

## Successes help employers, jobs and the economy

### CAPITOL WATCHDOG

Each year, the CalChamber tracks close to 3,000 legislative proposals on behalf of member businesses.

### IMPACT CALIFORNIA

By speaking out, employers can make a difference. See hot issues at [www.impact-california.com](http://www.impact-california.com).

### ABOUT US

CalChamber is the largest broad-based business advocate, working at the state and federal levels to influence government actions affecting all California business. As a not-for-profit, we leverage our front-line knowledge of laws and regulations to provide affordable and easy-to-use compliance products and services.

# 2022 Major Victories

## Agenda for California Recovery

The California Chamber of Commerce is the voice of California businesses of all sizes, expert at promoting pro-jobs policies and advising employers on the practical impact of state laws and regulations in the workplace. We track close to 3,000 legislative proposals each year, speaking up when a bill will hurt employers and the economy, and working to win support for legislation that will help the jobs climate. Policymakers listen to CalChamber policy advocates, knowing that we represent more than 14,000 member businesses that together employ a fourth of the state's private workforce and reflect the diversity of the California business community.

Strengthening our message are the numerous individuals who use our web-based action center, [www.impact-california.com](http://www.impact-california.com), to express their views to their elected representatives. Each year, many website visitors use the center to send letters about state, federal and international issues affecting business operations.

Read on to learn how CalChamber advocacy in 2022 helped employers. See the **Advocacy Return on Investment** sheet for estimates of employer savings due to some of these victories.

## Stopping 17 of 19 Job Killer Bills

CalChamber policy advocates, backed by other business groups and pro-jobs legislators, prevented 17 of 19 job killer bills identified this year from becoming law as originally proposed. Below is a sampling of job killers stopped or amended before they passed the Legislature. More information at [www.calchamber.com/jobkillers](http://www.calchamber.com/jobkillers).

- **Tax increases.** Stopped huge tax increases on all forms of personal property or wealth (AB 2289, ACA 8); targeted tax on certain home sellers (AB 1771); fossil fuel investment surcharge (SB 1301).
- **New leave mandates.** Stopped new uncapped protected leave exposing employers to costly employment litigation (AB 2182).
- **Housing deterrent.** (AB 1001). Blocked subjective expansion of California Environmental Quality Act standards that threatened state's ability to construct much-needed housing (AB 1001).
- **Unworkable technology mandates.** Stopped overbroad mandate that would have reduced worker privacy and hurt small businesses for even a good faith mistake (AB 1651); and new private right of action for biometric information (SB 1189).
- **Arbitrary greenhouse gas target.** Defeated arbitrary change in state greenhouse gas reduction goal that would have forced 17 million gas-powered cars off the road in next 10 years (AB 2133).

## Winning Tax Relief for Business

- Worked with the Governor's office, legislative leaders, business and labor representatives to develop a budget relief package that restored the research and development tax credit and net operating loss deduction a year earlier than planned when the tax incentives were removed in 2020; provided relief for restaurants and shuttered venues by conforming state tax policy with federal policy; and added funding to the state's Small Business COVID-19 Relief Grants Program (SB 113).
- Defeated tax hike to fund zero-emission vehicle purchases and wildfire prevention (Proposition 30).



### **Protecting Employers' Ability to Maintain a Safe Workplace**

- Secured amendments narrowing scope of bill that originally allowed employees to leave work or refuse to show up if they felt unsafe regardless of whether the employer has provided health and safety protections. Amendments recognize existing health and safety regulations (SB 1044)
- Negotiated amendments protecting pre-employment testing and handling federal/state conformity issues surrounding legality of marijuana in new law requiring saliva (or other non-metabolite) testing be used when conducting marijuana testing in pre-employment or workplace settings (AB 2188).

### **Fostering Long-Term Certainty on Recycling and Packaging Policy**

Led the business coalition in the negotiations that produced this year's circular economy and recycling compromise legislation creating the first Extended Producer Responsibility program in California for single-use packaging. Enactment of the legislation resulted in proponents removing from the November ballot a costly and disruptive measure that would have increased taxes by \$9 billion a year and left California businesses susceptible to future attempts at expanded regulation (SB 54)

### **Preventing Costly Litigation**

Expansion of subjective California Environmental Quality Act (CEQA) standards stopped; overly broad, unworkable mandate on use of employee data in workplace stopped; public disclosure of workplace metrics stopped; new uncapped leave and discrimination classification stopped; mandatory 32-hour workweek stopped; publication of broad, unreliable pay data amended; new private right of action for use of biometric information stopped; new permit requirements for stormwater discharges vetoed; state interference with local groundwater controls stopped; extreme liability on social media platforms stopped; costly duplicative requirement for use of short-term employees amended; tax break incentivizing abuse of attorneys' fees stopped (AB 1001, AB 1651, AB 2095, AB 2182, AB 2932, SB 1162, SB 1189, AB 2106, AB 2201, AB 2408, AB 2614, SB 1377).

### **Blocking Government-Run Single Payer Health Care System**

Led coalition that stopped the costly bureaucracy of a single-payer government-run health care system that would have penalized employers, eliminated individual choice, and resulted in hundreds of billions of dollars in new taxes on all Californians and California businesses (AB 1400/ACA 11).

### **Minimizing Upward Pressure on Escalating Health Care Costs**

- Stopped health care mandates for fertility services, deductibles, prescription drug pricing, diagnostic imaging, specialty care services, prescription drugs, insulin costs (AB 2029, SB 568, AB 933, AB 2024, SB 974, SB 1337, SB 853, SB 473)
- Supported third defeat of initiative requiring on-site licensed medical professional at kidney dialysis clinics (Proposition 29).

### **Clarifying and Cleaning Up COVID-19 Requirements**

- Continued to lead the coalition giving the employer perspective and securing workable revisions, including an end to the exclusion pay requirement for COVID-infected workers as the California Division of Occupational Safety and Health (Cal/OSHA) developed the nonemergency version of its COVID-19 standards.
- Negotiated amendments providing shorter duration and more feasible provisions in COVID-19 workplace notice law (AB 2693).

### **Preserving Ability to Keep Goods Moving**

Stopped legislation that would have stifled growth of the logistics/goods movement industry by creating an unprecedented ban on warehouses and logistics use projects (AB 2840).

### **Maintaining Solvency of Employer-Funded Unemployment Insurance Program**

Advocated use of surplus state budget funds to reduce the deficit in the Unemployment Insurance Fund (2022/2023/2024 budget).

### **Protecting Packaging Options for Businesses and Consumers**

Led coalition that stopped ban on critically important ecommerce packaging without adequate substitutes that would have led to more broken products, more greenhouse gas emissions and worse supply chain constraints (AB 2026).

### **Ensuring Reliable Energy Supplies**

Supported legislation signed into law to extend for a limited time the operation of the Diablo Canyon Nuclear Power Plant, which supplies 8.6% of California's total electricity supply and 17% of the state's carbon-free electricity supply. Ensures supply reliability and safeguards residential health and safety, as well as investment in new industries that depend on a reliable electricity supply. (SB 846).

### **Protecting Water Supply Needed to Sustain California Economy and Jobs**

- Stopped legislation adding new regulatory layer to groundwater well permitting processes, even in sustainable basins, and increasing costs and liability risks associated with well permitting (AB 2201).
- Supported Coastal Commission approval of multi-pronged effort to bring reliable, sustainable water supply to Monterey Peninsula. Project includes water desalination plant and components to capture stormwater and replenish groundwater.

### **Easing Regulatory Burdens**

- Led industry opposition resulting in Cal/EPA Office of Environmental Health Hazard Assessment (OEHHA) rescinding proposal to upend Proposition 65 short-form warnings.
- Preserved thorough cost-benefit analysis for all future workplace regulations completed at Cal/OSHA (SB 410).

### **Supporting New Approach to Resolving Homelessness**

Led coalition of 21 chambers of commerce in supporting new law that changes the state's process for caring for those facing extreme mental illness or drug addiction. The Community Assistance, Recovery, and Empowerment (CARE) Act 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 (SB 1338).

### **Controlling Workers' Compensation Cost Increases**

- Stopped legislation significantly increasing workers' compensation costs for public and private hospitals by presuming certain diseases and injuries are caused by the workplace and establishing an extremely concerning precedent for expanding presumptions into the private sector (SB 213).
- Secured amendments shortening to one year (to January 1, 2024) the workers' compensation presumption that an employee contracted COVID-19 at work (AB 1751).

### **Helping Employers Understand their Privacy Rights Act Obligations**

Offered reduced-price and free virtual seminars to CalChamber members explaining the requirements of the California Consumer Privacy Act (CCPA), which took effect in 2018, and delving into the new obligations and rights created by the California Privacy Rights Act (CPRA) taking effect on January 1, 2023.

### **Keeping Global Trade Alliances Strong**

Provided opportunities for CalChamber members to interact with trading partner representatives at forums throughout the year with ambassadors, foreign dignitaries and consular corps members thereby contributing to California's robust export profile.