

# ALERT

## Governor Newsom Signs PAGA Reform Bills

Governor Gavin Newsom has signed into law the two Private Attorneys General Act (PAGA) reform measures, both supported by the California Chamber of Commerce — **AB 2288 (Kalra; D-San Jose)** and **SB 92 (Umberg; D-Santa Ana)**.

“This reform is decades in the making — and it’s a big win for both workers and businesses. It streamlines the current system, improves worker protections, and makes it easier for businesses to operate,” said Governor Newsom. “I want to thank labor and business groups for coming together to hammer out this deal, and our legislative partners for getting these bills to my desk.”

“Many legislators have called the agreement reached to reform PAGA ‘monumental’ and we could not agree

more,” said CalChamber President and CEO Jennifer Barrera in a statement released on July 1, the day the Governor signed the bills.

“Governor Newsom’s signature on these two bills represents a successful conclusion to months of hard work and compromise among all parties. The business community, labor, and legislative leadership worked together to establish meaningful change that will curtail rampant PAGA lawsuit abuse while offering better outcomes for employees who have been wronged. The new policies coming out of the reform measures signed today will create more fairness in the process for small businesses and, importantly, incentivize them to under-

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## Job Killer Bill Awaits Action in Assembly When Legislators Return



A California Chamber of Commerce **job killer** bill that taxes digital advertising revenue awaits action in the Assembly when legislators reconvene from summer recess on August 5.

**SB 1327 (Glazer; D-Contra Costa)** implements a discriminatory 7.25% tax on the revenue generated from the sale of digital advertising. The bill is likely unconstitutional and will lead to costly litigation for the state.

Businesses of all sizes and consumers rely on the digital economy, including advertisements, and SB 1327 will drive expenses higher for everyone in California, the CalChamber warned in an opposition letter.

SB 1327’s tax will drive costs higher for Californians since the platforms paying the tax will build those costs into the products they offer in order to offset the new expense.

SB 1327 also will result in interminable litigation as the proposal appears to violate the Internet Tax Freedom Act (ITFA). The ITFA was enacted in 2016 and establishes policy regarding federal and state taxation of the internet. The Act states that a discriminatory tax is not generally imposed and legally collectible by such state or political subdivision on

*See Job Killer: Page 5*



Standing directly behind the table at the PAGA reform bills signing ceremony with Governor Newsom (seated) are (from left) CalChamber Senior Policy Advocate Ashley Hoffman, CalChamber President and CEO Jennifer Barrera, Senator Tom Umberg, Assemblymember Ash Kalra, California Labor Federation Executive Secretary-Treasurer Lorena Gonzalez and Assembly Speaker Robert Rivas.

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## Labor Law Corner

# Job Duties, Compensation Keys to Computer Professional Exemption



**Matthew J. Roberts**  
Associate General  
Counsel, Labor and  
Employment

*We would like to make our information technology (IT) manager an exempt employee. May we use the computer professional exemption for this purpose?*

As with most wage and hour exempt classifications, the ability to classify an IT manager as exempt using the computer professional exemption will depend upon the IT manager's actual job duties along with compensating the IT manager at least the minimum threshold required.

## Computer Professional

The computer professional exemption has two tests — the job duty test and the compensation test — and often is misapplied because of its name. The exemption applies only to a very narrow slice of professionals who work with computers and frequently will not apply to those working in general information technology (IT) roles, even if they are high level.

### Job Duty Test

The job duty test for a computer professional is strict and narrow and requires the following:

- Primarily engaged in work that is intellectual or creative;
- Primarily engaged in work that requires the exercise of discretion and independent judgment; and
- Primarily engaged in duties that consist of one or more of the following:
  - The application of systems analysis techniques and procedures, including consulting with users, to determine hardware, software, or system functional specifications;

- The design, development, documentation, analysis, creation, testing, or modification of computer systems or programs, including prototypes, based on and related to, user or system design specifications; or

- The documentation, testing, creation, or modification of computer programs related to the design of software or hardware for computer operating systems.

“Primarily engaged” means that the computer professional is performing these job duties at least 51% of the time each workweek. The computer professional also must be highly skilled and proficient in the theoretical and practical application of highly specialized information to computer systems analysis, programming, and software engineering.

In other words, the employee generally is a systems analyst or software programmer in order to meet the requirements of this exemption.

Unlike the general professional exemption, the computer professional does not have any requirements for a

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## CalChamber-Sponsored Seminars/Trade Shows

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

### Labor and Employment

Wage & Hour Essentials: Laws for Non-Exempt Employees. CalChamber. July 25, Online. (800) 331-8877.

Wage & Hour Essentials: Exempt Employee Requirements. CalChamber. July 26, Online. (800) 331-8877.

Leaves of Absence. CalChamber. August 8–9, Online. (800) 331-8877.

HR Boot Camp. CalChamber. August 22–23, Online. (800) 331-8877.

### International Trade

AI and Ecommerce for America's Exporters. IBT Online. August 1, Online.

15th Annual California Mexico Advocacy Day. CalChamber and Consulate General of Mexico in Sacramento. August 6–7, Sacramento. [intlevents@calchamber.com](mailto:intlevents@calchamber.com).

2024 Green Expo: California Pavilion. Governor's Office of Business and Economic Development (GO-Biz). September 3–5, Mexico City. [Diana.Dominguez@gobiz.ca.gov](mailto:Diana.Dominguez@gobiz.ca.gov).

2024 California Pavilion @ Industrial Transformation Mexico. GO-Biz. Register interest by August 9. October 8–11, Leon, Guanajuato, Mexico.

[Diana.Dominguez@gobiz.ca.gov](mailto:Diana.Dominguez@gobiz.ca.gov).  
Japan International Aerospace Exhibition: California Pavilion. GO-Biz. October 16–18, Tokyo, Japan. [emily.desai@gobiz.ca.gov](mailto:emily.desai@gobiz.ca.gov).

Africa Health. GO-Biz awarding export vouchers. October 22–24, Cape Town, South Africa. Register interest. [patricia.utterback@gobiz.ca.gov](mailto:patricia.utterback@gobiz.ca.gov).

Cosmoprof Hong Kong. GO-Biz. Registration of interest required. November 12–14, Hong Kong, China.

Rebuild Ukraine 2024: Business in Ukraine and Poland. GO-Biz. November 12–15, Warsaw, Poland. [patricia.utterback@gobiz.ca.gov](mailto:patricia.utterback@gobiz.ca.gov).

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*The Workplace***PAGA Reform Explained: Key Takeaways for Employers**

In **Episode 200** of *The Workplace* podcast, CalChamber Labor and Employment General Counsel Bianca Saad, CalChamber

Associate General Counsel Matthew Roberts and CalChamber Senior Policy Advocate Ashley Hoffman explain the recent reforms made to the California Private Attorneys General Act (PAGA) and provide compliance best practices.

**PAGA Reform**

On July 1, Governor Gavin Newsom signed two bills that reform aspects of PAGA, with the reforms taking effect retroactively to June 19.

What do the new changes include, asks Roberts?

The reforms, Hoffman says, include:

- **Penalty caps:** Absolute maximum exposure could now be as little as 15% or 30% of the penalty set, depending on the steps that the employer has taken either prior to receiving the PAGA notice or immediately after receiving the notice.

- **More robust right to cure:** Prior to these reforms, almost nothing under PAGA was curable.

- **Specific mechanisms** depending on

if you're a larger or small business.

- **Changes in standing:** Recent court opinions had made standing so broad that the worker simply had to allege that they experienced one violation, and then they could sue on behalf of every other worker in California for any other violation under the Labor Code, which led to a lot of abuse. The reforms limit standing to say that the plaintiff must have personally experienced the alleged violations and they must file their case within the one-year time period.

- **Nonprofit exception:** There is now a narrow exception for some nonprofits.

**Steps to Limit Exposure**

PAGA now includes the possibility for a significant reduction in penalties if employers have taken all reasonable steps to be in compliance, Saad explains.

Reasonable steps can include:

- **Conducting payroll audits** and then acting on those audits based on the results. For example, PAGA actions can be based on a variety of Labor Code violations, some of which are more common, such as unpaid overtime, meal and rest break violations or expense reimbursements. If an employer finds through their audit that they don't have a practice in place to ensure that employees are getting late meal period premiums paid, then they should take action immediately.

- **Having written policies in place** related to wage and hour practices and ensuring those policies are distributed and enforced.

- **Being aware of industry-specific applicable wage orders** and ensuring company policies are in line with those wage orders.

- **Provide training.** Ensure supervisors and managers are trained on applicable Labor Code requirements and basic wage and hour rules.

- **Take corrective action** with supervisors and other personnel who may be involved with wage and hour violations. For example, if an employer has a supervisor who is lenient about the timing of when they're taking their meal and rest periods, the employer needs to address it with the supervisor through coaching, additional training, or even disciplinary action, if it's a repeated action.

- **Document** any efforts around the steps above.

**Training Resources**

The CalChamber will be presenting webinars and providing additional resources, including policies and forms, to help employers with issues relating to PAGA.

"People should definitely stay tuned and be on the lookout for more to come on that end," Saad says.

**Job Duties, Compensation Keys to Computer Professional Exemption**

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college degree or any specific licensure or certification.

**Compensation Test**

In addition to meeting the job duties test, the employer also must compensate the computer professional at a level that is set annually each January 1 by the California government. For 2024, those rates are \$55.58 per hour or a monthly salary of \$9,646.96 and minimum annual salary of \$115,763.35.

If the IT manager doesn't meet both these prongs of the exemption test, then the employer may not make the IT

manager exempt under the computer professional exemption.

**'White Collar' Exemption**

However, the employer also may evaluate the IT manager under the traditional "white collar" administrative, executive and professional exemption.

Each of these exemptions has their own job duties test and all require a salary of at least two times the applicable statewide minimum wage.

If the employee can meet any one of these tests, then the employer may classify the IT manager as exempt. If

not, then even though the worker has "manager" in their title, they must be classified as a nonexempt employee entitled to overtime, rest and meal breaks and all other wage and hour protections.

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

## CalChamber Urges Renewal of Cost-Saving Trade Preference Program



The California Chamber of Commerce has joined a nationwide coalition that is urging swift passage

of legislation to renew the Generalized System of Preferences (GSP), which eliminates duties on thousands of products.

The Coalition for Generalized System of Preferences brings together more than 300 organizations and companies across the country — including CalChamber members.

They explained their support for the GSP in a [June 19 letter](#) to Chairman Ron Wyden (D-Oregon), Ranking Member Michael Crapo (R-Idaho), and members of the U.S. Senate Finance Committee.

Following introduction of the GSP Reform Act ([H.R.7986](#)) in the U.S. House Ways and Means Committee, there have been hearings in the U.S. Senate Finance Committee with leadership making progress on legislation. Hopes are to finally approve reauthorization this summer.

The CalChamber has continued to push for congressional reauthorization of this U.S. trade program, which has saved companies billions of dollars in tariff costs on imported goods.

Because Congress failed to renew

the GSP program before it expired on December 31, 2020, U.S. companies are paying more than \$2 billion in added tariff costs.

### Added Tariffs

For decades, the GSP program has received bipartisan support due to its track record of creating jobs in both developing countries and the United States. The program eliminates import taxes on nearly 5,000 designated products from about 120 emerging economies, opening the U.S. market to qualifying exports.

The typical beneficiary company employs about 20 people and GSP saves them between \$100,000 and \$200,000 in duties, which can be a big savings for a small business.

At the same time, GSP supports U.S. workers and manufacturers by reducing costs of imported inputs and equipment and helps American families stretch their paychecks by lowering the costs of consumer goods imported duty-free.

### California Impact

California is one of the top economies in the world with a gross state product of approximately \$3.9 trillion. In 2023, California exported \$178.71 billion to 227 foreign markets.

Due to the expiration of the GSP program, California companies have paid

more than double the tariff amount of any other state.

In 2020, California companies saved \$238 million in tariffs thanks to the GSP program. California routinely is the greatest benefactor of the GSP program.

### History of GSP

The GSP program was instituted on January 1, 1976, by the Trade Act of 1974 and was designed to promote economic growth in the developing world by providing preferential duty-free entry for products from designated beneficiary countries and territories.

GSP is an important tool for boosting economic growth and job creation. Many U.S. companies source raw materials and other inputs from GSP countries, and the duty-free treatment of these imports reduces production costs for these U.S. manufacturers, making them more competitive.

### CalChamber Position

The CalChamber, recognizing that the Generalized System of Preferences has stimulated two-way trade with the United States and has contributed to the long-term economic development of some developing countries, supports annual extensions of the Generalized System of Preferences.

**Staff Contact:** [Susanne T. Stirling](#)



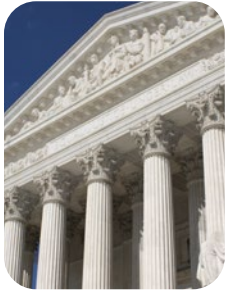
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Running a business in California is demanding. CalChamber understands and offers ways to ease your burden. Join us to save and optimize your operations.

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## U.S. Supreme Court Overturns Chevron: What It Means for Employers



The U.S. Supreme Court has overturned *Chevron USA Inc. v. Natural Resources Defense Council*, a case that, for nearly four decades, mandated that courts defer to federal agencies' interpretations of the statutes they oversee.

The Court's *Loper Bright Enterprises v. Raimondo* decision on June 28 overturned *Chevron* and requires courts to use their own judgment in interpreting statutes without automatically deferring to agency interpretations — marking a significant shift that could affect numerous regulations, including those related to labor and employment.

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### Chevron Deference

To understand how the law is changing, we must first understand what it's been.

For the past 40 years, courts nationwide have followed what's called the *Chevron* deference, which essentially means that if a legal statute is ambiguous and an agency has a reasonable interpretation of this statute, courts are required to defer to the agency's interpretation. Simply put: If the law wasn't clear, the

courts sided with the agency's interpretation as long as it was reasonable.

This principle assumed that agencies, having expertise in their respective fields, were better equipped to interpret ambiguous statutes. In other words, *Chevron* deference meant that federal agencies could formulate and defend their policies with a degree of judicial deference or esteem.

In overruling *Chevron*, the Supreme Court declared that judges must exercise their independent judgment in interpreting statutes. While judges can consider an agency's expertise and consistency, they are no longer bound to accept the agency's interpretation. Now, courts may provide their own interpretation of the law.

### Impact on Federal Agencies

Although the Supreme Court indicated that prior decisions relying on the *Chevron* framework are not overturned, this decision will likely affect how, going forward, federal labor and employment agencies — such as the Department of Labor (DOL), the Equal Employment Opportunity Commission (EEOC) and the National Labor Relations Board (NLRB) — formulate and defend their regulations. These agencies often relied on *Chevron* deference to uphold their regulations in court, so without this deference, their rules will face stricter scrutiny.

Take, for example, the Federal Trade Commission's (FTC) [ban on noncompete clauses](#) and the EEOC's interpretation of the [Pregnant Workers Fairness Act](#) covering elective abortions, both of which currently face legal challenges. With the *Chevron* deference being overturned, each may now be more vulnerable to increased judicial scrutiny.

### Potential for Change

Going forward, we may see a regulatory landscape where agency rules are more frequently contested in court. Accordingly, agencies may become more cautious, writing narrower rules that closely adhere to statutory language to reduce the likelihood of successful challenges, which could end up being beneficial to employers.

The downside is that potentially inconsistent court rulings across different jurisdictions could complicate workplace compliance for employers.

But for now, employers should continue to adhere to existing agency regulations until a court explicitly overturns the interpretations, as well as closely monitor these developments and consult with legal counsel to effectively navigate the changing regulatory environment.

**Staff Contact:** [Vanessa M. Greene](#)

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stand and comply with labor laws that impact their workforce to the benefit of all," she said.

"Thank you to Governor Newsom and his team for their leadership and commitment in facilitating a resolution to the

problem PAGA lawsuit abuse was creating in the state. We greatly appreciate the efforts of legislative leadership to bring the agreement across the finish line. The efforts of everyone involved in reforming PAGA this year have helped create a better California business climate, adding

to the many positive attributes the state has to offer."

Read [The Workplace podcast story](#) for more information about the PAGA reforms.

## Job Killer Bill Awaits Action in Assembly When Legislators Return

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transactions involving similar property, goods, services, or information accomplished through other means.

"SB 1327 would only impose a tax on digital ads which is obviously the assess-

ment of a targeted and discriminatory tax and litigation will result from this law," the CalChamber said.

A digital ad tax enacted in Maryland several years ago has been the subject of litigation since its inception. Although

SB 1327 is different than Maryland's, the Maryland tax provides a glimpse into California's future should SB 1327 be signed into law — namely unending and expensive litigation.

**Staff Contact:** [Preston R. Young](#)

# 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 3, 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 adjourns for 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 his possession on or after September 1.

Bills signed by the Governor will become law on January 1, 2025. 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 18.

Status of legislative action on bills as of July 3, 2024. 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
<b>Agriculture, Food and Natural Resources</b>	
<b>Product Ban.</b> AB 2552 (Friedman; D-Glendale) Bans two rodenticide pesticides and originally created an expansive new private right of action that threatens businesses and created incentives for frivolous lawsuits. Opposition removed after April 24, 2024 amendments removed the private right of action. Neutral.	Senate Appropriations 6/25/24
<b>Product Ban.</b> AB 1963 (Friedman; D-Glendale) Bans the herbicide paraquat, which is important for controlling weeds in agricultural crop production. Oppose Unless Amended.	Senate Appropriations 7/2/24
<b>Pest Control Program.</b> AB 1861 (Addis; D-Morro Bay) Extends sunset date for existing program that combats invasive insects that carry Pierce's Disease, a harmful winegrape disease. Support.	Senate Appropriations 6/25/24
<b>Onerous Pesticide Regulation.</b> AB 1864 (Connolly; D-San Rafael) Originally put heightened restrictions and reporting requirements for agricultural pesticide use within a quarter-mile of schools, as defined, including for products that are not restricted use. Opposition removed after June 26, 2024 amendments narrowed the scope of the bill to restricted use materials. Neutral.	Senate Appropriations 7/2/24
<b>Invasive Species Management.</b> AB 2827 (Reyes; D-San Bernardino) Creates a state goal to implement a policy to prevent the introduction and spread of invasive species, including detrimental agricultural pests. Support.	Senate Appropriations 6/25/24
<b>Air Quality</b>	
<b>Nonvehicular Air Pollution: Civil Penalties.</b> AB 1894 (Ta; R-Westminster) Grants a small business a minimum of 30 days and a maximum of 60 days to rectify an air pollution violation before being subject to civil penalties as overseen by the State Air Resources Board. Support.	Assembly Natural Resources 2/12/24; Failed Deadline
<b>Climate Change</b>	
<b>Polluters Pay Climate Cost Recovery Act of 2024.</b> SB 1497 (Menjivar; D-Los Angeles) Imposes an ill-defined tax on a broad set of entities that will increase costs for goods and services in California. Oppose/ <b>Job Killer 2024.</b>	Senate Inactive File 5/22/24

<b>Voluntary Carbon Offset.</b> SB 1036 (Limón; D-Goleta) Imposes unnecessary and redundant reporting requirements on the voluntary carbon offset market. The requirements will likely stymie growth in the carbon offset market and will lead to a reduction in offsets. Oppose.	Assembly Natural Resources 6/3/24; Failed Deadline
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## Crime

<b>Combatting Retail Theft.</b> AB 2943 (Zbur; D-Hollywood) Creates new crimes for professional retail thieves and gives law enforcement more tools to combat career thieves. Support.	Senate Floor 7/1/24
<b>Combatting Retail Theft.</b> AB 1972 (Alanis; R-Modesto) Expands the scope of Highway Patrol’s Organized Retail Crime Task Force to support counties with resources to combat cargo theft. Support.	Senate Floor 6/27/24
<b>Combatting Retail Theft.</b> AB 1960 (R. Rivas; D-Salinas) Reinstates sentencing enhancements for taking, damaging, or destroying of property during the commission of a felony. Support.	Senate Floor 7/1/24
<b>Combatting Retail Theft.</b> AB 1779 (Irwin; D-Thousand Oaks) Clarifies that acts of retail theft occurring across multiple jurisdictions can be charged in a single jurisdiction. Support.	Senate Floor 7/1/24
<b>Combatting Retail Theft.</b> AB 1794 (McCarty; D-Sacramento) Allows counties to create a program for retailers to report details of shoplifting. Clarifies that distinct but related acts of theft motivated by the same intention, impulse, and plan can be aggregated to a single charge of grand theft if it exceeds \$950. Support.	Senate Appropriations 6/11/24
<b>Combatting Retail Theft.</b> AB 1802 (Jones-Sawyer; D-South Los Angeles) Removes sunset date from organized retail crime statute, keeping it in place indefinitely. Support.	Senate Floor 7/1/24
<b>Protects Against Theft.</b> AB 2371 (J. Carrillo; D-Palmdale) Streamlines local permitting processes for electrified security fences, assisting businesses in being able to quickly install devices that protect against loss. Support.	Senate Local Government 6/25/24
<b>Combatting Retail and Auto Theft.</b> SB 905 (Wiener; D-San Francisco) Closes “locked door” loophole for thefts from automobiles and allows prosecution of individuals who possess stolen property from vehicles with intent to resell. Support.	Assembly Floor 6/24/24
<b>Combatting Retail Theft.</b> SB 982 (Wahab; D-Hayward) Removes the sunset date from the organized retail theft criminal statute, keeping it in place permanently. Support.	Assembly Floor 6/24/24
<b>Online Marketplace Regulation.</b> SB 1144 (Skinner; D-Berkeley) Increases regulations on online marketplaces related to offline transactions. Opposition removed after June 2024 amendments removed duplicative vetting requirements for third party sellers. Neutral.	Assembly Floor 6/24/24
<b>Combatting Retail Theft.</b> SB 1242 (Min; D-Irvine) Adds sentencing enhancement for arson charges when the arson is purposefully caused to facilitate organized retail theft. Support.	Assembly Floor 6/24/24
<b>Gift Card Cashout.</b> SB 1272 (Laird; D-Santa Cruz) Disrupts business by requiring retailers to redeem gift certificates valued at less than or equal to \$25 in cash, with a value increase over time keyed to consumer price indexing. Requiring businesses to have more cash on hand exposes them to additional theft risk. Oppose.	Assembly Floor 6/25/24
<b>Combatting Retail Theft.</b> SB 1416 (Newman; D-Fullerton) Creates sentencing enhancements for selling, exchanging, returning for value (or attempting any of the same) property acquired through shoplifting or theft from a retail business. Support.	Assembly Floor 6/24/24

## Education

<p><b>Education Finance Bond.</b> AB 247 (Muratsuchi; D-Torrance) Places a \$14 million bond on the ballot for voters to approve, with funding for educational levels ranging from kindergarten through community college. Support.</p>	<p>Signed—Chapter 81 7/3/24</p>
<p><b>Cradle-to Career Data System Governance.</b> AB 2723 (Irwin; D-Thousand Oaks) Improves guidance on existing Cradle-to-Career Data System by identifying governing board members, among other changes. Support.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Include Much-Needed Career Technical Education Teachers in the Golden State Teacher Program.</b> AB 1927 (Alanis; R-Modesto) Alters the existing Golden State Teacher Grant program to also apply to teachers earning their career technical education teaching credential, and thereby encouraging new teachers to commit to the much-needed career technical education space. Support.</p>	<p>Assembly Appropriations Suspense File 5/8/24; Failed Deadline</p>
<p><b>Improving California’s Associate Degree for Transfer Program.</b> AB 2057 (Berman; D-Palo Alto) Implements high-impact recommendations of a recent expert-led committee to improve California’s Associate Degree for Transfer program, with a particular focus on equity gaps in science, technology, engineering and mathematics (STEM) fields. Support.</p>	<p>Senate Appropriations Suspense File 7/1/24</p>
<p><b>Vague Liability for Educational Institutions.</b> AB 2193 (Holden; D-Pasadena) Creates liability for both secondary and postsecondary educational institutions related to allegations of hazing and creates a list of measures that institutions must undertake in order to avoid presumptive liability. Oppose.</p>	<p>Senate Appropriations 7/3/24</p>
<p><b>Personal Finance Education for High School Students.</b> AB 2927 (McCarty; D-Sacramento) Implements a one-semester course in personal finance starting with pupils graduating in the 2030–2031 school year. Support.</p>	<p>Signed—Chapter 37 6/29/24</p>
<p><b>Improves Outcomes for Community College Transfer Students.</b> SB 1200 (Glazer; D-Contra Costa) Requires report to the Legislature analyzing outcomes for students moving through California’s existing California Promise program, intended to improve graduation rates and timelines for students beginning at community colleges and transferring to four-year universities. Support.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Expands College Access Program.</b> SB 1244 (Newman; D-Fullerton) Allows more school districts to operate dual enrollment programs with local community colleges, easing the pathway for more students to pursue career technical education or transfer to a four-year college via California’s existing community colleges. Support.</p>	<p>Assembly Appropriations 6/26/24</p>
<p><b>Improves Understanding of California’s Educator Pipeline.</b> SB 1391 (S. Rubio; D-Baldwin Park) Builds on California’s existing Cradle-to-Career system by incorporating information about California’s educator pipeline to help inform both policymakers and the public and address our troublesome teacher shortage. Support.</p>	<p>Assembly Appropriations 6/26/24</p>

## Elections and Fair Political Practices

<p><b>Limits Direct Democracy.</b> SB 1337 (Gonzalez; D-Long Beach) Dramatically alters the state’s direct democracy process and makes it very difficult, if not impossible for Californians to qualify a referendum for the ballot. Oppose.</p>	<p>Assembly Appropriations 6/26/24</p>
<p><b>Outlawing Necessary Non-Disclosure Agreements Between Lobbyists and Client Companies.</b> AB 2654 (V. Fong; R-Bakersfield) Prohibits Non-Disclosure Agreements (NDAs) including either lobbyists or government officials related to legislation, making it impossible for companies to retain lobbyists and share their trade secret or proprietary information with those lobbyists. Oppose.</p>	<p>Failed passage in Assembly Elections 4/25/24; Reconsideration granted.</p>
<p><b>Lobbyist Employer Audits.</b> SB 1404 (Glazer; D-Contra Costa) Substantially raises fees on lobbyists and others to continue to comply with state law. Oppose.</p>	<p>Assembly Appropriations 6/26/24</p>



## Energy

<p><b>Rate Recovery.</b> SB 938 (Min; D-Irvine) Imposes burdensome and redundant reporting requirements that could lead to privacy concerns for employees. Oppose.</p>	<p>Senate Energy, Utilities and Communications 2/14/24; Failed Deadline</p>
<p><b>Increases Hydrogen Deployment.</b> SB 1420 (Caballero; D-Merced) Hastens the deployment of important hydrogen technology, which will allow California to meet its clean energy goals. Support.</p>	<p>Assembly Appropriations 7/1/24</p>
<p><b>California Ports Development and Offshore Wind Infrastructure Bond Act of 2024.</b> AB 2208 (Zbur; D-Hollywood) Presents to voters an act authorizing \$1 billion in bond funds for seaport infrastructure improvements to facilitate offshore wind energy projects off the California coast. Support.</p>	<p>Assembly Natural Resources 3/21/24</p>
<p><b>Written Reports: Public Utilities Commission.</b> AB 2462 (Calderon; D-Whittier) Directs the Public Utilities Commission to identify near-term opportunities for rate reductions as part of an existing annual reporting requirement. Support.</p>	<p>Senate Appropriations 6/18/24</p>
<p><b>Net Energy Metering.</b> AB 2619 (Connolly; D-San Rafael) Unwinds a multi-year public stakeholder process, perpetuates a massive cost shift, and could lead to a less reliable grid. Oppose.</p>	<p>Assembly Utilities and Energy 3/4/24; Failed Deadline</p>
<p><b>Hydrogen Fueling Stations: Expedited Review.</b> SB 1418 (Archuleta; D-Pico Rivera) Requires cities and counties to adopt an ordinance that creates an expedited, streamlined permitting process for hydrogen fueling. Support.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Regulating CPUC Requirements.</b> AB 2292 (Petrie-Norris; D-Irvine) Repeals the requirement that the California Public Utilities Commission (CPUC) have back up transmission projects before issuing a Certificate of Public Need and Convenience. Support.</p>	<p>Senate Appropriations 6/24/24</p>
<p><b>Expanding Offshore Wind: Funding and Oversight.</b> AB 2537 (Addis; D-Morro Bay) Establishes a new funding account for offshore wind leaseholders and enhances reporting requirements to ensure transparency and accountability in fund allocation. Support.</p>	<p>Senate Appropriations 6/27/24</p>
<p><b>Methane Surcharge.</b> SB 1237 (Stern D-Canoga Park) Removes natural gas requirements from the state's Gas Consumption Surcharge Fund to replace with methane. Oppose.</p>	<p>Senate Energy, Utilities and Communications 2/29/24</p>

## Environmental Regulation

<p><b>Environmental Rights.</b> ACA 16 (Bryan; D-Los Angeles) Has far-reaching negative consequences that would impair government operations, stunt development for new housing, infrastructure and clean energy project development and the strong potential to destabilize California's economy. Oppose/<b>Job Killer 2024.</b></p>	<p>Assembly Floor 5/20/24</p>
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## Gaming/Alcohol

<p><b>On Sale Alcohol Licenses.</b> SB 1028 (Alvarado-Gil; D-Jackson) Allows Department of Alcoholic Beverage Control to issue up to 10 additional Type 47 licenses for restaurants when counties reach their limit. Assists in ensuring there are sufficient licenses for less populous counties that have significant tourism. Support.</p>	<p>Senate Appropriations Suspense File 4/8/24; Failed Deadline</p>
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## Health Care

<p><b>Government Run Health Care.</b> AB 2200 (Kalra; D-San Jose) Forces all Californians into a new untested state government health plan, with no ability to opt out while eliminating Medicare for California seniors and increasing taxes at least \$250 billion a year on workers, income, jobs, goods and services. Oppose/<b>Job Killer 2024.</b></p>	<p>Assembly Appropriations Suspense File 5/15/24; Failed Deadline</p>
<p><b>Stifles Free Market Transactions for Health Entities.</b> AB 3129 (Wood; D-Santa Rosa) Requires private equity groups and hedge funds to obtain the written consent of the California Attorney General before acquiring or effecting a change of control with respect to a healthcare facility or healthcare provider group. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Pharmacy Network Disruption.</b> SB 966 (Wiener; D-San Francisco) Limits the use of preferred pharmacy networks and financial incentives which will lead to increased drug costs for patients. Oppose Unless Amended.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Dental Coverage Cost Driver.</b> AB 2028 (Ortega; D-San Leandro) Increases dental care coverage premiums for employers by instituting a dental medical loss ratio. Oppose.</p>	<p>Assembly Health 2/12/24; Failed Deadline</p>
<p><b>Health Care Cost Driver.</b> AB 2180 (Weber; D-San Diego) Increases premiums for California’s employers by requiring health plans, insurers, and pharmacy benefit managers (PBM) take any amounts paid for an enrollee or insured out-of-pocket expenses using a manufacturer’s discount and count them toward their health plan or policy’s cost-sharing requirement if that enrollee or insured has a chronic disease or terminal illness. Oppose.</p>	<p>Assembly Appropriations Suspense File 5/15/24; Failed Deadline</p>
<p><b>Durable Medical Equipment Mandate.</b> AB 2753 (Ortega; D-San Leandro) Increases premiums for California’s employers and employees by requiring health plans and insurers to cover rehabilitative and habilitative services including durable medical equipment (DME), services, and repairs. Oppose.</p>	<p>Assembly Appropriations Suspense File 4/17/24; Failed Deadline</p>
<p><b>Reduction of Evidentiary Standards for Elder Abuse.</b> AB 2773 (Kalra; D-San Jose) Increases unnecessary litigation for alleged elder abuse by allowing the opportunity for a plaintiff to reduce the evidentiary standard from clear and convincing evidence to preponderance of evidence if evidence is lost or destroyed. Oppose.</p>	<p>Senate Floor 6/27/24</p>
<p><b>Reduction of Evidentiary Standards for Elder Abuse.</b> AB 2800 (Kalra; D-San Jose) Increases unnecessary litigation for alleged elder abuse by allowing for the reduction of the evidentiary standard from clear and convincing evidence to preponderance of evidence. Oppose.</p>	<p>Assembly Aging and Long-Term Care 3/21/24; Failed Deadline</p>
<p><b>Increases Health Care Premiums.</b> SB 839 (Bradford; D-Gardena) Mandates health plans and insurers cover comprehensive coverage for obesity treatments, including intensive behavioral therapy, bariatric surgery, and the two groups of prescription drugs approved by the Food and Drug Administration (FDA) — glucagon-like peptide 1 receptor agonists and non-GLP1s. Oppose.</p>	<p>Senate Health 1/9/24; Dead</p>
<p><b>Increases Health Care Premiums.</b> SB 1008 (Bradford; D-Gardena) Mandates plans and insurers cover obesity treatments, bariatric surgery, intensive behavioral therapy (IBT), and at least one drug approved by the U.S. Food and Drug Administration (FDA) with an indication for chronic weight management in patients with obesity. Oppose.</p>	<p>Senate Appropriations Suspense File 5/6/24; Failed Deadline</p>
<p><b>Hospital Seismic Update Deadline Extension.</b> SB 1432 (Caballero; D-Merced) Extends the January 1, 2030 deadline by which hospitals are required to be capable of continued operations following a major earthquake, until January 1, 2038. Gives rural hospitals and critical access hospitals an abeyance from this same seismic compliance deadline until such time that adequate funding is made available to these hospitals. Support.</p>	<p>Assembly Appropriations 6/27/24</p>

## Housing and Land Use

<p><b>De Facto Ban of Warehouses.</b> AB 1000 (Reyes; D-San Bernardino) Mandates a statewide setback of 1,000 feet from sensitive receptors for all new or expanded logistics use facilities, regardless of environmental impacts, establishing a de facto ban. Also creates a new private right of action in California. Oppose/<b>Two Year Job Killer.</b></p>	<p>Assembly Local Government 1/3/24; Failed Deadline</p>
<p><b>Worsens Housing Crisis.</b> AB 2230 (Bennett; D-Ventura) Substantially shuts down the production of housing in California by blocking the inflow of crucial capital that nearly all housing production relies on. The Cartwright Act already protects against price fixing so expanding it as contemplated by this bill is unnecessary and will have the unintended consequence of making any return on investment a crime. Oppose/<b>Job Killer 2024.</b></p>	<p>Assembly Judiciary 3/4/24; Failed Deadline</p>
<p><b>Exacerbates Housing Crisis.</b> AB 2584 (Lee; D-San Jose) Treats homebuilders and institutional investors as one and the same in a new unworkable law that will stymie the development of much-needed housing in a state facing critical shortages. Oppose Unless Amended.</p>	<p>Assembly Judiciary 5/29/24; Failed Deadline</p>
<p><b>Preserves the Builder’s Remedy.</b> AB 1886 (Alvarez; D-San Diego) The Builder’s Remedy is a provision in the Housing Accountability Act, first enacted in 1990, that — when a local jurisdiction is out of compliance with state housing element law — allows housing development project applications to be submitted that bypass most local land use and zoning as long as the project includes 20% of the units affordable to lower-income households or 100% of the units affordable to moderate-income households. Support.</p>	<p>Senate Appropriations 7/1/24</p>
<p><b>Exacerbates Housing Crisis.</b> AB 1889 (Friedman; D-Glendale) Worsens California’s existing housing crisis by imposing a new mandate on local governments to create a new wildlife corridor land use element in all general plans. In doing so, the bill would invite further exclusionary housing ordinances throughout California as well as additional new litigation to challenge the development of housing projects. Wildlife Corridors are already analyzed and protected under existing laws, including the California Environmental Quality Act, the Federal and State Endangered Species Act as well as other laws and regulations. Oppose.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>Updates FHSZ Mapping Process.</b> AB 3150 (Quirk-Silva; D-Fullerton) Provides the State Fire Marshal, upon petition, the authority to update Fire Hazard Severity Zones (FHSZ) maps that also includes a public process. In doing so, the Fire Marshal will have the ability to keep these maps up to date which could help millions of homeowners otherwise impacted by wrong map designations, including insurance premiums and coverage. Support.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>Limits Housing Development.</b> SB 571 (Allen; D-Santa Monica) Makes constructing housing in certain parts of the state more difficult. Oppose Unless Amended.</p>	<p>Assembly Appropriations 7/1/24</p>
<p><b>Spurs Housing Development.</b> SB 937 (Wiener; D-San Francisco) Speeds up the permit approval process to construct housing. Support.</p>	<p>Assembly Appropriations 6/26/24</p>
<p><b>Tribal Housing.</b> SB 1187 (McGuire; D-Healdsburg) Helps to fund additional housing construction on tribal lands. Support.</p>	<p>Assembly Appropriations Suspend File 7/2/24</p>

## International Relations/Trade

<p><b>Facilitate International Trade Delegations and Arrangements.</b> AB 2832 (Ward; D-San Diego) Improves ability of the Governor’s Office of Business and Economic Development (GO-Biz) to promote international trade by allowing GO-Biz to enter into necessary goods and services contracts to facilitate and encourage trade. Support.</p>	<p>Senate Appropriations 6/25/24</p>
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## Labor and Employment

<p><b>Private Attorneys General Act (PAGA).</b> SB 92 (Umberg; D-Santa Ana) Creates a long-overdue reform of PAGA. Support.</p>	<p>Signed—Chapter 45 7/1/24</p>
<p><b>Private Attorneys General Act (PAGA).</b> AB 2288 (Kalra; D-San Jose) Creates a long-overdue reform of PAGA. Support.</p>	<p>Signed—Chapter 44 7/1/24</p>
<p><b>Bans Employer Speech.</b> SB 399 (Wahab; D-Hayward) Chills employer speech regarding religious and political matters, including unionization. Is likely unconstitutional under the First Amendment and preempted by the National Labor Relations Act.. Oppose/<b>Job Killer 2023.</b></p>	<p>Assembly Appropriations Suspense File 6/19/24</p>
<p><b>Use of Technology in Grocery and Retail Stores.</b> SB 1446 (Smallwood-Cuevas; D-Los Angeles) Overly prescriptive mandate regarding the use of self-checkout stations that will frustrate customers and increase costs to retailers and requires stores to notify all workers and the public any time they choose to utilize new technology. Oppose.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Small Employer Mediation Program.</b> AB 2011 (Bauer-Kahan; D-Orinda) Makes the Civil Rights Department small employer family leave mediation program permanent, benefitting both workers and small employers. Sponsor/Co-Sponsor.</p>	<p>To Governor 7/3/24</p>
<p><b>Leave Expansion.</b> AB 2499 (Schiavo; D-Chatsworth) Significantly expands 12-week leave related to crimes and lowers threshold of applicability to employers with just five employees. Job Killer tag removed due to May 20, 2024 amendments and June 6, 2024 amendments applying leave to employers with 25 or more employees, limiting qualifying reasons for taking leave, and limiting duration of time for specific qualifying reasons. Oppose/<b>Former Job Killer 2024.</b></p>	<p>Senate Appropriations 7/3/24</p>
<p><b>Prohibits Consideration of Conviction History in Employment.</b> SB 1345 (Smallwood-Cuevas; D-Los Angeles) Effectively prohibits most employers from considering conviction history of an applicant, existing employee, or contractor in employment or contracting decisions. Oppose/<b>Job Killer 2024.</b></p>	<p>Senate Judiciary 4/3/24; Failed Deadline</p>
<p><b>Public Works Assessments.</b> AB 2135 (Schiavo; D-Chatsworth) Extends time for Labor Commissioner to investigate public workers assessments indefinitely, which jeopardizes timely resolution of claims. Opposition removed based on May 20, 2024 amendments. Neutral.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>Joint Liability for Businesses of All Sizes.</b> AB 2374 (Haney; D-San Francisco) Originally imposed new statutory joint liability on business of any size that contracts for janitorial services if a contractor violates the Displaced Janitor Opportunity Act and placed new mandates on those businesses that should be assigned to the contractor. Job killer status removed due to May 16, 2024 amendments removing joint liability portion of the bill and making other changes. CalChamber remains opposed unless amended due to the requirement that an awarding authority must provide certain notifications to a union representing another entity’s employees. Oppose Unless Amended/<b>Former Job Killer 2024.</b></p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Employee-Union Agent Evidentiary Privilege.</b> AB 2421 (Low; D-San Jose) Creates a new, broad evidentiary privilege in the public sector that is one-sided and will provide a union representative with an unfair opportunity to preclude relevant evidence during litigation or workplace investigations. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Local Entity Contracts.</b> AB 2489 (Ward; D-San Diego) Significantly limits the ability of public entities to contract with local small businesses or non-profits. Oppose.</p>	<p>Assembly Appropriations Suspense File 5/15/24; Failed Deadline</p>
<p><b>Local Entity Contracts.</b> AB 2557 (Ortega; D-San Leandro) Significantly limits the ability of public entities to contract with local small businesses or non-profits. Oppose.</p>	<p>Senate Appropriations 7/3/24</p>

<p><b>Labor Code Enforcement.</b> AB 2738 (L. Rivas; D-San Fernando Valley) Removes court discretion to award attorney’s fees and costs and instead mandates fee award, creating concern regarding financial motive in litigation. Oppose.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>Prohibition on Employee Communications During Certain Hours.</b> AB 2751 (Haney; D-San Francisco) Prohibits any employee working for an employer of any size from contacting another employee outside of their normal work hours except in very narrow circumstances and would subject employer to costly litigation for any dispute as to whether the communication was permissible. Oppose/<b>Job Killer 2024.</b></p>	<p>Assembly Appropriations Suspense File 5/8/24; Failed Deadline</p>
<p><b>Joint Liability.</b> AB 2754 (Rendon; D-Lakewood) Creates joint and several liability for any entity that uses a carrier found to have misclassified a worker, regardless of the volume of work that entity uses the carrier for. Oppose Unless Amended.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Restricts University of California Competitiveness.</b> ACA 14 (Ortega; D-San Leandro) Requires the University of California to comply with a host of labor law provisions and contracting restrictions, raising costs for students and harming competitiveness of the premier public university system in the world. Oppose.</p>	<p>Senate Rules 5/24/24</p>
<p><b>Project Labor Agreements.</b> SB 984 (Wahab; D-Hayward) Requires project labor agreements for all projects as specified. Oppose.</p>	<p>Assembly Appropriations 6/24/24</p>
<p><b>Freelance Workers.</b> SB 988 (Wiener; D-San Francisco) Creates liability regarding freelance contracts even where no harm occurred. Opposition removed due to April 18, 2024 amendments. Neutral.</p>	<p>Assembly Appropriations 6/25/24</p>
<p><b>Pharmacy and Grocery Closures.</b> SB 1089 (Smallwood-Cuevas; D-Los Angeles) Creates new requirements for store closures that overlap with existing WARN Act requirements and subjects stores to a private right of action for any failure to comply with the new requirements. Oppose.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Mediation.</b> SB 1141 (Niello; R-Sacramento) Permits courts to order mediation where the amount in controversy is less than \$150,000, promoting more efficient resolution of cases. Support.</p>	<p>Assembly Judiciary 5/28/24; Failed Deadline</p>
<p><b>Employment Training Panel (ETP) Program.</b> SB 1321 (Wahab; D-Hayward) Rewrites requirements and specifications for allocation of ETP funding such that it will be difficult for small businesses to obtain that funding. Oppose.</p>	<p>Assembly Appropriations Suspense File 7/2/24</p>
<p><b>Data Requirements.</b> SB 1340 (Smallwood-Cuevas; D-Los Angeles) Requires employers that obtain contracts for certain state projects to ask employees about private, personal information and report any information received, which is contrary to existing privacy principles and will not accurately reflect the workforce unless there is full participation. Oppose.</p>	<p>Assembly Appropriations 7/2/24</p>

## Legal Reform and Protection

<p><b>Adding Wasteful and Vague Requirements to Continuing Contracts.</b> AB 2863 (Schiavo; D-Chatsworth) Adds a variety of obligations for auto-renewing subscription contracts, and adds new obligations for companies that use them — including infeasible and vague requirements for answering phone lines and responding to inquiries. Oppose.</p>	<p>Senate Floor 6/27/24</p>
<p><b>Improving Building Standards for Restaurants.</b> AB 2550 (Gabriel; D-Woodland Hills) Modernizes and streamlines building standards to help small businesses turn outdated locations into working businesses. Support.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Prohibiting Venues from Using a Single Ticket Vendor.</b> AB 2808 (Wicks; D-Oakland) Prohibits entertainment venues from using a single ticket vendor, effectively ensuring secondary ticket re-sellers can act as direct sellers and rendering security measures more difficult to implement. Also removes control of ticket sales from venues by requiring artists to be able to determine terms and conditions of ticket sales. Oppose.</p>	<p>Assembly Appropriations Suspense File 5/15/24; Failed Deadline</p>

<p><b>Unlimited Reviver of Expired Claims of Sexual Assault.</b> AB 2587 (Aguiar-Curry; D-Winters) Revives any and all sexual assault claims that have passed their statute of limitations, regardless of age, effectively encouraging shakedown lawsuits and settlements where all evidence has long-since been lost. Oppose.</p>	<p>Senate Appropriations Suspense File 7/1/24</p>
<p><b>Prohibits Any Discipline for Employees’ Violating Policy.</b> AB 82 (Weber; D-San Diego) Though the bill’s goal of protecting minors from diet pills is not a concern, AB 82 prevents retailers from disciplining employees who refuse to comply with this policy and verify customer identification for certain products, creating an impossible situation for California’s employers. Neutral.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>Adjustments to Foreclosure Process.</b> AB 2424 (Schiavo; D-Chatsworth) Increases notice to consumers around foreclosure process. Opposition removed due to April 17, 2024, amendments wherein sale process was made feasible. Neutral.</p>	<p>Senate Judiciary 7/2/24</p>
<p><b>Extreme Increase to Anti-Trust Penalties.</b> SB 697 (Hurtado; D-Sanger) Increases certain anti-trust penalties for corporations by 100 times, despite working group on this issue being in progress and complete recommendations for legal updates not yet being released. Oppose.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Various Reforms in Ticket-Seller’s Market.</b> SB 785 (Caballero; D-Merced) Fights abuses in the ticket-seller’s/re-seller’s market in a variety of ways, including ensuring that a seller has possession of a ticket before selling it, and that an illegitimate scammer is not imitating the legitimate vendor of tickets for an event. Support.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Limitations on Arbitration Scheduling and Changes to Discovery in Arbitration.</b> SB 940 (Umberg; D-Santa Ana) Limits ability of arbitrators to schedule future arbitrations with parties to a present arbitration and expands discovery in arbitration as a matter of right, leading to more expensive arbitration for smaller claims. Oppose.</p>	<p>Assembly Floor 6/13/24</p>
<p><b>Prohibit Listing of Medical Debt on Credit Reports.</b> SB 1061 (Limón; D-Goleta) Lessens the accuracy of credit reports by excluding medical debt, and also prohibits listing of debt of certain types of credit cards — creating a contrast with federal law related to those credit cards. Oppose Unless Amended.</p>	<p>Assembly Appropriations 7/1/24</p>
<p><b>New, Unnecessary Disclosure of Corporate Ownership.</b> SB 1201 (Durazo; D-Los Angeles) Creates new disclosure obligations for corporation’s owners, even beyond recent federal legislation, and adds potentially significant costs for the secretary of state to collect and publish this information. Moreover, requires the disclosure of the home address of owners in some cases, creating potential safety risks for some business owners. Oppose.</p>	<p>Assembly Banking and Finance 6/3/24; Failed Deadline</p>
<p><b>New Limitations on Debt Collection.</b> SB 1286 (Min; D-Irvine) Places new limitations on collection of certain commercial debts by treating commercial debts more like personal debts. Oppose.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Food Delivery Platform Disclosure Requirements.</b> SB 1490 (Durazo; D-Los Angeles) Requires new disclosures and publication of information by food delivery platforms, unlike those in other industries. Oppose.</p>	<p>Assembly Floor 6/26/24</p>

## Privacy and Cybersecurity

<p><b>Enacts the Safe and Secure Innovation for Frontier Artificial Intelligence Models Act.</b> SB 1047 (Wiener; D-San Francisco) Requires frontier AI developers to make a positive safety determination before initiating training of a covered model, among other things, subject to harsh penalties that include criminal penalties. Creates significant uncertainty for businesses due to vague, overbroad and impractical, and at times infeasible, standards, requirements, and definitions. Focuses almost exclusively on developer liability, creating liability for failing to foresee and block any and all conceivable uses of a model that might do harm — even if a third party jailbreaks the model. As a consequence of such issues, deters open-source development, undermines technological innovation and our economy. Further imposes unreasonable requirements on operators of computing clusters, including a requirement to predict if a prospective customer “intends to utilize the computing cluster to deploy a covered model” and implement a “kill switch” to enact a full shutdown in the event of an emergency. Establishes a totally new regulatory body, the “Frontier Model Division,” within the Department of Technology, with an ambiguous and ambitious preview. Oppose.</p>	<p>Assembly Appropriations 7/2/24</p>
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<p><b>Automated Decision Tools (ADT) Impact Assessments.</b> AB 2930 (Bauer-Kahan; D-Orinda) Requires developers and deployers of automated decision tools (ADTs) to perform specified impact assessments prior to first using an ADT and annually thereafter, impacting every industry and businesses of all sizes, in addition to public entities. For any ADT first used prior to January 1, 2025, the impact assessment must be conducted prior to January 1, 2026, and annually thereafter. Impact assessments must include, among other things, a statement of the ADT’s purpose, intended benefits, uses, and deployment contexts, as well as an analysis of any potential adverse impacts based on protected classifications such as sex, race, ethnicity, or religion, from the deployer’s use of the ADT, and must be provided to the Civil Rights Department (CRD) within 7 days of a request by CRD, which is allowed to share the impact assessment with public prosecutors. Enforceable by the CRD, Attorney General, and other public attorneys for significant statutory damages ranging between \$10,000 (for administrative enforcement) and \$25,000 (for civil enforcement), per violation, with each day constituting a separate violation. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Data Digesters Registry.</b> AB 3204 (Bauer-Kahan; D-Orinda) Creates a central repository for “data digesters” [businesses that use personal information, as defined under the California Consumer Privacy Act (CCPA), to train artificial intelligence (AI)]. It is overbroad, burdensome, and unnecessary given the protections that already exist under the CCPA that require entities training AI to respect privacy rights of the consumers to whom that information belongs. Mandated disclosures are not only impractical if not infeasible, but they can also be rather privacy invasive. Despite being modeled off the Data Broker Registry law, fails to incorporate significant and necessary exemptions from that law and from the CCPA. Raises significant concerns that future legislation would result in a “delete” or “opt-out” button similar to the Data Broker Registry law. Empowers the California Privacy Protection Agency to issue regulations, determine the registration fee for data digesters, and fine those not in compliance. Oppose.</p>	<p>Assembly Appropriations Suspense File 5/8/24; Failed Deadline</p>
<p><b>AI Watermarks.</b> AB 3211 (Wicks; D-Oakland) Places very prescriptive and technologically infeasible requirements on AI developers, large online platforms and camera/recording device manufacturers to incorporate a brand-new technology that is still developing. What this technology is currently capable of changes basically every month. For example, just a couple months ago, there wasn’t a program that can watermark text, making the bill’s requirements to do so impossible to comply with. Currently, one company is seemingly closer to having that technology, but the technology is not yet fully reliable, raising serious competition concerns around entrenching market leaders. When violations invariably occur, companies face significant penalties under this bill. Oppose.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>California Preventing Algorithmic Collusion Act of 2024.</b> SB 1154 (Hurtado; D-Sanger) Prohibits a person from using or distributing pricing algorithms that use, incorporate, or were trained on “nonpublic competitor data” which is wholly unnecessary given that collusion is already illegal under existing law. Worse yet, the bill actually creates substantial confusion and uncertainty for businesses as to what is a lawful pricing algorithm as opposed to price fixing due to vague and overbroad standards, imposes onerous reporting requirements, and grants the Attorney General (AG) authority to request these reports detailing a business’s use of pricing algorithms for any reason and without any regard to whether the business is alleged to have behaved anticompetitively or harmed consumers. The bill also allows the AG to share the report with a third party to decipher the information reported. When combined with the aggressive liability provisions and the inevitable costs imposed on all but the smallest of businesses, the bill invariably will have a sweeping, chilling effect on price competition among businesses across all industries. Oppose/<b>Job Killer 2024.</b></p>	<p>Senate Judiciary 2/21/24; Failed Deadline</p>
<p><b>AI Training Data Disclosures.</b> AB 2013 (Irwin; D-Thousand Oaks) Requires developers of artificial intelligence systems or services made available to Californians for use, to post certain documentation on their internet websites regarding the data used to train the AI system or service. As amended must provide high-level summaries of the datasets used in the development of the AI system or service, including the sources or owners of the datasets, a description of how the datasets further the intended purpose of the system or service, and more. Oppose Unless Amended.</p>	<p>Senate Floor 6/27/24</p>

<p><b>Vastly Expands Existing Opt-in Rights for Children’s Data.</b> AB 1949 (Wicks; D-Oakland) Prohibits businesses covered under the California Consumer Privacy Act from selling or sharing the personal information (PI) of anyone under the age of 18 unless the minor or the minor’s parent/guardian provide affirmative authorization (opting in), whereas the CCPA currently applies the opt-in right to minors under the age of 16, conditioned upon the business having actual knowledge that the minor is under 16. Further expands the right to opt-in to also now restrict the ability of businesses to collect, use or disclose minor’s PI or sensitive personal information, unless the minor or the minor’s parent or guardian, opts in. In neither scenario is actual knowledge required, effectively forcing businesses to engage in age verification for every consumer and obtain opt-in consent from those shown to be under 18. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Liability for Illegal Substances on Social Media.</b> AB 1800 (Jones-Sawyer; D-South Los Angeles) Imposes extreme standard of both civil and criminal liability on any social media company that fails to prevent a user of their platform from breaking the law by selling controlled substances on the platform, despite the fact that companies already expend millions of dollars to try and prevent such abuse of their platforms. Effectively makes platforms guilty of a misdemeanor for failing to be perfect in their efforts. Amendments on April 1, 2024 remove criminal liability, replacing the contents of the bill to instead authorize any person who suffers an injury that is “proximately caused” by the illegal purchase of a controlled substance through a social media platform, to bring a claim, pursuant to the existing law allowing a private right of action for negligence, to recover specified statutory and actual damages if it is shown that the injury was occasioned, in whole or in part, by the negligent management of the platform. Entitles a prevailing plaintiff to reasonable attorney’s fees and costs and grants significant damages, including \$100,000 per violation in statutory damages, \$500,000 per violation in statutory damages or double the actual damages (whichever is greater) if the violation results in death, \$1 million per violation or treble the amount in actual damages if involving the death of a minor. If the minor was too young to be a user of a social media platform without their parent’s or guardian’s permission and the platform has not used the best available technology or reasonable measures to obtain permission directly from the parent or guardian, this increases to \$2 million or treble the actual damages, whichever is greater. Oppose.</p>	<p>Assembly Judiciary 4/4/24; Failed Deadline</p>
<p><b>AI Child Pornography.</b> AB 1831 (Berman; D-Palo Alto) Creates a new crime for using artificial intelligence (AI) to create child pornography. Support.</p>	<p>Senate Appropriations Suspense File 7/1/24</p>
<p><b>Liability for Digital Replicas of Deceased Personalities.</b> AB 1836 (Bauer-Kahan; D-Orinda) Specifies that any person who produces, distributes, or makes available the digital replica of a deceased personality’s voice or likeness in an expressive audiovisual work or sound recording without prior consent is liable to any injured party in an amount equal to the greater of \$10,000 or the actual damages suffered by a person controlling the rights to the deceased personality’s likeness. Recent amendments include various exceptions to the extent that the use is protected by the First Amendment, if the use of the digital replica meets certain criteria. For example, if the use is in connection with any news, public affairs, or sports broadcast or account, or for purpose of comment, criticism, scholarship, satire or parody. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>AI in Elections.</b> AB 2355 (W. Carrillo; D-Los Angeles) Allows any Californian to bring a lawsuit in Superior Court alleging that generative AI was used to alter an image as part of a political campaign. Support If Amended.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Youth Social Media Protection Act.</b> AB 2481 (Lowenthal; D-Long Beach) Requires “large social media platforms” to create a process to verify an expansive list of individuals as “verified reporters,” including school principals and counselors, among others, which will result in over 146,000 verified reporters, each of which can make a report of a “social media related threat” or a violation of the platform’s terms of service that in their opinion poses a “severe risk” to the health and safety of a minor. A “social media related threat” is content that promotes, incites, facilitates, or perpetuates any one of 15 problems, many of which are entirely subjective (e.g. suicide, cyberbullying, harassment, academic dishonesty). Depending on the size of a platform, a platform must then respond to any report by a non-verified reporter within 10–21 days or, if the report is submitted by a verified reporter within 24–72 hours. Violations are subject to a private right of action by any person making a report, or unable to make a report, in violation of the bill for relief, including statutory damages of up to \$10,000 per violation. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>



<p><b>Electronic Monitoring Notices.</b> AB 2568 (Pacheco; D-Downey) Subject to exclusive enforcement by the Division of Labor Standards Enforcement, requires employers with 250 or more employees in California to notify an employee if their personal information will be collected through “electronic monitoring.” The notice must include, among other information, a description of the types of activities, locations, communications, and job roles that will be electronically monitored, and must be provided within specific timeframes. An employer does not need to provide notice if certain conditions are met, including if the employer reasonably believes that notice would compromise the integrity of an investigation. “Electronic monitoring” for these purposes does not include certain processes, such as those performed for the purpose of system or records maintenance, security, integrity, or protection. Sponsor/Co-Sponsor.</p>	<p>Assembly Privacy and Consumer Protection 4/11/24; Failed Deadline</p>
<p><b>Digital Replicas.</b> AB 2602 (Kalra; D-San Jose) Limits the use of digital replicas in performances of personal or professional services. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Defending Democracy from Deepfake Deception Act.</b> AB 2655 (Berman; D-Palo Alto) Based on a false assumption that online platforms definitively know whether content has been manipulated, requires large platforms to 1) block the posting or sending of materially deceptive and digitally modified or created content related to elections, during specified periods before and after an election; 2) label certain additional content inauthentic, fake, or false during specified periods before and after an election; and 3) develop procedures for Californians to report content that has not been blocked or labeled in compliance with the act. Authorizes candidates for elected office and the Attorney General, among others, to seek injunctive relief against a large online platform for noncompliance. Unlikely to have the desired outcomes as it is underinclusive (excluding platforms such as Truth Social or Parler) and incorrectly presumes platforms are the appropriate arbiter in deciding what constitutes election information. Instead, will result in significant suppression of political speech out of fear of liability, in violation of the First Amendment which affords the broadest protection to political speech — even protecting allegedly false statements about public officials and figures. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>AI in Elections.</b> AB 2839 (Pellerin; D-Santa Cruz) Expands private right of action to most Californians who either participate in campaigns or are a registered voter who receive certain campaign materials that AI has helped to create. Support If Amended.</p>	<p>Senate Appropriations 7/2/24</p>
<p><b>Teaching AI Literacy in Schools.</b> AB 2876 (Berman; D-Palo Alto) Allows California to take a step forward in fostering an artificial intelligence-literate population and future workforce by teaching artificial intelligence (AI) literacy in schools. Requires the Instructional Quality Commission (IQC) to consider adding media literacy and AI literacy the next time the State Board of Education adopts the instructional materials for the English language arts/English language development curriculum framework. Sponsor/Co-Sponsor.</p>	<p>Senate Floor 6/25/24</p>
<p><b>Restricting Information Available to Train AI.</b> AB 2877 (Bauer-Kahan; D-Orinda) Amends the California Consumer Privacy Act (CCPA) to prohibit a developer, as defined, from using the personal information (PI) of a consumer less than 16 years of age, as specified, to train or “fine-tune” an AI system or service unless affirmative authorization is provided pursuant to the CCPA’s provisions providing opt-out/opt-in rights. Because another pending bill, AB 1949, would also amend the existing opt-out/opt-in rights for minors under that same provision, potentially could apply to any consumer under the age of 18. Even if authorization is received, businesses would be prohibited from using the PI of minors unless they both deidentify and aggregate the data. By limiting inputs, this bill regulates the technology itself, hamstringing developers from appropriately training the technology. Realistically, forces companies to engage in either age verification or not use any PI to train any AI. Even if they are able to age verify consumers, unintended consequences are likely significant, because access to data specific to children and teens is essential to develop tools to provide them unique support for risks and challenges specific to their age groups. Oppose.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>Effectively Mandates Browsers to Include a Universal Opt-Out Preference Signal.</b> AB 3048 (Lowenthal; D-Long Beach) Prohibits businesses from developing or maintaining a browser that does not include a setting that enables consumers to send an opt-out preference signal to other businesses that the consumer interacts with through the browser, pursuant to regulations adopted by the California Privacy Protection Agency. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>

<p><b>Social Media Liability for Injuries to Children.</b> AB 3172 (Lowenthal; D-Long Beach) Makes a social media platform that has at least \$100 million in gross revenues annually, liable for specified damages in addition to any other remedy provided by law, if the platform fails to exercise ordinary care or skill toward a child. Imposes significant statutory damages, the larger of 1) \$5,000 per violation, up to a maximum per child of \$1 million; or 2) three times the amount of the child’s actual damages. Oppose.</p>	<p>Senate Appropriations 7/3/24</p>
<p><b>Online Platform Compensation.</b> SB 764 (Padilla; D-Chula Vista) Requires parents to establish a trust to ensure minors who are entertainers receive percentage of their income. Support.</p>	<p>Assembly Appropriations Suspense File 7/2/24</p>
<p><b>California Artificial Intelligence Research Hub.</b> SB 893 (Padilla; D-Chula Vista) Requires the Government Operations Agency (GovOps), and other state entities, to collaborate to create a centralized entity (the AI Research Hub) within GovOps. The hub is to facilitate collaboration between government agencies, academic institutions, and private sector partners to advance artificial intelligence research and development that seeks to harness the technology’s full potential for public benefit while safeguarding privacy, advancing security, and addressing risks and potential harms to society, as prescribed. Support.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Clarifying Child Sexual Abuse Material (CSAM) Generated by AI Is Unlawful.</b> SB 933 (Wahab; D-Hayward) Amends existing laws against child pornography including material created by artificial intelligence (AI) by expressly adding “image generated through the use of AI” to existing statutes that criminalize the creation, possession, and distribution of CSAM. Appropriately ensures that existing law protection for children applies regardless of the technology used and punishes bad actors without holding social media platforms, internet service providers, or others liable for “distribution.” Support.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>California AI Transparency Act.</b> SB 942 (Becker; D-Menlo Park) Requires artificial intelligence (AI) developers to create an AI Detection Tool, make it publicly accessible through their website and mobile application, incorporate/allow users to incorporate visible as well as imperceptible watermarks into all content created by their system, by setting technically infeasible and impossible standards. Among other things, requires a “covered provider” to include a latent disclosure in AI-generated image, video, audio, or other digital content created by the covered provider’s GenAI system that, among other things, conveys certain information, either directly or through a link to a permanent internet website, regarding the provenance of the content. Further requires a provider to revoke a third-party licensee, within 72 hours, if it knows that the third-party licensee modified a licensed GenAI system such that it is no longer capable of including the disclosures described above in content the system creates or alters. Violations are subject to civil penalties of \$5,000 per violation in an action brought by the Attorney General and other public attorneys. Oppose.</p>	<p>Assembly Appropriations 7/2/24</p>
<p><b>Social Media User Authentication.</b> SB 1228 (Padilla; D-Chula Vista) Mandates user authentication mechanisms on “large online platforms,” requiring such platforms to “seek to verify an influential user’s name, telephone number, and email address” by a means of the large online platform’s choosing. Requires a large online platform to verify a “highly influential user” by reviewing a government-issued identification. Negatively impacts users’ ability to freely communicate online, particularly when engaged in anonymous speech (e.g. by devaluing the speech of certain individuals by implying that any individual who exercises their right to not be authenticated or to be anonymous is not legitimate or a bot). Also raises security and privacy concerns. Oppose.</p>	<p>Senate Appropriations Suspense File 5/13/24; Failed Deadline</p>
<p><b>Let Parents Choose Protection Act of 2024.</b> SB 1444 (Stern; D-Canoga Park) Requires large social media platform providers, as defined, to create, maintain, and make available to specified third-party safety software providers a set of third-party-accessible application programming interfaces to allow a third-party safety software provider, upon authorization by a child or a parent or legal guardian of a child, to monitor a child’s online interactions, content, and account settings and initiate secure transfers of the child’s user data for these purposes, as provided. Prohibits the third-party safety software provider from disclosing user data unless specified exceptions apply and would authorize the child or the parent/legal guardian to revoke the authorization or disable the account with the large social media provider. While it intends to provide parents greater control over their teens’ use of social media, the bill likely only impedes current efforts to do so and raises numerous privacy concerns. Oppose.</p>	<p>Senate Appropriations Suspense File 5/13/24; Failed Deadline</p>

**Cyberbullying Protection Act.** SB 1504 (Stern; D-Canoga Park) Effectively applies the Cyberbullying Protection Act to pupils, with significant differences and much more extensive and unduly burdensome liability. As drafted, central requirements within the bill conflict with one another and therefore require additional clarification. Additionally, the bill leaves various key terms undefined and subjective, at times even raising First Amendment issues. For example, it is also very difficult to reliably describe what may cause a “detrimental effect on the minor’s physical or mental health.” Humans in general, especially children, have very nuanced opinions surrounding what may be detrimental to them. The lived experiences of children, teens, and adults differ immensely, and businesses do not have a roadmap to users’ lived experiences, and what could potentially cause them harm. As a result of such deficiencies, platforms may consider taking an overly broad takedown approach to avoid penalties, raising significant First Amendment concerns, as it has the potential to incentivize the removal of lawful speech. Oppose.

Assembly Appropriations  
7/2/24

## Product Regulation

**Bans All Uses of PFAS.** SB 903 (Skinner; D-Berkeley) Prohibits the use of PFAS in all commercial and consumer products by 2032 unless Department of Toxic Substances Control (DTSC) is petitioned and makes an affirmative determination that the PFAS in a particular product is an unavoidable use. However, regardless of DTSC’s determinations, the bill outsources California’s legislative authority to ban any product containing PFAS if any state or country in the world also bans that product. Because of the breadth and scope of PFAS use, including in aerospace, lithium ion batteries, medical devices, automotive and semiconductors, to name a few, the regulatory program established is entirely unworkable and will lead to bans on critically important products. Oppose/**Job Killer 2024.**

Senate Appropriations  
Committee Suspense File  
4/29/24; Failed Deadline

**Packaging Ban.** AB 2761 (Hart; D-Santa Barbara) Bans certain types of packaging and imposes civil penalties. Oppose.

Assembly Environmental  
Quality 6/5/24; Failed  
Deadline

**Bans Color Additives in Public Schools.** AB 2316 (Gabriel; D-Woodland Hills) Circumvents the Food and Drug Administration (FDA) and bans color additives including titanium dioxide in public schools irrespective of the science that demonstrates the use of these ingredients is safe and helps extend food shelf life. In doing so, the bill sets a poor precedent of the Legislature acting as the scientific authority on the safety of food ingredients based on limited science and in contradiction to the staff scientists inside entire agencies dedicated to establishing the safety of food products in the marketplace. Oppose Unless Amended.

Senate Appropriations  
7/3/24

**Decaffeinated Coffee.** AB 2066 (Reyes; D-San Bernardino) Requires the European Method to make decaffeinated coffee to provide a misleading warning label that contradicts the safety determinations of the European Union, the United States and other food safety authorities around the world. Oppose.

Assembly Appropriations  
Suspense File 5/15/24;  
Failed Deadline

## Recycling

**Labeling Products Recyclable.** SB 1231 (Allen; D-Santa Monica) Resolves an unintentional conflict of law by expressly authorizing CalRecycle to process petitions that allow single-use plastic packaging trending toward recyclability pursuant to Senate Bill 54 (Allen) to continue using chasing arrows or other recyclability claims so that consumers know appropriately where and how to recycle discarded materials. Support.

Assembly Appropriations  
7/1/24

**Bans 100% Recyclable Bottles.** AB 2648 (Bennett; D-Ventura) Prohibits the state from purchasing and all food services inside state facilities from offering any single-use plastic bottled beverages despite this packaging having one of the highest recycling rates in the country and despite the negative impacts to both the environment and state budget from using less efficient and more expensive packaging. Oppose.

Assembly Inactive File  
5/24/24; Failed Deadline

**Reusable Beverage Policy.** AB 2762 (Friedman; D-Glendale) Compels beverage manufacturers to report on significant changes aimed at phasing out non-reusable beverage containers. Oppose.

Assembly Appropriations  
Committee Suspense File  
5/15/24; Failed Deadline

<p><b>Additional Requirements on Restaurants.</b> SB 1167 (Blakespear; D-Encinitas) Requires certain restaurants to ask customers where they intend to drink a beverage. Oppose.</p>	<p>Senate Environmental Quality 2/21/24; Failed Deadline</p>
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## Taxation

<p><b>Wealth Tax.</b> AB 259 (Lee; D-San Jose) Seeks to impose a massive tax increase upon all forms of personal property or wealth, whether tangible or intangible, despite California already having the highest income tax in the country. This tax increase will drive high-income earners out of the State as well as the revenue they contribute to the General Fund. Oppose/<b>Two Year Job Killer.</b></p>	<p>Held in Assembly Revenue and Taxation 1/10/24; Dead</p>
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<p><b>Wealth Tax.</b> ACA 3 (Lee; D-San Jose) Seeks to impose a massive tax increase upon all forms of personal property or wealth, whether tangible or intangible, despite California already having the highest income tax in the country. This tax increase will drive high-income earners out of the State as well as the revenue they contribute to the General Fund. Oppose/<b>Two Year Job Killer.</b></p>	<p>Assembly Revenue and Taxation 3/30/23</p>
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<p><b>Tax on Digital Advertising Revenue.</b> SB 1327 (Glazer; D-Contra Costa) Implements a discriminatory 7.25% tax on the revenue generated from the sale of digital advertising. The bill is likely unconstitutional and will lead to costly litigation for the state. Oppose/<b>Job Killer 2024.</b></p>	<p>Assembly Desk 6/27/24</p>
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<p><b>Tax on Digital Advertising Revenue.</b> AB 2829 (Papan; D-San Mateo) Implements a new tax on digital ads of 5%. In addition to increasing taxes on businesses, it is likely unconstitutional. Oppose/<b>Job Killer 2024.</b></p>	<p>Held in Assembly Revenue and Taxation 4/29/24</p>
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<p><b>New Employment Tax Credit.</b> AB 2294 (Schiavo; D-Chatsworth) Makes necessary changes to the New Employment Credit by eliminating the requirement for geographic restrictions, eliminating excluded businesses except those of a sexual nature, mirroring NEC hiring categories to that of federal Work Opportunity Tax Credit, and reducing from 150% to 100% of minimum wage that mirrors changes made in state budget by Governor Newsom for the semiconductor industry and others. Support.</p>	<p>Assembly Revenue and Taxation 2/26/24; Failed Deadline</p>
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<p><b>Bay Area Tax Increases.</b> SB 1031 (Wiener; D-San Francisco) Authorizes the Metropolitan Transportation District in the San Francisco Bay Area to impose a transactions and use tax, payroll tax, parcel tax, vehicle registration surcharge, or issue bonds in all or some of the nine counties the district operates in and would require that revenue generated from the tax increases be used for transportation improvements. Oppose.</p>	<p>Assembly Desk 5/24/24</p>
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<p><b>Eliminates Sales Tax Sharing Agreements between Local Governments and Employers.</b> SB 1494 (Glazer; D-Contra Costa) Eliminates an important economic development tool by prohibiting local governments from entering into sales tax sharing agreements with businesses. Oppose.</p>	<p>Failed passage in Senate 5/23/24</p>
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## Telecommunications

<p><b>Slows Broadband Deployment.</b> AB 2239 (Bonta; D-Alameda) Slows down the deployment of broadband in California and will likely lead to litigation. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
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<p><b>Affordable Internet and Net Equality Act.</b> AB 1588 (Wilson; D-Suisun City) Inappropriately complicates state procurement contracts rather than focus on the goal of securing more eligible Californians enroll in the Affordable Connectivity Program (ACP) to get broadband services. Oppose.</p>	<p>Senate Appropriations 7/2/24</p>
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<p><b>Slows Broadband Deployment.</b> SB 1179 (Durazo; D-Los Angeles) Establishes price controls for broadband and slows broadband deployment statewide. Oppose.</p>	<p>Senate Governmental Organization 2/21/24; Failed Deadline</p>
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<p><b>Undoes Statewide Video Agreements.</b> AB 1826 (Holden; D-Pasadena) Undoes statewide video franchise agreements and creates complex and duplicative local government oversight. Oppose.</p>	<p>Senate Appropriations 6/24/24</p>
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<p><b>Improves Backup Power.</b> AB 2765 (Pellerin; D-Santa Cruz) Leads to the California Public Utilities Commission (CPUC) opening an unnecessary and costly proceeding . Oppose.</p>	<p>Senate Appropriations 6/18/24</p>
<p><b>Telephone Corporation Broadband Obligations.</b> AB 2797 (McKinnor; D-Inglewood) Helps to hasten the deployment of new broadband technology. Support.</p>	<p>Senate Energy, Utilities and Communications 6/12/24; Failed Deadline</p>
<p><b>Benefits Emergency Response.</b> SB 1152 (Limón; D-Goleta) Helps to deploy newest technology of backup generators so Californians can remain connected during emergencies. Support.</p>	<p>Assembly Appropriations 6/25/24</p>

## Tourism

<p><b>Hotel Cancellation and Refund Requirements for Out-of-State Hotels.</b> SB 1424 (Glazer; D-Contra Costa) Forces out-of-state hotels to comply with in-state requirements regarding cancellation and refund policies. Oppose.</p>	<p>Senate Appropriations Suspense File 5/13/24; Failed Deadline</p>
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## Transportation and Infrastructure

<p><b>Airports: Third-Party Vendors.</b> SB 1372 (Newman; D-Fullerton) Prohibits airports in California from entering into agreements with third-party vendors that offer expedited security screening services. Oppose.</p>	<p>Assembly Transportation 6/3/24; Failed Deadline</p>
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## Unemployment Insurance

<p><b>Increased Unemployment Insurance Taxes to Subsidize Striking Workers.</b> SB 1116 (Portantino; D-Burbank) SB 1116 allows striking workers to claim UI benefits when they choose to strike. Because the UI Fund is paid for entirely by employers, SB 1116 will effectively add more debt onto California employers. Moreover, SB 1116 will effectively force employers to subsidize strikes at completely unrelated businesses because the UI Fund’s debt adds taxes for all employers, regardless of whether they’ve had a strike. Oppose/<b>Job Killer 2024</b>.</p>	<p>Assembly Insurance 6/3/24; Failed Deadline</p>
<p><b>Huge Increases to Unemployment Insurance Taxes.</b> SB 1434 (Durazo; D-Los Angeles) Increases UI taxes to fund UI benefit hikes of up to 55%, as well as providing for subsequent increases based on inflation. Also creates entirely new UI program to provide benefits to workers who do not qualify for traditional UI, to be funded by a new tax on California employers. Oppose/<b>Job Killer 2024</b>.</p>	<p>Senate Labor, Public Employment and Retirement 2/29/24</p>
<p><b>Extending Statute of Limitations to Catch UI Fraudsters and Recover Funds.</b> AB 2878 (Gabriel; D-Woodland Hills) Allows critical time for prosecutors to investigate and bring criminal actions for the tide of unemployment insurance fraud during the pandemic and recover fraudulently taken funds by extending the statute of limitations for such actions. Support.</p>	<p>Assembly Appropriations Suspense File 5/8/24; Failed Deadline</p>

## Water Supply and Quality

<p><b>Groundwater Restriction.</b> AB 2079 (Bennett; D-Ventura) Prevents installation of new or replacement groundwater wells throughout much of the state. Circumvents the local control component of Sustainable Groundwater Management Act (SGMA) by creating statewide stringent requirements on wells rather than empowering locally informed solutions to groundwater sustainability. Oppose Unless Amended.</p>	<p>Senate Natural Resources and Water 5/29/24; Failed Deadline</p>
<p><b>Unfair Exemption.</b> AB 828 (Connolly; D-San Rafael) Exempts certain water users from fees and regulations under the Sustainable Groundwater Management Act (SGMA), increasing the burdens borne by agricultural and business water users. Oppose.</p>	<p>Senate Appropriations 6/25/24</p>

<p><b>Permit Streamlining for Groundwater Recharge.</b> AB 2060 (Soria; D-Fresno) Exempts groundwater recharge projects using flood flows from needing to obtain duplicative and burdensome California Department of Fish and Wildlife authorizations. Support.</p>	<p>Senate Appropriations 6/25/24</p>
<p><b>Permit Streamlining.</b> AB 2501 (Alvarez; D-San Diego) Allows state and regional water boards to accept public project proponent funding for dedicated permitting staff, assisting in workflow and mirroring this authority in other state agencies. Support.</p>	<p>Senate Appropriations Suspense File 7/1/24</p>
<p><b>California Water Plan Update.</b> SB 366 (Caballero; D-Merced) Requires California Water Plan to be updated to include water supply targets and outlines meaningful steps toward achieving supply goals. Support.</p>	<p>Assembly Appropriations 6/25/24</p>
<p><b>Regulatory Flexibility.</b> SB 1065 (Padilla; D-Chula Vista) Provides additional time and flexibility for water providers to come into compliance with expensive new water quality standards for hexavalent chromium. Support If Amended.</p>	<p>Senate Environmental Quality 4/3/24; Failed Deadline</p>
<p><b>Unfair and Unenforceable Regulation.</b> SB 1178 (Padilla; D-Chula Vista) Attempts to impose California law on facilities outside of the state and nation. Makes industry wholly financially responsible for water quality impairments caused by other sources. Oppose Unless Amended.</p>	<p>Assembly Appropriations 6/25/24</p>

## Workers' Compensation

<p><b>Workers' Compensation Appointments.</b> SB 1205 (Laird; D-Santa Cruz) Requires employers of all sizes to provide time off to attend workers' compensation appointments regardless of whether it creates an undue hardship and subjects employers to penalties for failure to do so. Oppose.</p>	<p>Assembly Appropriations 6/26/24</p>
<p><b>Agricultural Workers' Compensation Presumption.</b> SB 1299 (Cortese; D-San Jose) Creates workers' compensation presumption that would require Workers' Compensation Appeals Board (WCAB) to adjudicate agriculture Cal/OSHA claims and impose a presumption regardless of any causal link between the alleged occupational injury and a violation of any provision of heat-related standards. Oppose.</p>	<p>Assembly Appropriations 6/26/24</p>
<p><b>Electronic Signatures.</b> AB 2337 (Dixon; R-Newport Beach) Permits signatures used in a Workers' Compensation Appeals Board (WCAB) proceeding to be obtained electronically. Support.</p>	<p>Senate Appropriations 6/18/24</p>
<p><b>Tolling Temporary Disability Payments.</b> SB 1346 (Durazo; D-Los Angeles) Requires tolling of temporary disability payments if Utilization Review decision is overturned during Independent Medical Review, which will drastically increase the number of unnecessary Independent Medical Review requests and is unnecessary in light of data supporting accuracy of Utilization Review decisions. Oppose.</p>	<p>Senate Appropriations Suspense File 4/22/24; Failed Deadline</p>

## Workplace Safety

<p><b>New Obligations and Liability for Properties with Gates.</b> AB 2149 (Connolly; D-San Rafael) Creates new obligations around gates accessible to the public, including repeated inspection, and potential attorney's fees for related lawsuits. Oppose Unless Amended.</p>	<p>Senate Appropriations 7/2/24</p>
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## CalChamber PAGA Compliance Toolkit Ready to Purchase Now



To help businesses comply with the newly enacted Private Attorneys General Act (PAGA)

reform legislation, the California Chamber of Commerce has put together a **PAGA Wage and Hour Compliance Toolkit**.

Since it was enacted in 2004, PAGA has allowed individuals to file lawsuits seeking Labor Code violation penalties for not only themselves, but also all other aggrieved employees. This has resulted in a substantial increase in litigation that costs businesses of all sizes billions of dollars while bringing little benefit to workers.

On July 1, 2024, Governor Gavin Newsom signed into law two PAGA reform measures that, together, will curtail rampant PAGA lawsuit abuse while significantly reducing potential penalties that are attached to such claims by allowing employers to take reasonable steps toward wage and hour compliance.

This PAGA Wage and Hour Compliance Toolkit, which contains more than 60 digital and physical resources, is designed to assist employers in meeting their wage and hour requirements under the California Labor Code and applicable wage orders.

### Webinars

Those who purchase this toolkit will

receive seats to CalChamber's upcoming Live Webinars (and/or recordings depending on purchase date):

- **PAGA Reform: What to Know and Do to Protect Your Organization** (held Thursday, July 18, 2024)

- **Wage and Hour Essentials: Laws for Nonexempt Employees** (Thursday, July 25, 2024: 10 a.m. to 11:30 a.m.)

- **Wage and Hour Essentials: Exempt Employee Requirements** (Friday, July 26, 2024: 10 a.m. to 11:30 a.m.)

Customers who have already purchased any of the above webinars and would like to purchase the entire PAGA Wage and Hour Compliance Toolkit, please contact Customer Service at (800) 331-8877.

### Policies\*

The toolkit also contains 16 wage and hour policies (available 8/15/24) in English and Spanish:

1. Wage and Hour Training
2. Final Pay
3. On Call/Standby
4. Split Shift
5. Pay Differentials
6. Reporting Time Pay
7. Makeup Time
8. Meal and Rest Periods
9. Overtime for Nonexempt Employees
10. Pay for Mandatory Meetings/ Training
11. Timekeeping and Off-the-Clock Work

12. Lactation Accommodation
13. Expense reimbursement
14. Payment of wages
15. Sick Leave
16. Personnel and Payroll Records

### Forms\*

Also included in the toolkit are more than 40 wage-and-hour-related forms (available 8/15/24) that include a payroll audit checklist and address various additional topics, including:

- Meal breaks;
- Makeup time;
- Overtime;
- Alternative workweek;
- Final pay;
- Payroll and personnel records requests; and
- Much more!

Forms for employees are provided in English and Spanish.

### Posters

Plus, you'll receive the following to display at your worksite in a conspicuous location in accordance with California law:

- A **Wage Order poster** of your choice; and
- One California and Federal Labor Poster.

To order, visit the [CalChamber Store](#). Special price for CalChamber members: \$300. Call customer service at (800) 331-8877 for your exclusive discount.

*\*Policies/Forms available 8/15/24.*



Join us for our Wage & Hour Essential webinars and avoid costly mistakes.

**Laws for Non-Exempt Employees:**

July 25 - 10 a.m. to 11:30 a.m.

**Exempt Employee Requirements:**

July 26 - 10 a.m. to 11:30 a.m.

**Register Now**

Limited Space Available

