22</p>
<p>Platform Accountability and Transparency Act. SB 1018 (Pan; D-Sacramento) Requires social media platforms to disclose statistics regarding the extent to which, in the prior 12-month period, items of content that the platform determined violated its policies were recommended or amplified by its algorithms, not only after a violation of their terms of service was identified, but before. Specifies that this does not require companies to disclose granular details about content on their platform, as well as require the disclosure of sensitive company information and intellectual property. Subject to sole enforcement by the Attorney General, for civil penalties of up to \$100,000. Oppose Unless Amended.</p>	<p>Assembly Appropriations 6/28/22</p>

Procurement

<p>Overbroad Burden on Procurement. AB 1979 (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>	<p>Assembly Accountability and Administrative Review 2/18/22; Failed Deadline</p>
<p>Equity in State Procurement. AB 2019 (Petrie-Norris; D-Laguna Beach) Promotes equity and inclusion in the state’s public contracting process by ensuring consideration for disadvantaged business enterprises. Support.</p>	<p>Senate Appropriations 6/27/22</p>

Recycling

<p>Circular Economy and Recycling. SB 54 (Allen; D-Santa Monica) Creates the first Extended Producer Responsibility program in California for single-use packaging in order to create a circular economy that significantly increases recycling, reduces superfluous packaging, and mitigates any environmental impacts associated with improper disposal or recycling of single-use plastic packaging. No Position.</p>	<p>Signed—Chapter 54 6/30/22</p>
<p>Bans Packaging. AB 2206 (Friedman; D-Glendale) Bans critically important ecommerce packaging without adequate substitutes that will lead to more broken products, more greenhouse gas emissions and worse supply chain constraints. Oppose Unless Amended.</p>	<p>Senate Appropriations 6/28/22</p>

Subject—CalChamber Position	Status
<h2 style="color: red;">Regulatory Reform</h2>	
<p>Regulatory Reform. AB 1996 (Cooley; D-Rancho Cordova) Requires regulatory agencies to identify outdated, duplicative, or unnecessary regulations and revise those regulations. Support.</p>	<p>Assembly Appropriations Suspense File 4/27/22; Failed Deadline</p>
<h2 style="color: red;">Taxation</h2>	
<p>Targeted Tax on Certain Home Sellers. AB 1771 (Ward; D-San Diego) Seeks to impose a tax — in addition to the capital gains tax — of 25% on the profits from a home resold within three years after it is purchased. The tax rate is reduced on a sliding scale for seven years thereafter. This will worsen housing unaffordability and constrain the already-limited housing supply. Oppose/Job Killer.</p>	<p>Assembly Revenue and Taxation 3/3/22</p>
<p>Wealth Tax. AB 2289 (Lee; D-San Jose) Seeks to impose a massive tax increase upon all forms of personal property or wealth despite California already having the highest income tax in the country. This tax increase will drive high-income earners and job creators out of the State as well as the revenue they contribute to the General Fund. Oppose/Job Killer.</p>	<p>Assembly Revenue and Taxation 3/3/22</p>
<p>Wealth Tax. ACA 8 (Lee; D-San Jose) Seeks to impose a massive tax increase upon all forms of personal property or wealth despite California already having the highest income tax in the country. This tax increase will drive high-income earners and job creators out of the State as well as the revenue they contribute to the General Fund. Oppose/Job Killer.</p>	<p>Assembly Revenue and Taxation 4/7/22</p>
<p>The Small Business Recovery Act. AB 820 (Cooley; D-Rancho Cordova) Proposes to incentivize California banks to provide loans to small businesses adversely impacted by the COVID-19 pandemic. Support.</p>	<p>Assembly Appropriations 1/10/22; Failed Deadline</p>
<p>Business Rent Relief. AB 1146 (Cervantes; D-Corona). Establishes the California Rent Forgiveness and Tax Relief Program for the purpose of providing grants to qualified counties to implement local rent forgiveness and tax relief programs. Support.</p>	<p>Assembly Appropriations 1/10/22; Failed Deadline</p>
<p>California New Markets Tax Credit Program. AB 1572 (Committee on Jobs, Economic Development and the Economy) Would be administered by the Governor’s Office of Business and Economic Development and offer a new economic development tool for supporting inclusive business growth within the state. Support.</p>	<p>Assembly Appropriations 1/10/22; Failed Deadline</p>
<p>Charging Station Tax Credit. AB 1873 (Boerner Horvath; D-Encinitas) Incentivizes the installation of, and provides greater access to, electric vehicle (EV) charging stations by offering a tax credit for up to 40% of the qualified costs for the installation of Level 2 EV charging stations, direct current fast chargers (DCFC), or both, in covered multifamily dwellings. Support.</p>	<p>Assembly Revenue and Taxation 2/18/22</p>
<p>COVID-19 Supplemental Paid Sick Leave Tax Credit. AB 1890 (Choi; R-Irvine) Creates a tax credit equal to the amount an employer pays in COVID-19 supplemental paid sick leave benefits to help offset the cost of COVID-19 paid sick leave mandated by the state. Support.</p>	<p>Assembly Revenue and Taxation 3/10/22; Failed Deadline</p>
<p>COVID Sick Leave Tax Credit. AB 1920 (M. Fong; D-Monterey Park) Offers California’s employers — both private and nonprofit — a tax credit to offset the state-mandated COVID-19 supplemental paid sick leave (SPSL) that was recently signed into law. Support.</p>	<p>Assembly Revenue and Taxation 3/24/22</p>
<p>Manufacturing Tax Credit Expansion. AB 1951 (Grayson; D-Concord) Expands investment and production in California by expanding the sales and use tax exemption for the purchase of manufacturing and research and development (R&D) equipment. Support.</p>	<p>Senate Appropriations 6/29/22</p>

Subject—CalChamber Position	Status
<p>California New Employment Credit. AB 2035 (Villapudua; D-Stockton) Assists bars and restaurants financially recover by permitting a taxpayer that is primarily engaged in food services to claim the New Employment Tax Credit. Support.</p>	<p>Assembly Revenue and Taxation 2/24/22</p>
<p>Net Operating Loss Deduction Carryback. AB 2065 (B. Rubio; D-Baldwin Park) Fosters economic growth by authorizing a net operating loss carryback for businesses that completed a substantial sale of fixed assets or other property during taxable years beginning January 1, 2020, but before January 1, 2022. Support.</p>	<p>Assembly Revenue and Taxation 2/24/22; Failed Deadline</p>
<p>Intermodal Equipment Manufacturing Tax Credit. AB 2227 (O'Donnell; D-Long Beach) Helps ease port congestion by establishing a 6% tax credit on the amount paid for machinery and equipment used by companies that manufacture intermodal equipment and components in California, up to \$5 million. Support.</p>	<p>Assembly Revenue and Taxation 2/24/22</p>
<p>California Export Tax Credits. AB 2270 (Villapudua; D-Stockton) Provides tax relief and incentives to California exporters by offering tax credits based on breakbulk tonnage and hired export equipment moved. Support.</p>	<p>Assembly Appropriations Suspense File 5/18/22</p>
<p>Decarbonizing Fuels Incentive. AB 2797 (Petrie-Norris; D-Laguna Beach) Incentivizes investments in the production of low carbon and carbon negative transportation fuels by offering incentive payments based on the carbon intensity of a transportation fuel, multiplied by the equivalent amount of diesel gallons or gasoline gallons of a qualified liquid or gaseous transportation fuel sold during the year. Support.</p>	<p>Assembly Appropriations Suspense File 5/11/22; Failed Deadline</p>
<p>Dependent Care Tax Credit. AB 2803 (Valladares; R-Santa Clarita) Provides California's businesses with a tax credit for contributions they make on behalf of their employees for childcare services. Support.</p>	<p>Assembly Revenue and Taxation 3/31/22</p>
<p>Community Development Tax Credit Program. AB 2950 (Gray; D-Merced) Facilitates and assists with California's economic recovery and propagates business development in struggling communities by establishing the Community Development Tax Credit Program. Support.</p>	<p>Assembly Appropriations Suspense File 5/18/22</p>
<p>Extension of Film Tax Credits. SB 485 (Portantino; D-La Cañada Flintridge) Extends California's current tax credit for motion picture and television productions, continuing the success of this tax credit, which has brought more film and television production jobs to this state and has increased business to California companies that supply productions with goods and services. Support.</p>	<p>Assembly Appropriations 6/30/22</p>
<p>Special Tax Authority Expansion. SB 852 (Dodd; D-Napa) Allows a climate resiliency district, which is a kind of Enhanced Infrastructure Financing District (EIFD), to levy taxes due to a new and expanded special tax authority which exceeds current EIFD law. Oppose Unless Amended.</p>	<p>Assembly Appropriations 6/27/22</p>
<p>Space Flight Tax Credit. SB 862 (Umberg; D-Santa Ana) Extends the sunset on tax exemptions for property used in space flight. Also expands on the current property tax exemptions that were outlined in AB 777 (2014) and allows California's aerospace industry to continue to play a vital role for our economy and workforce. Support.</p>	<p>Senate Appropriations Suspense File 5/16/22</p>
<p>Fossil Fuel Investment Surcharge. SB 1301 (Becker; D-Menlo Park) Before amendments, arbitrarily raised taxes on companies that invest in fossil fuel businesses based upon the financing amount. This added another layer of expenses onto the fossil fuel industry that would have significantly increased the costs of doing business, thereby increasing prices paid by consumers for goods and services in California. Opposition and job killer tag removed due to April 28, 2022 amendments creating a tax credit equal to 10% of the manufacturing costs associated with clean energy products, thus incentivizing investment in green energy and allowing private sector to work toward state goal of net zero emissions. CalChamber now supports the bill. Support/Former Job Killer.</p>	<p>Assembly Revenue and Taxation 6/2/22</p>

Subject—CalChamber Position	Status
Work Opportunity Tax Credit. SB 1349 (Caballero; D-Salinas) Establishes a Work Opportunity Tax Credit (WOTC) available to California employers for hiring individuals from targeted groups who have consistently faced significant barriers to employment. Support.	Assembly Appropriations 6/30/22
Litigation Incentive. SB 1377 (Newman; D-Fullerton) Encourages litigation by creating a tax deduction for payments of attorneys’ fees and court costs under 18 different federal and state consumer protection statutes. Oppose.	Assembly Appropriations 6/30/22

Telecommunications

Streamline Broadband Deployment. SB 717 (Dodd; D-Napa) Requires the state Department of Technology to create a report identifying obstacles to, opportunities for and investment in broadband access points. This will allow for a more rapid deployment of broadband infrastructure throughout the state. Support.	Assembly Appropriations 6/27/22
Consumer Warranties. SB 983 (Eggman; D-Stockton) Forces manufacturers of devices and equipment to treat any alleged repair attempt the same as the manufacturer or authorized retailer. Allows proprietary equipment and trade secrets to be shared with the public. Oppose.	Senate Appropriations Suspense File 5/2/22; Failed Deadline

Transportation and Infrastructure

Street Harassment Prevention and Education. AB 2549 (Bonta; D-Alameda) Helps provide a comprehensive education strategy with the goal of reducing street harassment — particularly of women. Street harassment leaves California’s residents and businesses feeling unsafe and a recent study disclosed that more than 70% of women have to endure this type of harassment. Support.	Assembly Appropriations Suspense File 5/11/22; Failed Deadline
Reducing Harassment of Women on Public Transit. SB 1161 (Min; D-Irvine) Requires the leading transportation agencies to gather data on the prevalence of harassment of women on their vehicles and in their stations. It also compels them to create data-driven plans to help limit this type of harassment that women endure each and every day in the future. Support.	Assembly Appropriations 6/28/22
Autonomous Vehicle Expansion. SB 1258 (Allen; D-Santa Monica) Helps incentivize the expansion of autonomous vehicles in California by allowing them to apply for grant funding from the Clean Transportation Program and expand the infrastructure necessary for these vehicles to meet the state’s mandate of being electric by 2030. Support.	Assembly Appropriations 6/28/22

Unemployment Insurance

Aid for Unemployment Insurance Tax Fund and Business Taxes. AB 2570 (Daly; D-Anaheim) Appropriates \$7.25 billion to the state’s UI Fund to help reduce the fund’s insolvency, reducing future taxes on employers and state debts in coming years. Support.	Assembly Appropriations Suspense File 5/4/22
Work Sharing Plans. AB 1854 (Boerner Horvath; D-Encinitas) Extends availability of workshare programs to allow employers the option of taking advantage of program when attempting to reduce workforce while minimizing salary loss for employees. Support.	Signed
Self-Employed Individuals. SB 1138 (Allen; D-Santa Monica) Originally sought to provide unemployment insurance to self-employed individuals without any funding stream, effectively charging unrelated employers for self-employed individuals’ benefits. Opposition removed after amendments to provide for a study by Employment Development Department of the issues surrounding self-employed individuals. Neutral.	Assembly Appropriations 6/22/22

Subject—CalChamber Position	Status
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Water Supply and Quality

<p>Groundwater. AB 2201 (Bennett; D-Ventura) Adds new regulatory layer to groundwater well permitting processes, even in sustainable basins. Increases costs and liability risks associated with well permitting. Oppose.</p>	<p>Senate Appropriations 6/29/22</p>
<p>New Water Quality Permit Requirement. AB 2106 (R. Rivas; D-Hollister) Imposes new permitting requirements on stormwater discharges from commercial and institutional facilities that may expose permittees to citizen lawsuits. Constrains State Water Board discretion in addressing stormwater that may have unintended consequences on regulated entities. Oppose.</p>	<p>Senate Appropriations 6/29/22</p>
<p>Water Quality Regulation. AB 2108 (R. Rivas; D-Hollister) Imposes unnecessary requirements on the composition of State and Regional Water Boards. Injects burdensome analyses and mitigation requirements for State and Regional Water Board decisions on water quality planning and permitting decisions. Oppose Unless Amended.</p>	<p>Senate Appropriations 6/28/22</p>
<p>Water Rights Permits. SB 1205 (Allen; D-Santa Monica) Requires development of standardized methods for determining water availability for those seeking water rights permits. Support If Amended.</p>	<p>Assembly Appropriations 6/28/22</p>
<p>Desalination Study. AB 2016 (Bauer-Kahan; D-Orinda) Requires the state to conduct a study into the feasibility of desalination as part of California’s water supply, including its ability to combat drought and develop jobs. Support.</p>	<p>Senate Appropriations 6/20/22</p>
<p>Reservoir Operations. AB 2078 (Flora; R-Ripon) Ensures continued study and improvements to predicting atmospheric rivers and forecast-informed reservoir operations to better capture water during storm events for storage and flood risk reduction. Support.</p>	<p>Assembly Appropriations Suspense File 4/27/22; Failed Deadline</p>
<p>Water Quality Certifications. AB 2605 (Villapudua; D-Stockton) Streamlines the process for new development to receive a required water quality certification by setting forth deadlines by which water boards must act on applications. Provides certainty by requiring water boards to identify any deficiencies in applications that are denied. Support.</p>	<p>Assembly Environmental Safety and Toxic Materials 3/10/22; Failed Deadline</p>
<p>Bay-Delta Water Plan Update. AB 2639 (Quirk; D-Hayward) Requires update and implementation of Bay-Delta water quality and flow plan by certain date. Prohibits issuance of new water rights or extensions of water rights that include new diversions within the Delta watershed until implementation is complete. Oppose Unless Amended.</p>	<p>Assembly Floor 5/19/22; Failed Deadline</p>

Workers’ Compensation

<p>Expands Costly Presumption of Injury. SB 213 (Cortese; D-San Jose) Significantly increases workers’ compensation costs for public and private hospitals by presuming certain diseases and injuries are caused by the workplace and establishes an extremely concerning precedent for expanding presumptions into the private sector. Oppose/Job Killer.</p>	<p>Assembly Insurance 5/5/22; Failed Deadline</p>
<p>Review of Claims. SB 1127 (Atkins; D-San Diego) Fundamentally alters longstanding rules and timeframes related to investigation of eligibility of workers’ compensation claims such that it substantially reduces the time an employer has to investigate a claim. Significantly increases mandatory penalties that will be leveraged to increase litigation costs. Oppose.</p>	<p>Assembly Appropriations 6/22/22</p>

Subject—CalChamber Position	Status
Presumption of Discrimination. SB 1458 (Limón; D-Goleta) Automatically increases benefits for all members of one gender based on a presumption that they are being discriminated against by the same amount based on misleading, or unrelated data, and likely violates both the federal and state constitutions. Oppose.	Senate Appropriations Suspense File 5/9/22; Failed Deadline
Independent Bill Review. AB 399 (Salas; D-Bakersfield) Recent amendments make problematic changes to the Independent Bill Review (IBR) system in workers’ compensation that will increase frictional costs and encourage abuse of IBR. Oppose.	Senate Labor, Public Employment and Retirement 5/4/22; Failed Deadline
Contractors. AB 2614 (Rodriguez; D-Pomona) Imposes significant cost on the workers’ compensation system by requiring employers to obtain duplicative policies that cover non-employees, regardless of whether those workers are already covered by a workers’ compensation policy. Neutral.	Senate Appropriations Suspense File 6/27/22

Workplace Safety

Workplace Marijuana Testing. AB 2188 (Quirk; D-Hayward) Requires saliva (or other non-metabolite) testing be used when conducting marijuana testing in pre-employment or workplace settings, along with prohibiting discrimination based on marijuana usage. Job killer status removed due to June 30, 2022 amendments which, among other provisions, protected pre-employment testing and handled federal/state conformity issues surrounding marijuana’s legality. Oppose/ Former Job Killer.	Senate Appropriations 6/30/22
Cal/OSHA Regulatory Suggestions. AB 2243 (E. Garcia; D-Coachella) Suggests Cal/OSHA consider various updates to the Wildfire Smoke Regulation and Heat Illness Prevention in Outdoor Places of Employment regulations, but does not compel action. Previously included duplicative and ambiguous provisions, as well as compelling Cal/OSHA to approve the listed changes. Due to significant amendments limiting its scope and making such changes optional, opposition removed. Neutral.	Senate Appropriations 6/29/22
Extends COVID-19 Emergency Notice Precautions until December 2024. AB 2693 (Reyes; D-San Bernardino) Extends 2020’s emergency-level COVID-19 notice precautions for two years, despite massive changes to vaccination, hospital occupancy, and drug treatments since 2020. Oppose.	Senate Floor 6/28/22
Access to Non-Public Restrooms for Certain Health Conditions. AB 1632 (Weber; D-San Diego) Goes far beyond comparable laws in other states to allow individuals with certain health conditions to have access to non-public restrooms in virtually all businesses based on vague standards. Oppose.	Senate Appropriations 6/30/22

Capitol Insider

presented by **CalChamber**

The *Capitol Insider* blog presented by the California Chamber of Commerce offers readers a different perspective on issues under consideration in Sacramento. Sign up to receive notifications every time a new blog item is posted at capitolinsider.calchamber.com.



In Memorium

The California business community mourns the recent loss of two policy leaders.



• **Kirk Clark**, executive vice president of the California Business Roundtable, passed away on June 12. He was a captain in the Naval Reserves and on active duty

in San Diego when he passed. During Clark's 25 years with the Roundtable, he helped found and served as the president of the Center for Jobs and the Economy, the organization's nonpartisan research arm. He helped establish the Campaign for College Opportunity and served as executive director of California Business for Education Excellence. He also worked in the administration of Governor Pete Wilson.



• **Jack Stewart**, former president of the California Manufacturers and Technology Association, passed away on July 10 at the age of 73. He joined the association as executive

director in 1992, became president in 1998 and retired in 2014. He was a U.S. Navy veteran and had worked for the Department of Commerce and former state Senator Bill Campbell.

U.S.-Kenya Trade and Investment Partnership

From Page 6

Imports from Kenya into the United States totaled \$685 million in 2021. Apparel and accessories made up the largest portion of imports at \$449 million of the total, followed by agricultural products, chemicals, and processed foods. (International Trade Administration)

U.S. foreign direct investment (FDI) into Kenya totaled \$339 million in 2020, while Kenyan FDI into the United States totaled \$5 million (Bureau of Economic Analysis).

California-Kenya Trade

California was the second largest exporting state to Kenya after Texas in 2021, with California exports totaling \$32 million. Special classification provisions made up the largest portion of exports at \$7 million, followed by transportation equipment at \$7 million and computer and electronic products at \$4 million.

In 2021, California imported \$85 million worth of goods from Kenya, \$40 million of which was made up of agri-

cultural products. This was followed by apparel and accessories, processed foods, and reimports. In 2020, California was the second largest state importing Kenyan goods. (International Trade Administration)

CalChamber Position

The California Chamber of Commerce, in keeping with longstanding policy, enthusiastically supports free trade worldwide, 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. New multilateral, sectoral and regional trade agreements ensure that the United States may continue to gain access to world markets, resulting in an improved economy and additional employment of Americans. See www.CalChamber.com/Kenya.

Staff Contact: Susanne T. Stirling

CalChamber-Sponsored Seminars/Trade Shows

From Page 2

- In-Person. +886-2-2725-5200.
- Abu Dhabi: Gateway to Innovation and Opportunity in Clean Tech & Clean Energy. Abu Dhabi Investment Office and Masdar, Los Angeles Area Chamber of Commerce. July 26, Online.
- Creative Expo Taiwan. Taipei Economic and Cultural Office in San Francisco. August 10–14. Kaohsiung, Taiwan. (415) 362-7680.
- 10th Annual Global Supply Chain Summit. University of Southern California. August 11–12, Los Angeles and Online.
- ANDICOM 2022. AmCham Colombia. August 31–September 2, Cartagena, Colombia. (601) 587-7828.
- Concrete Show South East Asia 2022. MEREBO GmbH Messe International. September 14–17, Jakarta, Indonesia.

- 49-40-399 99 05-15.
- Discover Global Markets: The Blue Economy: A New Age in Ocean Technology, Sustainability and Logistics. U.S. Commercial Service. September 20–22, Providence, Rhode Island.
- Beijing International Life and Health Industry Expo. Ministry of Commerce, World Federation of Chinese Medicine Societies, Chinese Research Hospital Association, China Chamber of International Commerce. November 25, Online. +86 15801079798.
- Arabian Adventures with the Los Altos Chamber of Commerce. October 4–11, Dubai and Abu Dhabi. (866) 978-2997.
- U.S. EXIM Bank 2022 Annual Conference. Export-Import Bank of the United States. December 13, Washington D.C. (800) 565-3946.

**Quick Answers
to Tough
HR Questions**



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Pay Data Publication Bill to Be Heard in Assembly

From Page 1

sex, race, ethnicity, and job category to the California Department of Fair Employment and Housing (DFEH). The first year this information was reported was last year, 2021. The reports were modeled after the proposed federal EEO-1 form, and employers must categorize employees within 10 broad job categories and identify the number of employees that fall within 12 pay bands.

In responding to concerns about the usefulness of the reports, the Equal Employment Opportunity Commission (EEOC) explicitly stated that these reports are not useful for identifying disparities in pay between two similarly situated workers: “The EEOC does not intend or expect that this data will identify specific, similarly situated comparators or that it will establish pay discrimination as a legal matter. Therefore, it is not critical that each EEO-1 pay band include only the same or similar occupations.”

In a letter sent to legislators, the CalChamber explained that after only one year of this reporting requirement, SB 1162 seeks to publicize all of this data identifiable by individual companies and add average wages for each job category by race and gender under the pretense that it would reveal gender and race-based pay disparities.

The CalChamber pointed out that this data was never designed to show such disparities and that publicizing the data to target employers is a cynical and disingenuous manipulation of what the EEOC itself has acknowledged is not a reliable measure of pay disparities between similarly situated employees.

Indeed, these reports will surely be used to develop future legislation, the CalChamber warned. Just this year, there were several bills pending in the Legislature that would use this data as if it does in fact provide proof of discrimination. The bill also proposes adding a report in which employers must publicly identify any labor contractors that they contract with, again with the intent of criticizing employers who use contractors, which is not unlawful.

Similar to what is proposed in SB 1162, a 2017 bill, AB 1209 (Lorena Gonzalez; D-San Diego), would have required the publication of data from employers on mean wage differentials between male and female employees. In a *Sacramento Business Journal* article that year, a member of the plaintiff’s bar stated: “By posting this on the Secretary of State’s website, the government is basically giving us (plaintiff lawyers) the data we need to go in there and hammer companies.”

Governor Edmund G. Brown Jr.

vetoed AB 1209 due to this exact concern about litigation, stating in his veto letter: “...it is unclear that the bill as written, given its ambiguous wording, will provide data that will meaningfully contribute to efforts to close the gender wage gap. Indeed, I am worried that this ambiguity could be exploited to encourage more litigation than pay equity.”

Private Right of Action, PAGA

In its letter, the CalChamber also pointed out that section two of SB 1162 contains a private right of action. Because it amends a section of the Labor Code, it also exposes employers to lawsuits under PAGA.

More significantly, one of the biggest issues with the overreach of PAGA is that a plaintiff need not show harm to bring a PAGA claim, the CalChamber explained. This means that any employee, even one who was not interested in the open job position, could bring a claim under PAGA for a violation of this section.

Action Needed

The CalChamber is asking members to contact their state Assembly representative to **oppose SB 1162**. An easy-to-edit sample letter is available [here](#).

Staff Contact: Ashley Hoffman



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