Stop Hidden Taxes Initiative to Go on November Ballot

The California Chamber of Commerce-supported measure to stop hidden taxes will appear on the November ballot as Proposition 26, the Secretary of State recently announced. The campaign co-chaired by the CalChamber and California Taxpayers’ Association submitted more than 1.1 million voter signatures to qualify the measure for the ballot.

The initiative seeks to stop legislators and local officials from imposing hidden taxes mislabeled as fees on California taxpayers.

The state Constitution requires two-thirds approval of the Legislature for new or increased taxes. Local tax increases also are subject to voter approval.

Lawmakers have attempted to circumvent the law by designating tax hikes as “fees,” then adopting them with just a majority vote.

If approved by voters, Proposition 26, the Stop Hidden Taxes Initiative, will require the Legislature and local officials to abide by California’s Constitution, so new state taxes become law only with a two-thirds vote, and local taxes are increased only after voter approval.

Reducing Tax Burden

“The way out of this recession is by creating jobs, growing the economy, and reducing the tax burden on hard-working California families and the businesses that create those jobs,” said CalChamber President and CEO Allan Zaremberg, co-chair of the Stop Hidden Taxes campaign committee.

CalChamber Helps Stall Costly Business Penalty Bill

A California Chamber of Commerce-opposed “job killer” bill that would have increased fines and penalties on businesses failed to pass a key Senate committee last week.

The bill, AB 846 (Torrico; D-Fremont), significantly increases the cost of doing business in California by automatically adjusting maximum and minimum penalties upward according to inflation and raising penalties even higher according to an arbitrary rounding scheme.

The CalChamber and coalition of business and industry organizations opposing AB 846 pointed out that California is already among the most costly states in which to do business in a complex regulatory environment.

By further driving up costs, AB 846 may force California businesses to leave the state, taking jobs and a tax base with them, the coalition emphasized.

Reasons to Oppose

The CalChamber and the coalition oppose AB 846 because:

- It subjects a wide variety of laws to inflation adjustments and an arbitrary rounding scheme.
- It significantly increases maximum fines and penalties assessed against businesses.

Education Campaign

“As everyone knows, in a state as large as California, an education campaign takes time and money,” said CalChamber President and CEO Allan Zaremberg. “Moving the vote on the water bond until 2012 makes sense because it will give us the time needed to get our message out.”

Timing Critical to Explain Need for Water Bond

Last week, there were new developments on Proposition 18, the California Chamber of Commerce-supported water bond on the November ballot.

The CalChamber and other members of the coalition working to gain passage of the bond believe postponing voter consideration of the measure until the 2012 election will ensure successful passage.

In a July 1 news release, the CalChamber explained it is critical that the campaign has sufficient time and resources so that voters fully understand the issues at stake and the need for the bond.

Education Campaign

“As everyone knows, in a state as large as California, an education campaign takes time and money,” said CalChamber President and CEO Allan Zaremberg. “Moving the vote on the water bond until 2012 makes sense because it will give us the time needed to get our message out.”

See Timing: Page 4

See Stop: Page 4

See CalChamber: Page 4
Overtime Pay for Back-to-Back Shifts Depends on ‘Workday’ Hours

Almost all of the IWC wage orders require daily overtime—that is, time-and-a-half for time worked over 8 hours and double-time for over 12 hours each “workday.”

Workday

Your question indicates that you have not established a “workday.”

By default the Labor Commissioner’s policy is to establish a “workday” from 12:01 a.m. to midnight.

Your employee worked from 6 a.m. to 5 p.m. (10 hours), and 8 p.m. to midnight (4 hours), in this “workday,” a total of 14 hours.

Your employee is entitled to 8 hours at straight time, 4 hours at time-and-a-half and 2 hours at double-time. The hour worked from midnight to 1 a.m. falls within the next workday.

Example

An example to illustrate this and which occurs frequently in an establishment that is open around the clock is when an employee is asked to work a double shift when another employee fails to show up.

The employee works from 3:30 p.m. to midnight with a half-hour meal period and then works from midnight to 8:30 a.m. This is 16 hours of continual work, but no overtime is due because 8 hours falls within one workday and 8 hours falls within the next workday.

Of course if the employee reports to work for the usual shift at 3:30 p.m. on the second day, overtime will be due. He/she will have worked 16 hours that day and premium pay of time-and-a-half and double-time will be due.

The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.
Attack on Business Free Speech Rights Passes U.S. House of Representatives

CalChamber to Continue with Fight to Stop Proposal in U.S. Senate

Over the objections of the California Chamber of Commerce and other business representatives, the U.S. House of Representatives has approved legislation targeting the free speech rights of the business community.

The legislation, H.R. 5175, is a significant departure from past campaign finance legislation, which sought to treat unions and corporations comparably and was framed in a genuinely bipartisan manner.

The title of the legislation is Democracy Is Strengthened by Casting Light on Spending in Elections Act (DISCLOSE Act). Democratic Congressman Chris Van Hollen of Maryland is the chief author of the House bill; Democratic Senator Charles Schumer of New York is the prime sponsor of the Senate companion bill.

Ant-Business Goal

The legislation’s sponsors have said the aim of the law is to deter corporations from participating in the political process. The legislation prohibits election-related speech by certain government contractors, a prohibition that is unconstitutional and contrary to the recent U.S. Supreme Court ruling recognizing that the First Amendment protects political speech by corporations, Citizens United v. Federal Election Commission.

Other Supreme Court decisions have recognized that voluntary associations are vital participants in public debate and that government attempts to curb participation in associations to stifle their voice violate the First Amendment.

The DISCLOSE Act also requires corporations and labor unions to report political donors who have given as little as $600 during the year. In effect, however, most unions would not be required to disclose their donors because an average union member pays annual dues below that threshold.

Unions and their political action committees are the single largest contributor to political campaigns and say they spent nearly $450 million in the 2008 presidential campaign.

Key Vote

H.R. 5175 passed the U.S. House by a vote of 219-206. Among the “aye” votes were 33 Democratic members of the California congressional delegation. Opponents included 19 Republican members of the California delegation plus Democrat Maxine Waters of Los Angeles.

The CalChamber and other business groups will continue to work to stop the legislation in the U.S. Senate.

Staff Contact: Jeanne Cain

CalChamber Opposes Bill Increasing Workers’ Compensation Costs

California Chamber of Commerce—opposed legislation that increases workers’ compensation costs continues to advance in the Legislature.

AB 933 (Fong; D-Cupertino) passed the Senate Labor and Industrial Relations Committee on June 23 by a vote of 4-1.

The bill increases the cost of performing utilization review on medical treatment requests by requiring all doctors who make utilization review decisions to be licensed in California.

In addition, AB 933 adds further costs and delays for the Division of Workers’ Compensation by requiring the term for approval of the medical provider network to be submitted every three years.

The CalChamber is pointing out that there is no evidence to show that care to injured workers would be improved by AB 933’s mandate that any physician who modifies, delays or denies a request for treatment in a workers’ compensation claim be licensed in California.

California’s workers’ compensation law already contains strict requirements to assure that physicians who make utilization review decisions use evidence-based standards and are competent to evaluate the specific medical issues in the workers’ compensation claim.

Limiting the ability to make utilization review recommendations to physicians licensed in California would only limit the number of doctors available to provide the service, thereby creating a logjam of cases to be reviewed and driving up the cost of the review and overall costs for employers.

AB 933 jeopardizes the process that enables employers to ensure employees are receiving the best medical treatment possible while keeping costs under control.

Key Vote

The June 23 vote in Senate Labor and Industrial Relations was:

Ayes: DeSaulnier (D-Concord), Ducheny (D-San Diego), Leno (D-San Francisco), Yee (D-San Francisco).

Noes: Hollingsworth (R-Murrieta).

No Vote Recorded: Wyland (R-Carlsbad).

Staff Contact: Thomas Vu
Stop Hidden Taxes Initiative to Go on November Ballot

From Page 1
“Hidden taxes and higher fees work against job creation and make it even harder to recruit the businesses and jobs that are needed to re-energize our economy and provide the taxes to fund critical state services,” Zaremberg said.

“California businesses need the certainty of a stable tax structure, not the constant exposure to unending revenue gimmicks. Voters have said ‘enough is enough’ to higher taxes and fees and passage of this measure will help end the politicians’ deceptive practice of labeling taxes as fees so they can be passed with a simple majority vote,” continued Zaremberg.

Constitutional Amendment
Proposition 26 is a constitutional amendment that simply and more clearly defines fees and taxes to close loopholes used by the Legislature to avoid the two-thirds vote requirement.

The initiative also applies to local governments; includes a provision to sunset any fee/tax increases not meeting the requirements of this measure enacted between the beginning of this year and the effective date of the measure if it is passed by voters; and prohibits the Legislature from using a simple majority vote to raise taxes on one group while reducing those on another group (the so-called “revenue neutral” maneuver).

In the past decade, legislators have proposed billions of dollars in hidden taxes that affect everyday items like cars, food, cell phones, insurance, fuel and energy.

The initiative permits valid fees—those that legitimately cover the cost of or benefit from the service being provided, such as fishing or hunting licenses—to be passed with a majority vote of the Legislature or approved by local officials.

More information on the initiative is available at www.nomorehiddentaxes.com.

The campaign also will be opposing Proposition 25, the majority vote budget measure.

CalChamber Helps Stall Costly Business Penalty Bill

From Page 1
California businesses. To illustrate, the section affecting the state’s Water Code would result in maximum penalty increases as high as $30,000, all without any regulatory scrutiny under the Administrative Procedures Act. The need to adjust penalties against businesses upward in such a drastic fashion should merit more supporting evidence than a study carried out by the sponsors themselves.

● Tying maximum and minimum penalties to inflation reduces regulatory accountability. If maximum fines and penalties need to be raised for particular laws, it is appropriate that the authority for such a change remain vested in the Legislature. Legislative review and approval ensures that a big picture reassessment of a law can occur in a public forum, including an evaluation of the law’s effectiveness and whether the penalties fit the violation.

● The Department of Industrial Relations penalty provisions apply to both public sector and private sector employers.

Key Vote
AB 846 fell short of the votes needed to pass the Senate Governmental Organization Committee on June 29:

Ayes: Wright (D-Inglewood), Florez (D-Shafter), Padilla (D-Pacoima), Price (D-Inglewood), Yee (D-San Francisco).

Noes: Harman (R-Huntington Beach), Calderon (D-Montebello), Negrete McLeod (D-Chino).

No Vote Recorded: Denham (R-Merced), Oropeza (D-Long Beach), Wyland (R-Carlsbad).

Staff Contact: Robert Callahan

Timing Critical to Explain Need for Water Bond

From Page 1
out and properly educate voters about how important an improved water infrastructure will be to California.

“Voter research confirms that when educated on the need and benefits to their local community and the economy, voters will support the water bond. We must have the time it will take to raise revenue and ensure that voters understand what is at stake.”

On June 28, the Governor and legislative leaders issued statements supporting a delay on Proposition 18 in light of the challenges presented by the struggling economy and agreed that waiting until 2012 would be the best timing for the water bond.

Water Bond Vital
In December 2009, the CalChamber Board of Directors voted to support the water bond because it is a vital step forward to restore and improve California’s water system. Unless action is taken, experts warn that the state will face continued water shortages, the potential for catastrophic failure of its water delivery system, and environmental collapse in areas vital to drinking water and wildlife.

The $11.4 billion water bond is part of a comprehensive legislative package that passed the Legislature as part of a special session on November 4, 2009.

The package also includes four policy bills that cover Delta governance, conservation, groundwater monitoring, water rights and illegal water diversions.

Updates to Come
CalChamber has appreciated the broad support for the water bond and will keep members posted on its status.

For more information, visit the campaign website at www.waterforca.com.
CalChamber Recaps Positions as Numbers Assigned to November Ballot Propositions

California Secretary of State Debra Bowen recently released proposition numbers for the 10 measures that will appear on the November 2 General Election ballot. The propositions are listed below with the California Chamber of Commerce positions.

CalChamber Positions

● Proposition 18: Safe, Clean and Reliable Drinking Water Supply Act of 2010 — Support.
  The CalChamber Board of Directors voted to support this measure because it is a vital step forward to restore and improve our water system. Unless action is taken, experts warn that our state will face continued water shortages, the potential for catastrophic failure of our water delivery system, and environmental collapse in areas vital to drinking water and wildlife.
  Last week, there were new developments on Proposition 18. CalChamber and other members of a coalition working to gain passage of the bond believe postponing voter consideration of the measure until the 2012 election will ensure successful passage. CalChamber issued a news release explaining that it is critical that the campaign has sufficient time and resources so that voters fully understand the issues at stake and the need for the bond (see story on Page 1).

  The CalChamber Board of Directors voted to oppose the measure because it would drive up costs and significantly undermine the ability of employers to protect the safety of all employees in the workplace.
  If this measure is approved, employers, including the State of California, would be faced with the burden of proving that an employee who tests positive for marijuana is “actually impaired” from performing the job before taking any adverse action against the employee.
  In addition, the CalChamber Board voted to oppose the act because it threatens state and federal contracts and grants.

  The CalChamber Board of Directors voted to support the measure because it is a critically important part of election reform, helping to make the congressional redistricting process more open, fair and transparent in addition to increasing competition in elections.
  This proposed act would extend the successful Proposition 11 provisions from 2008 to give the Citizens Redistricting Commission the additional authority to draw new boundaries for U.S. congressional districts in 2011.

● Proposition 21: Reform Prop 13 – Property Tax Relief — Support.
  The CalChamber Board of Directors voted to support the measure because it would protect investments in transportation projects that help generate economic activity and create jobs, and because it would keep the state from relying on short-term borrowing to fund continued deficit spending.
  This proposed initiative would revoke the state’s ability to borrow from local government property tax funds currently authorized by Proposition 1A of 2004 and prohibit the state from borrowing Proposition 42 funds (gas tax), which voters have dedicated to transportation and mass transit.

● Proposition 22: Local Taxpayer, Public Safety and Transportation Protection Act — Support.
  The CalChamber Board of Directors voted to support the measure because it would protect investments in transportation projects that help generate economic activity and create jobs, and because it would keep the state from relying on short-term borrowing to fund continued deficit spending.
  This proposed initiative would revoke the state’s ability to borrow from local government property tax funds currently authorized by Proposition 1A of 2004 and prohibit the state from borrowing Proposition 42 funds (gas tax), which voters have dedicated to transportation and mass transit.

  The CalChamber Board of Directors voted to support the measure because it would protect the critical educational accident and create jobs, and because it would keep the state from relying on short-term borrowing to fund continued deficit spending.
  This proposed initiative would revoke the state’s ability to borrow from local government property tax funds currently authorized by Proposition 1A of 2004 and prohibit the state from borrowing Proposition 42 funds (gas tax), which voters have dedicated to transportation and mass transit.

● Proposition 24: Repeal Corporate Tax Loopholes Act – Oppose.
  The CalChamber Board of Directors voted to oppose this proposal because it repeals recently enacted tax benefits, the elective single sales factor, net operating loss (NOL) carryback, and tax credit sharing. It would additionally repeal the recently enacted expansion of the NOL carryover from 10 to 20 years.

  The CalChamber Board of Directors voted to oppose this proposed measure because board members believe it will give the majority party too much power and eliminate the option of referendum for fees or fee increases that are part of a budget appropriation.
  Proposition 25 exempts the budget bill and other bills providing for appropriations related to the budget bill from the existing two-thirds vote requirement, and provide that those take effect immediately. Therefore, it permits tax hikes without a two-thirds vote if the increase is attached to a budget appropriation.

● Proposition 26: Stop Hidden Taxes Initiative – Support.
  The CalChamber Board of Directors voted to support this proposed measure because it closes a loophole in the law that allows the Legislature to raise, by a majority vote rather than the required two-thirds vote, taxes on products and services simply by calling them “fees” instead of “taxes.” (See story on Page 1.)

● Proposition 27: Eliminates State Commission on Redistricting – Oppose.
  The CalChamber Board of Directors voted to oppose this initiative because it overturns the California Voters First Act reform (Proposition 11 of 2008), which the CalChamber supported. Proposition 11 allows the voters to select their elected representatives.
  For more information on CalChamber ballot positions, visit www.calchamber.com/ballot.

No Positions Yet

The CalChamber has not yet taken positions on Proposition 21, which establishes an $18 annual vehicle license surcharge to help fund state parks and wildlife programs and grants free admission to all state parks for surcharged vehicles; and Proposition 23, which suspends implementation of AB 32, California’s greenhouse gas reduction law, until the state’s unemployment rate drops to 5.5 percent or less for four consecutive quarters.

More information on all ballot measures is available at www.ss.ca.gov.
Legislative Outlook

An update on the status of key legislation affecting businesses. Visit www.calchambervotes.com for more information, sample letters and updates on other legislation. Staff contacts listed below can be reached at (916) 444-6670. Address correspondence to legislators at the State Capitol, Sacramento, CA 95814. Be sure to include your company name and location on all correspondence.

Tax Bill Discouraging Investment in California Passes Assembly Committee

A California Chamber of Commerce-opposed “job killer” bill that creates uncertainty for California employers making long-term investment decisions in California passed an Assembly policy committee last week.

SB 1272 (Wolk; D-Davis) creates uncertainty for California employers making long-term investment decisions by requiring all future-enacted investment incentives to sunset after seven years.

The CalChamber opposes the bill because it would create uncertainty regarding long-term tax planning. When choosing to locate in a state, employers balance factors such as the availability of a skilled workforce, infrastructure, regulatory environment, tax structure, and whether they can rely on these factors to remain relatively stable and consistent in the long term.

For example, if a state currently has a skilled workforce, but high school dropout rates are escalating, it is unlikely that a skilled workforce will be available in the future. Similarly, businesses evaluate whether they can rely on the existence of current tax incentives 10 years from now.

There is no question that the state should consider the effectiveness of tax policies, as well as programmatic expenditures, to ensure that all budget-related items are cost-effective. A seven-year sunset on all tax credits, however, will have the adverse effect of creating uncertainty about the future of the state’s tax structure, discouraging investment in California when it is most needed.

Key Vote

SB 1272 passed the Assembly Revenue and Taxation Committee on a party-line vote of 6-3 on June 28:

Ayes: Portantino (D-La Cañada Flintridge), Beall (D-San Jose), C. Calderon (D-Montebello), Coto (D-San Jose), Fuentes (D-Sylmar), Gatto (D-Los Angeles.

Noes: DeVore (R-Irvine), Harkey (R-Dana Point), Nestande (R-Palm Desert).

Staff Contact: Mira Guertin

Job Creator Bill Boosting Construction Jobs Passes Assembly Committee

California Chamber of Commerce-supported job creator legislation that increases construction jobs passed the Assembly Judiciary Committee on June 29.

SB 1192 (Oropeza; D-Long Beach) provides a funding source for construction to improve infrastructure at California airports and creates a better travel environment for state business and tourism.

SB 1192 will help finance consolidated rental car outlets at Los Angeles International Airport, Bob Hope Airport (Burbank), Fresno Yosemite International Airport and San Diego International Airport.

By allowing airport operators the authority to access increased Consumer Facility Charges, SB 1192 will alleviate traffic congestion, saving travelers valuable time and reducing air pollution.

In addition, car rental agencies will be able to take advantage of common-use transportation systems and benefit from increased access provided to potential customers.

Key Vote

SB 1192 passed the Assembly Judiciary Committee on a vote of 7-2:

Ayes: Feuer (D-Los Angeles), Brownley (D-Santa Monica), Evans (D-Santa Rosa), Huffman (D-San Rafael), Jones (D-Sacramento), Monning (D-Carmel), Saldaña (D-San Diego).

Noes: Tran (R-Garden Grove), Hagman (R-Chino Hills).

Absent/abstaining/not voting: Knight (R-Antelope Valley).

Staff Contact: Mira Guertin
## 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 2, when the Legislature began a summer break with legislators on notice that they could be asked to return within 24 hours if a budget deal is reached.

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 the session on August 31.

September 30 is the last day for the Governor to sign or veto bills passed by the Legislature on or before September 1. The CalChamber will publish its final status report, showing the ultimate fate of priority bills sent to the Governor this year, in October.

Each fall, the CalChamber also 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 22.

Federal bills are marked with an *.

Status of bills as of July 2, 2010. 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 floor, unless action is stated.

<table>
<thead>
<tr>
<th>Subject — CalChamber Position</th>
<th>Status</th>
</tr>
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<tbody>
<tr>
<td><strong>Agriculture and Natural Resources</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Endangered Species.</strong> AB 2420 (Huffman; D-San Rafael) Increases costs to business and agriculture by imposing additional conditions on take permits under state law in regards to federal permits. Oppose.</td>
<td>Assembly Water, Parks and Wildlife 4/5/10; Failed Deadline</td>
</tr>
<tr>
<td><strong>Pesticides.</strong> AB 1721 (Swanson; D-Alameda) Increases costs to agriculture by unnecessarily limiting use of legally registered pesticides near schools. Oppose.</td>
<td>Assembly Agriculture 4/19/10; Failed Deadline</td>
</tr>
<tr>
<td><strong>California Endangered Species Act Experimental Populations.</strong> SB 1349 (Cogdill; R-Modesto) Conforms state law to federal law regarding experimental populations of endangered species. Support.</td>
<td>Passed Assembly Water, Parks and Wildlife 6/29/10</td>
</tr>
<tr>
<td><strong>Endangered Species.</strong> SB 1303 (Wolk; D-Davis) Aids agricultural production by eliminating the sunset provision allowing accidental take of an endangered species during normal agricultural practices. Support.</td>
<td>Passed Assembly Appropriations 6/30/10</td>
</tr>
<tr>
<td><strong>Ag Commodity Valuations.</strong> SB 1338 (Harman; R-Huntington Beach) Detours theft of certain agricultural commodities by setting their value at wholesale price which increases the crime to grand theft. Support.</td>
<td>Passed Assembly Public Safety 6/22/10</td>
</tr>
<tr>
<td><strong>Rural Crime.</strong> SB 1325 (Harman; R-Huntington Beach) Discourages theft of agricultural commodities and equipment by increasing the penalties for convictions. Support.</td>
<td>Failed Passage in Senate Public Safety 4/20/10; Failed Deadline</td>
</tr>
<tr>
<td><strong>Timber Harvest Plan.</strong> AB 2163 (Mendoza; D-Norwalk) Reduces costs to forestry companies by extending the lifespan of current timber harvest plans. Allows forestry companies flexibility to sell timber when the market improves. Support.</td>
<td>Passed Senate Natural Resources and Water 6/29/10</td>
</tr>
<tr>
<td><strong>Sea Level Rise.</strong> AB 2598 (Brownley; D-Santa Monica) Increases costs to businesses by requiring premature and likely redundant planning for sea level rise as it relates to climate change. Oppose.</td>
<td>Passed Senate Natural Resources and Water 6/29/10</td>
</tr>
<tr>
<td><strong>Recasts the Rigs to Reef Program.</strong> AB 2503 (J. Pérez; D-Los Angeles) Reduces costs to oil companies by leaving underwater decommissioned oil rigs in place to provide habitat for sea life. Support.</td>
<td>Passed Senate Natural Resources and Water 6/29/10</td>
</tr>
<tr>
<td><strong>Coastal Commission Enforcement.</strong> AB 226 (Ruskin; D-Redwood City) Creates a new bounty hunter provision in law and creates a conflict of interest by allowing the Coastal Commission to impose civil penalties and retain the money to augment its budget. Oppose.</td>
<td>Senate Inactive File 9/10/09</td>
</tr>
</tbody>
</table>
Coastal Development Permits. AB 291 (Saldaña; D-San Diego) Halts development in the coastal zone by refusing to grant permits to anyone who has any outstanding unresolved violations on property before the Coastal Commission. Guilty until proven innocent presumption. Oppose.

Forest Management. SB 144 (Pavley; D-Agoura Hills) Increases costs to forestland owners for converting to non-forestry land use. Unfairly targets conversion to pay for unfunded mandate for Forestry Department to develop global warming baselines. Oppose.

California-Only Food Labels. SB 562 (Florez; D-Shafter) Threatens marketplace stability by requiring a California-only label on products from animals treated with approved subtherapeutic antibiotics. Oppose.

Working Dogs. SB 250 (Florez; D-Shafter) Increases the cost of doing business for ranchers by limiting their ability to breed working dogs that herd and guard farm property. Oppose.

Banking/Finance

Delays Residential Construction Industry Recovery. AB 1639 (Nava; D-Santa Barbara) Hinders recovery of the residential construction industry by reducing credit availability due to the imposition of a mandatory mortgage mediation program, which will lead to increased delays in resolving delinquent loans. Oppose/Job Killer.

Delays Residential Construction Industry Recovery. SB 1275 (Leno; D-San Francisco) Hinders recovery of the residential construction industry by reducing the availability of credit due to delays in resolving delinquent loans by requiring lenders to determine a borrower’s eligibility for a loan modification prior to the filing of a notice of default. Oppose/Job Killer.

Reverse Mortgages. SB 660 (Wolk; D-Davis) Threatens to reduce the availability of beneficial financial products to seniors by imposing ambiguous new duties on lenders of reverse mortgages, exposing the industry to new and unnecessary legal liability. Oppose.

Deficiency Judgments. SB 1178 (Corbett; D-San Leandro) Promotes an increasing practice of borrowers who strategically default despite having the financial capacity to pay their mortgage, which will further delay economic recovery as excess inventory will depress property values and contribute to blighted communities. Oppose.

Mortgages: Notice of Sale. AB 2678 (Fuentes; D-Sylmar) Could further delay economic recovery while continuing the trend of reduced property tax revenue, and artificially sustain depressed property values by prohibiting a mortgage/trustee/beneficiary from giving a notice of sale if they are in negotiations with the borrower to modify the existing loan and further requiring that a new notice of sale be provided to the borrower if there is a postponement in a foreclosure sale. Oppose.

Loan Modification. AB 2024 (Blumenfield; D-San Fernando Valley) Requires a lender that rejects a loan modification to send a notification by certified mail to the borrower specifically detailing the reasons why they were rejected, which is an over-simplification of a complex process and ignores protocols for existing loan modification programs. The measure lacks specificity, which will lead to compliance hurdles and increased litigation. Oppose.

Property Appraisals. SB 1000 (Correa; D-Santa Ana) Requires lenders to accept appraisals from any properly licensed appraiser, which could result in poor lending decisions, ultimately affecting the safety and soundness of financial institutions. Oppose.

Mortgage Debt Forgiveness. AB 1779 (Niello; R-Fair Oaks) Gives financial relief to troubled borrowers by excluding debt forgiven by a lender from a borrower’s taxable income, in conformity with federal law. Support.

California Financial Literacy Fund. AB 2457 (Salas; D-Chula Vista) Establishes a financial literacy fund for public-private partnering to enhance financial literacy of California residents, potentially averting future financial problems for many of California’s families. Support.

Climate Change

Climate Change Tax Increase. AB 1405 (De León; D-Los Angeles) Increases costs and discourages job growth by granting the Air Resources Board broad authority to implement unlimited fees and taxes with little or no oversight. Oppose/Job Killer.
**Expedited Environmental Review.** AB 1846 (V. M. Pérez; D-Coachella) Streamlines the California Environmental Quality Act approval process for certain projects by allowing industries subject to compliance with greenhouse gas regulations under AB 32 to go through an expedited environmental review through a focused environmental impact report. Support/Job Creator.

**Supports Construction of Vital Projects.** SB 388 (Calderon; D-Montebello) Encourages job growth and support for renewable energy integration by authorizing priority reserve emission reduction credits vital for the construction of a power plant within the South Coast Air Basin. Support/Job Creator.

**Climate Change Adaptation Strategies: Sustainable Communities.** SB 1006 (Pavley; D-Agoura Hills) Fosters a no-growth mentality by prematurely providing data to local government and regional agencies on climate change adaptation strategies that could become the de facto blueprint for the planning and development of sustainable communities. Oppose.

**Increases Construction Jobs.** AB 2313 (Buchanan; D-Alamo) Before amendments, would have helped provide certainty and avoid unnecessary litigation by establishing a uniform, statewide threshold of significance for greenhouse gas emissions to be used in environmental analysis under the California Environmental Quality Act. Now just intent language. Support/Former Job Creator.

**Environmental Protection: Greenhouse Gas Emissions: Climate Action Team.** AB 2329 (Rusk; D-Redwood City) Unnecessarily codifies an Executive Branch working group known as the Climate Action Team permanently into state law, which severely limits the flexibility and usefulness of arrangements into the future. Oppose.

**State Air Resources Board: Regulation.** SB 1351 (Wright; D-Inglewood) Requires the State Air Resources Board (ARB) to provide appropriate implementation schedules and other notification requirements for regulations adopted by the ARB pursuant to AB 32. Support.

**Carbon Footprint Labeling.** AB 19 (Rusk; D-Redwood City) Disadvantages California business by requiring the ARB to develop and implement a program for the voluntary assessment, verification and standardized labeling of the carbon footprint of consumer products sold in this state. Oppose.

**State Air Resources Board: Dispute Resolution.** AB 2469 (B. Berryhill; R-Ceres) Ensures a transparent process of review by providing a process for settlement of disputes between regulated parties and the ARB through a dispute resolution process. Support.

**Prohibits Duplicative Greenhouse Gas Fees.** AB 2691 (Hall; D-Los Angeles) Addresses local overlapping of greenhouse gas emission fees by prohibiting entities from being assessed duplicative fees from multiple agencies for climate change programs to reduce greenhouse gas emissions. Support.

**Ensures Regulatory Review.** AB 2311 (Mendoza; D-Norwalk) Ensures oversight over the implementation of AB 32 regulations by requiring the ARB to conduct a thorough review of the Low Carbon Fuel Standard — revising compliance schedules based upon report findings. Support.

**Increases Energy Efficiency.** AB 1873 (Huffman; D-San Rafael) Makes it more attractive for local governments to offer Property Assessed Clean Energy (PACE) programs and lower the interest rate of loans to home and business owners for energy and water efficiency improvements. Support.

**Race to the Top.** SBX5 4 (Romero; D-East Los Angeles) In combination with SBX5 1, places California in the best position to meet federal Race to the Top competitive grant requirements and secure up to $700 million in federal funding by making comprehensive changes to the state’s education system in the areas of teacher and administrator evaluation, school reform, parental empowerment, and content standards. Support.

**Race to the Top.** SBX5 1 (Steinberg; D-Sacramento) In combination with SBX5 4, places California in the best position to meet federal Race to the Top competitive grant requirements and secure up to $700 million in federal funding by making comprehensive changes to the state’s education system in the areas of teacher and administrator evaluations, school reform, parental empowerment, and content standards. Support.

**Funding for Student Data Systems.** AB 2265 (Salas; D-Chula Vista) Helps ensure the California Longitudinal Pupil Achievement Data System is comprehensive by requiring the Department of Education to allocate funds to local educational agencies and direct-funding charter schools to help them participate in the program. Support.
High School Instruction: Course of Study. SB 381 (Wright; D-Inglewood) Sets back efforts to increase the number of students attending college by prohibiting districts from adopting graduation requirements that require additional coursework to meet admission standards for post-secondary education unless a district also adopts alternative graduation requirements designed to attain entry-level employment. Oppose.  

Community College Transfer Degrees. SB 1440 (Padilla; D-Pacoima) Provides community college students with support to complete their overall higher education pursuits by allowing individual community colleges to create transfer degree agreements with individual four-year universities. Support.  

Flexible Funding for Community Colleges. AB 2542 (Conway; R-Tulare) Allows up to five community colleges in the state to apply for relief from certain sections of the Education Code in exchange for meeting the requirements of an Accelerated Student Success College as defined in the bill. Support.  

Quality Teacher Retention. SB 955 (Huff; R-Diamond Bar) Helps keep the best teachers in our classrooms by making changes to laws governing layoff, dismissal and re-employment procedures for certificated teachers. Support.  

Elections and Fair Political Practices  

Limits Free Speech. AB 919 (Nava; D-Santa Barbara) Stifles business participation in the political process, increases frivolous litigation and interferes with shareholder dividends by placing significant administrative burdens on corporations to return to a shareholder that shareholder’s pro rata share of a political contribution to which the shareholder objects.  

Limits Free Speech. AB 2321 (Nava; D-Santa Barbara) Stifles business participation in the political process, increases frivolous litigation and interferes with shareholder dividends by placing significant administrative burdens on corporations to return to a shareholder that shareholder’s pro rata share of a political contribution to which the shareholder objects. Oppose.  


Energy  


Green Energy. AB 222 (Adams; R-Hesperia) Encourages new investment and job creation by allowing conversion of solid waste to energy at a biorefinery to count toward meeting the state’s renewable energy goals. Support/Job Creator.  

Streamlining Energy Oversight. AB 2561 (Villines; R-Clovis) Streamlines government by consolidating the state’s various commissions, divisions, authorities, offices and departments with responsibility for energy policy into a new California Department of Energy. Support.  

Streamlining Energy Oversight. AB 2769 (Committee on Utilities and Commerce) Provides oversight and accountability by requiring President of Public Utilities Commission to appear before Legislature to provide a full report and update of the commission’s annual work plan. Support.  

Economic Review of Energy Regulations. SB 988 (Huff; R-Diamond Bar) Brings sunshine to existing regulations and encourages agency action to improve regulations every five years by requiring a periodic review of energy regulations in the state. Support.  

Onorous Utility Restrictions. SB 1441 (Leno; D-San Francisco) Imposes onerous restrictions on business by prohibiting a utility from transferring money to its holding company unless approved by a two-thirds vote of the utility’s ratepayers. Oppose.  

Electrical Transmission Towers. AB 2662 (Hagman; R-Chino Hills) Disrupts and discourages renewable energy compliance by prohibiting the construction of transmission towers vital for the procurement of renewable energy and fulfillment of the Renewable Portfolio Standard (RPS) as required by law. Oppose.  


Failed Passage in Assembly Utilities and Commerce 4/20/10; Reconsideration granted; Failed Deadline.
## Environmental Regulation

### Expanded Waste Bureaucracy. AB 479 (Chesbro; D-North Coast) Exposes employers to new requirements that may be unworkable or not cost effective by giving government broad new authority to impose programs that achieve a statewide solid waste diversion rate of 75 percent by 2020. Oppose/Job Killer.

- Held in Senate Appropriations Suspense File 8/27/09

### Anti-Business Cost Increases. AB 846 (Torrico; D-Fremont) Significantly increases the cost of doing business in California by automatically adjusting maximum and minimum penalties upward according to inflation and by raising penalties even higher according to an arbitrary rounding scheme. Oppose/Job Killer.

- Failed Passage in Senate Governmental Organization 6/29/10; Reconsideration Granted

### Unworkable Mandate. AB 2138 (Chesbro; D-North Coast) Imposes new and costly mandates on California’s food service industry by imposing an unworkable framework aimed at reducing marine debris. Oppose/Job Killer.

- Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline

### Increases Construction Jobs. SB 1010 (Correa; D-Santa Ana) Facilitates job creation by giving a limited number of environmentally sound development projects protection from CEQA lawsuits. This benefit will allow projects that have met their CEQA requirements to break ground sooner, which will create badly needed jobs and spur economic growth. Support/Job Creator.

- Failed Passage in Senate Environmental Quality 4/5/10; Reconsideration granted; Failed Deadline

### Increases Construction Jobs. AB 1805 (C. Calderon; D-Montebello) Facilitates job creation by giving a limited number of environmentally sound development projects protection from CEQA lawsuits. This benefit will allow projects that have met their CEQA requirements to break ground sooner, which will create badly needed jobs and spur economic growth. Support/Job Creator.

- Assembly Natural Resources 4/20/10; Failed Deadline

### Increases Construction Jobs. SBX8 42 (Correa; D-Santa Ana) Facilitates job creation by giving a limited number of environmentally sound development projects protection from CEQA lawsuits. This benefit will allow projects that have met their CEQA requirements to break ground sooner, which will create badly needed jobs and spur economic growth. Support/Job Creator.

- Held in Senate Environmental Quality 2/24/10; Session Closed

### Increases Construction Jobs. ABX8 37 (C. Calderon; D-Montebello) Facilitates job creation by giving a limited number of environmentally sound development projects protection from CEQA lawsuits. This benefit will allow projects that have met their CEQA requirements to break ground sooner, which will create badly needed jobs and spur economic growth. Support/Job Creator.

- Died at Assembly Desk 3/11/10; Session Closed

### Consumer Products Information. SB 928 (Simitian; D-Palo Alto) Increases costs to consumers and creates a sometimes unworkable requirement for manufacturers, wholesalers and retailers of designated consumer products to list all substances in those products on an Internet website. Oppose.

- Passed Assembly Environmental Safety and Toxic Materials 6/29/10

### Commercial Recycling. AB 737 (Chesbro; D-North Coast) Before June 2 amendments, matched provisions of AB 479. Now prejudices work product of existing regulatory process by imposing its own commercial recycling mandate on California businesses. Fails to provide much-needed statewide exemptions for certain types of businesses/circumstances, creating a situation where different local jurisdictions may have different rules that do not account for the many legitimate problems that could arise for a business subject to a commercial recycling mandate. Oppose/Former Job Killer.

- Senate Appropriations 6/2/10

### Overlapping and Burdensome Government Regulation. AB 2139 (Chesbro; D-North Coast) Leads to increased cost for consumers and businesses by requiring producers of select products sold in California to collect their products after use by the consumer and manage the recycling and/or disposal of those products. Oppose.

- Failed Passage in Assembly 6/3/10

### Air Pollution Penalties. SB 1433 (Leno; D-San Francisco) Increases air pollution penalties by automatically adjusting them for inflation, which reduces the likelihood that periodic, comprehensive reviews of such laws will be conducted by the Legislature. Oppose.

- Passed Assembly Natural Resources 6/28/10

### Product Safety: Bisphenol A. SB 797 (Pavley; D-Agoura Hills) Circumvents the Green Chemistry Program where scientific experts assess the product by prohibiting the manufacture, sale or distribution of certain children’s products if they contain Bisphenol A in concentrations over 0.1 parts per billion and requires manufacturers to use the least toxic alternative when replacing Bisphenol A in accordance with this law. Oppose.

- Senate Unfinished Business 7/1/10

### Fire Retardant Ban. SB 772 (Leno; D-San Francisco) Seeks to circumvent science-based green chemistry process being developed at Department of Toxics Substance Control and changes fire safety standards for some children’s products in order to prohibit the use of certain fire retardants. Oppose.

- Assembly Appropriations 8/27/09
| **Product Labeling.** SB 1212 (Leno; D-San Francisco) | Leads to substantial consumer confusion by mandating an unwarranted “warning label” be posted on packaging, in instruction manuals and at point of sale for each wireless phone and hands-free device available for sale in California. Oppose. | Senate Inactive File 6/24/10 |
| **Flame Retardants.** SB 1291 (Leno; D-San Francisco) | Sets inappropriate precedent for state’s Green Chemistry Program by requiring Department of Toxic Substances Control (DTSC) to give special treatment to specific category of chemicals: those used or proposed to be used as flame retardants. Such a process ignores DTSC's existing obligation to prioritize the universe of chemicals and products so its finite resources can be used most efficiently to protect human health/environment. Oppose. | Senate Inactive File 6/24/10 |
| **Solid Waste.** SB 25 (Padilla; D-Pacoima) | Imposes costly mandate on local government/business by increasing statewide target for solid waste diversion to 75 percent by an unspecified date. Provides additional authority to California Integrated Waste Management Board to achieve that goal. Oppose. | Assembly Agriculture 6/21/10 |
| **Product Labeling.** AB 2256 (Huffman; D-San Rafael) | Establishes flushable labeling standards in statute which are unnecessary, duplicative and would not achieve the bill’s intended results. Oppose. | Senate Business 6/28/10 |
| **Regulatory Reform.** AB 2259 (Fuentes; D-Sylmar) | Helps to ensure, through the creation of an external peer review process, that state agencies are accurately evaluating the impacts that new regulations have on the economy and jobs. Support. | Senate Business 6/23/10 |
| **Regulatory Reform.** AB 2299 (Blakeslee; R-San Luis Obispo) | Helps to ensure, through the creation of an external peer review process, that the California Air Resources Board (ARB) is accurately evaluating the secondary impacts of new rules and regulations, including the impacts on the economy, California jobs, and subsequently the state’s General Fund. Support. | Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline |
| **Air Discharges.** SB 1224 (Wright; D-Inglewood) | Helps businesses comply with environmental regulations by providing a new level of consistency to California’s odor nuisance law. Support. | Passed Assembly Natural Resources 6/21/10 |
| **Regulatory Reform.** SB 960 (Dutton; R-Rancho Cucamonga) | Provides oversight and accountability by requiring a thorough economic analysis of costly regulations proposed by the California Air Resources Board. Report conducted by the Office of Administrative Law (OAL) will focus on a cost benefit analysis and the technological feasibility of a regulation. Support. | Failed Passage in Senate Environmental Quality 4/5/10; Reconsideration granted; Failed Deadline |
| **Regulatory Reform.** SBX8 50 (Dutton; R-Rancho Cucamonga) | Requires the Legislative Analyst’s Office to do an economic review of major regulations promulgated by ARB. Support. | Senate Rules 2/12/10; Session Closed |

**Health**

| **Inappropriate Price Control.** AB 2578 (Jones; D-Sacramento) | Reduces health care choices, access and quality by creating additional bureaucracy to impose price controls on health insurance policies while failing to address the major cost drivers of rising medical costs. Oppose/Job Killer. | Passed Senate Health 6/23/10 |
| **Government-Run Health Care.** SB 810 (Leno; D-San Francisco) | Creates a new government-run, multibillion-dollar socialized health care system supported by an unspecified “premium structure” that would conflict with recently enacted federal health care reform. Oppose/Job Killer. | Passed Assembly Health 6/29/10 |
| **Increases Premiums.** SB 1200 (Leno; D-San Francisco) | Increases premiums by requiring health plans to provide reimbursement for school-based medical care. Oppose. | Passed Assembly Health 6/22/10 |
| **Health Insurance Litigation.** AB 2470 (De La Torre; D-South Gate) | Drives up the cost of health care premiums and goes beyond federal health care reform by establishing litigation as the only meaningful approach to resolving disputes over canceled coverage. Oppose. | Passed Senate Judiciary 6/29/10 |
| **Increased Costs.** SB 961 (Wright; D-Inglewood) | Increases health care premiums by limiting co-payments for one type of pharmaceutical: orally administered anti-cancer medications. Oppose. | Passed Assembly Health 6/22/10 |
| **Increased Costs.** SB 220 (Yee; D-San Francisco) | Increases health care premiums by requiring health plans and insurers to cover counseling, prescriptions and over-the-counter treatments for smoking cessation, while prohibiting any co-pay, deductible or other cost sharing. Oppose. | Passed Assembly Health 6/22/10 |
| **Increased Costs.** SB 1104 (Cedillo; D-Los Angeles) | Increases health care premiums by mandating coverage for diabetes-related complications. Oppose. | Held in Senate Appropriations Suspense File 5/27/10; Failed Deadline |
### Increased Costs: Mandated Expanded Mental Health Coverage. AB 1600 (Beall; D-San Jose)
Increases health care premiums by mandating that health plans and insurers provide parity coverage for an expanded list of approximately 400 mental disorders. Oppose.
- Passed Senate Health 6/23/10

### Increased Costs. AB 2170 (B. Lowenthal; D-Long Beach)
Undermines cost controls for pharmaceutical drug use, potentially leading to higher premiums for health coverage by prohibiting plans from altering enrollee’s out-of-pocket costs for prescription drugs during contract year. Oppose.
- Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline

### Increased Costs. AB 1826 (Huffman; D-San Rafael)
Eliminates current cost controls and unravels consumer protections in the use of prescription pain medicines by eliminating the practice of step therapy. Oppose.
- Passed Senate Health 6/30/10

### Increased Costs. AB 2110 (De La Torre; D-South Gate)
Potentially drives up the cost of health care premiums by providing health insurance coverage for 50 days while premiums go unpaid. Oppose.
- Passed Senate Health 6/30/10

### Increased Costs: Mandated Maternity Services Benefits Coverage. AB 1825 (De La Torre; D-South Gate)
Increases health insurance premiums and increases the ranks of the uninsured by mandating that all health insurance policies provide maternity coverage. Oppose.
- Passed Senate Health 6/23/10

### Curbs Illegal Drug Manufacturing. AB 1455 (Hill; D-San Mateo)
Seeks to curb illegal manufacture of methamphetamine by making it more difficult to purchase pseudoephedrine (PSE). Implements statewide electronic tracking program in retail outlets that monitors all California over-the-counter PSE purchases in real time to prevent purchases beyond limits established by federal law. Support.
- Held in Senate Judiciary 6/29/10

### Unreasonable Prescription Requirement. SB 484 (Wright; D-Inglewood)
Increases cost of health care coverage for everyone by forcing individuals to obtain prescription for products now available without a prescription. Oppose.
- Assembly Appropriations 6/30/09

### Health Expenses Tax Deductions. AB 2041 (Villines; R-Fresno)
Enteres individuals to a state tax deduction for contributions to a health savings account (HSA) in conformity with federal tax law, allowing individuals to save tax-free dollars to pay for near-term medical expenses and save for future longer-term medical costs. Support.
- Assembly Revenue and Taxation 5/12/10

### Health Expenses Tax Deductions. SBX6 13 (Dutton; R-Rancho Cucamonga)
Enteres individuals to a state tax deduction for contributions to a health savings account (HSA) in conformity with federal tax law, allowing individuals to save tax-free dollars to pay for near-term medical expenses and save for future longer-term medical costs. Support.
- Senate Revenue and Taxation Suspense File 5/13/10

### Limited Choice and Increased Costs. AB 786 (Jones; D-Sacramento)
Leads to higher premiums by creating a new government bureaucracy, new administrative burdens on health plans, and eliminating some lower-priced plans. Oppose.
- Senate Inactive File 9/8/09

### Reduced Medical Services. SB 316 (Alquist; D-Santa Clara)
Before amendments, would have imposed an arbitrary 85 percent medical loss ratio on health plans leading to potentially less service to plan subscribers rather than more, and eliminating low-cost products. After amendments, removes medical loss ratio language and instead expands certain disclosures. No Position.
- Passed Senate 1/28/10

### Housing and Land Use

#### Building Standards. AB 1693 (Ma; D-San Francisco)
Raises compliance levels for state building codes and reduces cost to state when adopting new codes by increasing amount of time available for education and training for new building standards prior to those standards taking effect. Support.
- Passed Senate Transportation and Housing 6/15/10

#### California Environmental Quality Act (CEQA). SB 476 (Correa; D-Santa Ana)
Helps speed economic recovery by clarifying the duration of the public comment period for non-compliance challenges as part of the CEQA environmental review process. Support.
- Assembly Natural Resources 5/28/09

#### Construction Delays. AB 602 (Feuer; D-Los Angeles)
Threatens construction industry jobs by eliminating the statute of limitations in actions challenging the sufficiency of a housing element, allowing for challenges to be brought years after a housing element is adopted. Oppose.
- Passed Senate Transportation and Housing 6/29/10

#### Homebuyer Tax Credit. AB 765 (Caballero; D-Salinas)
Allows new home purchasers to reserve already-available tax credit earlier in homebuying process. Originally encouraged recovery in residential housing market by extending duration/raising funding cap of already-successful economic stimulus program offering homebuyers $10,000 personal income tax credit for new home purchases. Support.
- Senate Inactive File 9/9/09
### Mobilehome Rent Control

**AB 761 (C. Calderon; D-Montebello)** Provides vacancy decontrol relief to mobilehome parks by allowing rents, upon vacancy, to gradually reach market levels. Support.  
*Failed Passage in Senate Judiciary 6/29/10; Reconsideration Granted*

### Industrial Safety and Health

**Unjustified Citations. AB 2774 (Committee on Labor and Employment)** This overly expansive definition will lead to an increase in Cal/OSHA citations against employers classified as serious that are now and should continue to be classified as general. A serious citation carries significant financial implications so should therefore be issued only where warranted. Oppose Unless Amended.  
*Passed Senate Labor and Industrial Relations 6/23/10*

**Pre-empts Regulatory Process. SB 477 (Florez; D-Shafter)** Needlessly pre-empts the flexible and responsive Cal/OSHA process for developing amendments to existing regulations to prevent heat illness in outdoor work environments. Oppose.  
*Passed Assembly Labor and Employment 6/23/10*

### International Relations/Trade

**Human Trafficking. SB 657 (Steinberg; D-Sacramento)** Inappropriately creates a situation where companies are publicly identified for “failing” to address issues they are powerless to address. Oppose.  
*Passed Assembly Judiciary 6/29/10*

**Slave and Sweat-Free Code of Conduct. SB 1231 (Corbett; D-San Leandro)** Creates costly, unreasonable burden on companies that contract with state by requiring them to track entire supply chain of manufactured products/products used in public works projects, down to raw materials. Oppose.  
*Passed Assembly Business, Professions and Consumer Protection 6/29/10*

**Public Contracts and Investment Activities. AB 1650 (Feuer; D-Los Angeles)** Potentially results in California private and public sector being unable to access financial markets and jeopardizes government’s ability to manage its financial affairs by requiring those who wish to contract with government to certify they are not engaged directly or indirectly in the energy sector in Iran without a point of reference. Oppose Unless Amended.  
*Passed Senate Governmental Organization 6/29/10*

**State Point of Contact. AB 2443 (V. M. Pérez; D-Couchella)** Requires state point of contact to share executive branch correspondence with U.S. Trade Representative with Legislature. Amendments will ensure correspondence to Legislature is given after the fact, to ensure Governor is not hampered by the Legislature on trade issues. No Position.  
*Passed Senate Business, Professions and Economic Development 6/28/10*

**U.S.-Colombia Free Trade Agreement (FTA). AJR 27 (Torrico; D-Fremont)** Assembly Joint Resolution opposing U.S.-Colombia FTA would cast FTA/Colombia in unproductive light if it were to pass. Colombia is important trading partner and partner in stopping drug trafficking. Oppose.  
*Passed Assembly 6/21/10*

**U.S.-Colombia Free Trade Agreement.** A bilateral free trade agreement that will lower tariffs and foster increased trade between both countries. The agreement also will increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere. Support.  
*Pending Congressional Action*

**U.S.-Korea Free Trade Agreement.** A bilateral free trade agreement that will lower tariffs and foster increased trade between both countries and is a critical element of the U.S. strategy to liberalize trade through multilateral, regional and bilateral initiatives. Support.  
*Pending Congressional Action*

**U.S.-Panama Free Trade Agreement.** A bilateral free trade agreement that will lower tariffs and foster increased trade between both countries. The agreement also will increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere. Support.  
*Pending Congressional Action*

### Labor and Employment

**Expanded Employer Liability. AB 2187 (Arambula; I-Fresno)** Creates a significant disincentive to locate jobs and operations in California by potentially criminalizing almost any legitimate wage dispute with a terminated employee that takes longer than 90 days to resolve. Oppose/Job Killer.  
*Passed Senate Labor and Industrial Relations 6/23/10*

**Expanded Employer Liability. AB 482 (Mendoza; D-Norwalk)** Increases potential liability exposure for hiring decisions by unduly restricting the ability of businesses to use consumer credit reports as part of the background check process. Oppose/Job Killer.  
*Passed Senate Judiciary 6/29/10*
**Increased Agricultural Costs.** SB 1474 (Steinberg; D-Sacramento) Undermines the process that now guarantees, through secret-ballot elections, a fair vote and the expression of agricultural employees’ true sentiments on the selection of a collective bargaining representative. This act will hurt California’s businesses by driving up costs, making employers less competitive in a global market. Oppose/Job Killer.

**Harms California Farms and Farm Workers.** SB 1121 (Florez; D-Shafter) Places farms at a competitive disadvantage, increases cost of doing business for California farmers, and reduces available resources to invest in workers and farms by removing overtime exemption for agricultural employees. Oppose/Job Killer.

**Flexible Work Schedules.** SB 1335 (Cox; R-Fair Oaks) Provides a simplified, voluntary way for establishing flexible work schedules, creating a win-win-win for employees, employers and the environment by promoting better work-life balance, improved workplace productivity and retention, and reduced traffic and greenhouse gases. Sponsor/Co-Sponsor/Job Creator.

**Employment Training.** AB 1804 (Hagman; R-Chino Hills) Helps California stay competitive by ensuring that employer-generated funds for the Employment Training Panel that are diverted by the state to other programs are repaid within three years and thereby remain available to train employees for businesses that are locating or expanding in California, as well as those that are retraining employees to make California operations more viable. Support/Job Creator.

**Meal Period Clarification.** SBX8 70 (Dutton; R-Rancho Cucamonga) Reduces unnecessary litigation costs for employers by providing clarity and guidance for complying with meal period laws by clarifying how employees take meal breaks, enter into on-duty meal period agreements, and revising the timeframe for recovering penalties. Support.

**Flexible Work Schedules.** SBX8 66 (Cox; R-Fair Oaks) Helps employees and employers achieve greater flexibility in work schedules by allowing workers to request and employers to mutually agree to a four-day 40-hour workweek without the payment of overtime. Support.

**Litigation Settlement Transparency.** SB 989 (Hollingsworth; R-Murrieta) Requires reporting of settlements under Private Attorneys General Act (PAGA) to help ensure appropriate payments are made to the state. Support.

**Increased Penalties.** AB 1881 (Monning; D-Carmel) Unreasonably expands employer liability by doubling liquidated damages in minimum wage claims in court. Oppose.

**Expansion of Leave Requirements.** AB 2340 (Monning; D-Carmel) Potentially makes the management of overlapping leave requests unfeasible or unfair and could create staffing shortages that temporarily halt operations by requiring every employer to provide every employee with up to three days of unpaid bereavement leave per year. Oppose.

**Expansion of Leave Requirements.** SB 1304 (DeSaulnier; D-Concord) Potentially makes the management of overlapping leave requests unfeasible or unfair and creates staffing shortages that temporarily halt operations by requiring employers to provide paid leave of up to 30 days for organ donations and five days for bone marrow donations. Oppose.

**Unfair Advantage.** AB 1853 (Huffman; D-San Rafael) Creates an unfair advantage for certain contractors and subcontractors in the bidding process and increases costs to government by providing a bid preference for public works contracts for employers that provide and document credible health care coverage, which disadvantages employers who cannot afford health care coverage. Oppose.

**Final Pay Provision.** AB 2424 (Niello; R-Fair Oaks) Provides clarification for when final payment is due to a discharged employee. Support.

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**Legal Reform and Protection**

**Undermines Judicial Discretion.** AB 2773 (Swanson; D-Alameda) Unreasonably increases business litigation costs by removing judicial discretion to reduce or eliminate exorbitant legal fees in fair employment and housing cases. Oppose/Job Killer.

**Interferes with Contractual Agreements.** AB 1680 (Saldaña; D-San Diego) Burdens businesses with unnecessary litigation costs and slows down resolution of disputes by prohibiting enforcement of voluntary arbitration agreements if someone is being sued for a hate crime. Oppose/Job Killer.
<table>
<thead>
<tr>
<th>Bill</th>
<th>Status/Reconsideration</th>
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<tbody>
<tr>
<td><strong>Interferes with Business-to-Business Contract Rights.</strong> AB 2490 (Jones; D-Sacramento) Limits the freedom of sophisticated businesses to include forum-selection and choice-of-law provisions in contracts governing workers’ compensation claims. Oppose.</td>
<td>Passed Senate Judiciary 6/29/10</td>
</tr>
<tr>
<td><strong>Increased Liability for Social Networking Sites.</strong> SB 1361 (Corbett; D-San Leandro) Puts minors at greater risk of online predation by undermining self-policing mechanisms currently employed by social networking sites. Oppose.</td>
<td>Failed Passage in Assembly Arts 6/28/10; Reconsideration Granted</td>
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<tr>
<td><strong>Unworkable State Contract Framework.</strong> SB 1249 (Ducheny; D-San Diego) Requires that state entities award contracts based on a “best value” determination that includes consideration of a number of non-substantive factors, including workers’ compensation and whether the goods and services used to fulfill the contract would be provided by California businesses. Oppose.</td>
<td>Assembly Business, Professions and Consumer Protection 6/28/10</td>
</tr>
<tr>
<td><strong>Expedited Jury Trials.</strong> AB 2284 (Evans; D-Santa Rosa) Establishes new alternative to full-length jury trials, allowing individuals/organizations in California to resolve disputes efficiently and effectively, improving state’s legal climate and encouraging companies to expand/invest here. Support.</td>
<td>Passed Senate Judiciary 6/29/10</td>
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<tr>
<td><strong>Authorizes Fishing Expeditions Against Business.</strong> SB 1168 (Cedillo; D-Los Angeles) Allows the Los Angeles City Attorney’s Office to convene misdemeanor criminal grand jury investigations against employers, rather than having to file felony charges to justify such an investigation. Oppose.</td>
<td>Failed Passage in Assembly Public Safety 6/29/10</td>
</tr>
<tr>
<td><strong>Rental Car Damage Waivers.</strong> AB 1731 (Tran; R-Costa Mesa) Allows rental car companies to price damage waivers more appropriately, without eliminating affordable coverage for California consumers. Support.</td>
<td>Failed Passage in Senate Judiciary 6/29/10</td>
</tr>
<tr>
<td><strong>Class Action Reform.</strong> AB 2588 (A. Strickland; R-Thousand Oaks) Reforms state law governing class action suits to make it more fair and equitable. Support.</td>
<td>Failed Passage in Assembly Judiciary 5/4/10; Reconsideration Granted; Failed Deadline</td>
</tr>
<tr>
<td><strong>Reasonable Limits on Civil Damage Awards.</strong> AB 2740 (Niello; R-Fair Oaks) Prevents excessive damage award in product liability cases by capping punitive damages in product liability cases to three times the amount of the compensatory damages, prohibiting punitive damages in cases where the government approved the product at issue, and capping non-economic damages in civil cases at $250,000. Support.</td>
<td>Failed Passage in Assembly Judiciary 5/4/10; Reconsideration Granted; Failed Deadline</td>
</tr>
<tr>
<td><strong>Reasonable Limits on Seller Liability.</strong> SB 1017 (Huff; R-Diamond Bar) Protects “innocent sellers” from liability for consequential damages to a buyer in an action for breach of warranty alleging that a product is defective. Support.</td>
<td>Senate Judiciary 2/18/10; Failed Deadline</td>
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<tr>
<td><strong>Establishes Reasonable Interest Rate for Judgments.</strong> SB 1117 (Walters; R-Laguna Niguel) Establishes a new formula for calculating pre- and post-judgment interest. Support.</td>
<td>Failed Passage in Senate Judiciary 4/20/10; Reconsideration Granted; Failed Deadline</td>
</tr>
<tr>
<td><strong>Reasonable Limits on Seller Liability.</strong> SBX8 69 (Huff; R-Diamond Bar) Protects “innocent sellers” from liability for consequential damages to a buyer in an action for breach of warranty alleging that a product is defective. Support.</td>
<td>Failed Passage in Senate Judiciary 2/25/10; Session Closed</td>
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<tr>
<td><strong>Extends Liability Protection.</strong> SB 1281 (Padilla; D-Pacoima) Extends current liability protection extended to facilities that install AEDs (defibrillators) and removes certain training requirements that have proven to be unnecessary. Support.</td>
<td>Failed Passage in Senate Judiciary 5/5/10; Failed Deadline</td>
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**Local Government**

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<thead>
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<th>Bill</th>
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<tr>
<td><strong>Local Government Bankruptcies.</strong> AB 155 (Mendoza; D-Norwalk) Allows local governments to file for federal bankruptcy protection only after getting approval from California Debt and Investment Advisory Commission, thus delaying assistance from the bankruptcy courts and putting pressure on the local government to raise fees and taxes to continue services. Oppose.</td>
<td>Senate Inactive File 6/14/10</td>
</tr>
<tr>
<td><strong>California-Only Contract Requirements.</strong> AB 1953 (Salas; D-Chula Vista) Adds protectionism language into law by requiring cities and counties to consider jobs in California when contracting for services. Oppose.</td>
<td>Assembly Local Government 4/20/10; Failed Deadline</td>
</tr>
</tbody>
</table>
### Other/Miscellaneous

<table>
<thead>
<tr>
<th><strong>Retail Restrictions.</strong> SB 603 (Padilla; D-Pacoima) Severe restrictions restrict retailers from growing their businesses in California by limiting the sale of a legal product in a legal venue. Oppose.</th>
<th>Assembly Governmental Organization 7/8/09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ban on Sport Drinks.</strong> SB 1255 (Padilla; D-Pacoima) Limits choice of beverages sold on school campuses. Demonizes certain beverages over others. Oppose.</td>
<td>Passed Assembly Health 6/29/10</td>
</tr>
<tr>
<td><strong>Food Safety Training.</strong> SB 602 (Padilla; D-Pacoima) Industry-supported regulation requiring food handlers in restaurants to be trained and certified in basic food safety. Support.</td>
<td>Passed Assembly Appropriations 6/30/10</td>
</tr>
<tr>
<td><strong>Encourages Efficiencies within CalWORKS.</strong> AB 1642 (Beall; D-San Jose) Introduces new efficiencies to CalWORKS programs by eliminating the quarterly reporting requirement and implementing a semi-annual reporting period. Support.</td>
<td>Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline</td>
</tr>
<tr>
<td><strong>Encourages Economic Responsibility.</strong> SB 954 (Harman; R-Huntington Beach) Requires an economic review of all bills with a fiscal impact of $10,000-$50,000. Support.</td>
<td>Senate Rules 2/18/10; Failed Deadline</td>
</tr>
<tr>
<td><strong>Encourages Economic Responsibility.</strong> SBX8 60 (Harman; R-Huntington Beach) Creates an economic impact committee to review all bills before the state Legislature to determine whether the state as a whole can afford any new proposal. Support.</td>
<td>Held in Senate Rules 5/10/10; Session Closed</td>
</tr>
</tbody>
</table>

### Privacy and Confidentiality

| **New Liability for Hiring Decisions.** AB 2727 (Bradford; D-Gardena) Increases potential liability exposure for hiring decisions by restricting the ability of employers to make their decision based on a job applicant’s criminal conviction. Oppose/Job Killer. | Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline |
| **Gift Certificates: Redemption.** SB 885 (Corbett; D-San Leandro) Imposes new burdensome and infeasible regulations on businesses that provide gift cards to consumers. Oppose. | Passed Assembly Business, Professions and Consumer Protection 6/22/10 |
| **Limits Marketing.** AB 2112 (Monning; D-Carmel) Prohibits a person from knowingly disclosing or using records containing prescription information that contains personally identifying information for marketing purposes. Oppose. | Assembly Health 4/13/10; Failed Deadline |
| **Victim’s Compensation.** SB 1087 (Alquist; D-Santa Clara) Requires persons convicted of identity theft to pay restitution to victims for cost of credit monitoring for a reasonable time and for economic losses. Support. | To Governor |
| **Disclosures Requirement.** SB 909 (Wright; D-Inglewood) Before amendments, would have imposed additional requirements on investigative consumer reporting agencies compiling information derived overseas or reports being transmitted overseas. Now requires agencies to disclose on its primary Internet website that some information may be handled overseas. Neutral. | Passed Assembly Judiciary 6/22/10 |

### Small Business

| **Restricts Business Options.** SB 967 (Correa; D-Santa Ana) Limits choice and drives up prices for consumers and for state and local government by providing a preference to bidders who commit that 90 percent of the work will be performed by California employees. Oppose/Job Killer. | Passed Assembly Business, Professions and Consumer Protection 6/29/10 |
| **Expanding Small Business Opportunity.** AB 1771 (Mendoza; D-Norwalk) Helps promote new opportunities and business for small businesses and saves the state money by allowing state departments to award contracts of less than $25,000 for goods or services by certified microbusinesses, small businesses or Disabled Veteran Business Enterprises (DVBES) without seeking an exemption of the Prison Industry Authority (PIA) mandate if they are able to make the product for less than the PIA. Support/Job Creator. | Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline |
| **Regulation Review.** AB 1833 (Logue; R-Linda) Helps ensure that the economics of new and existing regulations are carefully considered by requiring certain agencies and boards to do more detailed analyses before action is taken to adopt, amend or appeal a regulation. Support. | Failed Passage in Assembly Business and Professions 4/6/10; Failed Deadline |
**Small Business Impact Analysis.** SB 356 (Wright; D-Inglewood) Clarifies who can obtain a judicial declaration as to the validity of specified regulations or orders of repeal, by bringing an action for declaratory relief. Before amendments, would have improved the small business climate in California by reforming the regulatory development process to include a specific small business economic impact analysis and other provisions that mitigate the cost of regulation to small business. No Position/Former Job Creator.

### Taxation

**Unreasonable and Duplicative Tax Penalties for Employers.** AB 2498 (Skinner; D-Berkeley) Establishes a tax amnesty program related to “abusive tax avoidance transactions” along with severe penalties that could harm innocent taxpayers, as well as unfairly restrict the rights of attorneys and tax professionals to practice their professions. Oppose/Job Killer.

**Creates Employer Tax Credit Uncertainty.** SB 1391 (Yee; D-San Francisco) Eliminates the incentive effect of future-enacted tax credits by requiring employers to repay the state for credits claimed in years where their businesses experience a net loss of employees, whether or not the reduction of employees was connected to the effectiveness of the credit. Oppose/Job Killer.

**Undermines Taxpayer Rights.** SB 1113 (Wolk; D-Davis) Makes it more costly and difficult for taxpayers to fight meritorious disputes and gives the Franchise Tax Board (FTB) the upper hand by allowing FTB to request a new court trial of tax cases it loses at the administrative level. Oppose/Job Killer.

**Discourages Investments.** AB 2171 (C. Calderon; D-Montebello) Creates substantial uncertainty for employers and discourages future investment in the state by effectively creating an annual sunset for all investment incentives, including tax credits, deductions and exemptions, and caps how much can be claimed each year. Oppose/Job Killer.

**Higher Employer Property Taxes.** AB 2492 (Ammiano; D-San Francisco) Undermines Proposition 13 protections and could result in higher property taxes for small businesses by creating an arbitrary and unfair standard for determining that a business property has changed ownership and needs to be reassessed. Oppose/Job Killer.

**Undermines Economic Development.** SB 974 (Steinberg; D-Sacramento) Threatens California’s economy and economic recovery by effectively gutting the California Enterprise Zone (EZ) program hiring tax credit and in turn increasing employer taxes in order to fund a new education tax credit. Oppose/Job Killer.

**Discourages Business Growth in California.** AB 1935 (De León; D-Los Angeles) Raises taxes for many companies with significant investments of property and payroll in California by making the single sales factor apportionment method mandatory. Oppose/Job Killer.

**Discourages Business Growth in California.** SBX6 18 (Steinberg; D-Sacramento) Raises taxes for many out-of-state companies that have significant investments of property and payroll in California by making the single sales factor apportionment method mandatory. Oppose/Job Killer.

**Creates Inequity in the Tax Structure.** AB 1936 (De León; D-Los Angeles) Harms struggling small businesses and start-ups by repealing the net operating loss (NOL) carry back deduction, a lifeline that helps employers stay afloat, retain employees and continue investing in their businesses in an economic downturn. Oppose/Job Killer.

**Employer Tax Increase.** SB 1316 (Romero; D-East Los Angeles) Makes it more costly and difficult for taxpayers to fight meritorious disputes and gives the Franchise Tax Board (FTB) the upper hand by allowing FTB to request a new court trial of tax cases it loses at the administrative level. Oppose/Job Killer.

**Discourages Investments.** AB 2641 (Arambula; I-Fresno) Creates uncertainty for California employers making long-term investment decisions by requiring all future-enacted investment incentives to sunset after five years, and eliminating existing incentives that provide no “measurable benefit” without defining how that benefit would be measured. Oppose/Job Killer.

**Discourages Investment.** SB 1272 (Wolk; D-Davis) Creates uncertainty for California employers making long-term investment decisions by requiring all future-enacted investment incentives to sunset after seven years. Oppose/Job Killer.
### Discourages Investments

**Discourages Investments.** ACA 6 (C. Calderon; D-Montebello) Discourages investments in jobs and operations by imposing an automatic sunset of seven years on any new or extended tax credit, exemption or deduction. Oppose/Job Killer.  
Assembly Third Reading File 8/31/09

### Increased Tax Burden

**Increased Tax Burden.** AB 1836 (Furutani; D-South Los Angeles County) Harms small businesses, many of whom pay taxes under the personal income tax system, by imposing another temporary personal income tax increase on top of the existing personal income tax increase that was passed in last year’s budget. Oppose/Job Killer.  
Held in Assembly Revenue and Taxation Suspense File 5/10/10

### Gas Price Increase

**Gas Price Increase.** AB 656 (Torrico; D-Fremont) Increases gas prices and dependence on foreign oil by targeting the oil industry for a tax on only oil extracted in California, in addition to other taxes not levied in other states. Oppose/Job Killer.  
Senate Education 6/22/10

**Gas Price Increase.** AB 1604 (Nava; D-Santa Barbara) Increases gas prices and dependence on foreign oil by targeting the oil industry for a tax on only oil extracted in California, in addition to other taxes not levied in other states. Oppose/Job Killer.  
Assembly Revenue and Taxation 5/13/10

**Gas Price Increase.** ABX6 1 (Nava; D-Santa Barbara) Increases gas prices and dependence on foreign oil by targeting the oil industry for a tax on only oil extracted in California, in addition to other taxes not levied in other states. Oppose/Job Killer.  
Assembly Print 10/26/09

### Targeted Tax Increase/Flawed Budget Philosophy

**Targeted Tax Increase/Flawed Budget Philosophy.** AB 2100 (Coto; D-San Jose) Threatens jobs in beverage, retail and restaurant industries by arbitrarily and unfairly targeting certain beverages for a new tax in order to fund obesity-prevention programs and services. Oppose/Job Killer.  
Assembly Revenue and Taxation 5/13/10

**Targeted Tax Increase/Flawed Budget Philosophy.** SB 1210 (Florez; D-Shafter) Threatens jobs in beverage, retail and restaurant industries by arbitrarily and unfairly targeting certain beverages for a new tax in order to fund obesity-prevention programs and services. Oppose/Job Killer.  
Senate Revenue and Taxation Suspense File 5/13/10

**Targeted Tax Increase/Flawed Budget Philosophy.** ACA 22 (Torlakson; D-Contra Costa) Exacerbates state budget problems and harms tobacco industry by unfairly targeting it for a new cigarette tax, a declining revenue source, to fund new government spending programs. Oppose/Job Killer.  
Assembly Governmental Organization 4/23/09

### Removes Onerous Tax Burden

**Removes Onerous Tax Burden.** AB 697 (C. Calderon; D-Montebello) Relieves employers of an onerous, costly tax burden by prospectively repealing an unfair, strict liability tax penalty that applies even to reasonable tax disputes, that was enacted as part of the September 2008 budget. Support/Job Creator.  
Senate Revenue and Taxation Suspense File 7/8/09

**Removes Onerous Tax Burden.** SBX6 6 (Holingsworth; R-Murrieta) Relieves employers of an onerous, costly tax burden by prospectively repealing an unfair, strict liability tax penalty that applies even to reasonable tax disputes, that was enacted as part of the September 2008 budget. Support/Job Creator.  
Failed Passage in Senate Revenue and Taxation 5/12/10; Reconsideration Granted

**Removes Onerous Tax Burden.** AB 2725 (Nestande; R-Palm Desert) Relieves employers of an onerous, costly tax burden by prospectively repealing an unfair, strict liability tax penalty that applies even to reasonable tax disputes, that was enacted as part of the September 2008 budget. Support.  
Held in Assembly Revenue and Taxation Suspense File 4/19/10; Failed Deadline.

### New Tax Penalty

**New Tax Penalty.** SBX8 32 (Wolk; D-Davis) Reduces complexity and waste in tax reporting and administration by conforming many California tax provisions to recent changes in federal tax law, but is harmful to the business community because it also includes a harsh, unfair new penalty on taxpayers. Oppose.  
Vetoed

### Simplifies Tax Code/Federal Conformity

**Simplifies Tax Code/Federal Conformity.** SB 401 (Wolk; D-Davis) Reduces complexity and waste in tax reporting and administration by conforming many California tax provisions to recent changes in federal tax law and includes a conformity provision that gives financial relief to troubled borrowers by excluding debt forgiven by a lender from a borrower’s taxable income. Support.  
Chapter 14

### Budget Bill

**Budget Bill.** ABX 8 (Committee on Budget) Among other things, hurts California’s small businesses and high-tech jobs by encouraging out-of-state retailers to advertise and sell with affiliates in other states to avoid collecting our use tax and unfairly penalizes tax-compliant taxpayers by creating a new penalty that is so broad and vague it would penalize legitimate tax liability management. Oppose.  
Assembly Rules 2/22/10; Session Closed

### Burdensome Reporting Mandates for Internet Retailers

**Burdensome Reporting Mandates for Internet Retailers.** AB 2078 (C. Calderon; D-Montebello) Grants the Board of Equalization broad authority to request reports from anyone with information about use tax that is owed by a California consumer, and requires out-of-state retailers to file quarterly reports with the board with specific information about California consumer purchases. Oppose.  
Passed Senate Revenue and Taxation 7/1/10
Targeted Tax Increase/Flawed Budget Philosophy. AB 1694 (Beall; D-San Jose) Harms alcohol industry by proposing targeted tax increases on wine, beer and spirits in order to fund alcohol-related services. Oppose.

Failed Passage in Assembly Health 3/23/10; Reconsideration Granted; Failed Deadline

Stigmatizes Employers Using Tax Incentives. AB 1694 (Beall; D-San Jose) Harms alcohol industry by proposing targeted tax increases on wine, beer and spirits in order to fund alcohol-related services. Oppose.

Passed Senate Revenue and Taxation 6/23/10

Stigmatizes Employers Using Tax Incentives. AB 2666 (Skinner; D-Berkeley) Creates duplicative and burdensome new reporting requirements for California employers, and would stigmatize them for taking advantage of investment incentives by requiring the Franchise Tax Board to provide their private tax information in a searchable online database. Oppose.

Passed Senate Revenue and Taxation 6/23/10

Stigmatizes Employers Using Tax Incentives. AB 2230 (C. Calderon; D-Montebello) Stigmatizes California employers that take advantage of investment incentives by making private taxpayer information for the 100 largest publicly traded corporations in the state available on the Franchise Tax Board website. Oppose.

Assembly Inactive File 6/3/10; Failed Deadline

Stigmatizes Employers Using Tax Incentives. SBX6 19 (Florez; D-Shafter) Stigmatizes California employers for taking advantage of investment incentives by requiring the Franchise Tax Board to provide related private tax information in a searchable online database. Oppose.

Passed Senate Revenue and Taxation 6/23/10

Taxpayer Protection in Board of Equalization Proceedings. AB 2195 (Silva; R-Huntington Beach) Increases burden of proof for Board of Equalization to clear and convincing evidence standard for intent to evade fraud penalties. Support.

Passed Senate Revenue and Taxation 6/23/10

Costly New Tax Increases. AB 2113 (Evans; D-Santa Rosa) Could create costly, tremendous new administrative burdens for the state and employers and result in potential tax increases at a time when both the state and employers are short on revenue, by authorizing for the first time in state history as many as 58 counties to impose a patchwork of local personal income taxes and vehicle license fees with the approval of a majority of voters. Oppose.

Assembly Local Government 4/7/10; Failed Deadline

Equitable Administration of Interest by Board of Equalization. SB 1028 (Correa; D-Santa Ana) Provides taxpayer fairness by allowing Board of Equalization to compute interest due on a monthly basis when equitable. Support.

Passed Assembly Revenue and Taxation 6/28/10

Undermines Taxpayer Privacy. SB 1036 (Cedillo; D-Los Angeles) Expands local government access to tax information to third parties. Oppose.

Failed Passage in Assembly Revenue and Taxation 6/28/10; Reconsideration Granted

Use Tax Registration Fix for Small Businesses. SB 884 (Ashburn; R-Bakersfield) Provides temporary relief to small businesses that are struggling to comply with the use tax registration requirement enacted last July to help improve use tax collection efforts. Support.

Passed Senate Revenue and Taxation 7/1/10

Use Tax Registration Fix for Small Businesses. SB 1110 (Runner; R-Antelope Valley) Provides temporary relief to small businesses that are struggling to comply with the use tax registration requirement enacted last July to help improve use tax collection efforts. Support.

Senate Revenue and Taxation 4/20/10

Tax Exemption for Federal Energy Grants. AB 1705 (V. M. Pérez; D-Coachella) Provides tax benefit to taxpayers who receive federal grants for certain energy-savings equipment by conforming California law to federal law to exclude grant income from taxes. Support.

Held in Assembly Revenue and Taxation Suspense File 5/10/10

Telecommunications

Imposes Mandates on Private Contracts. SB 920 (Yee; D-San Francisco) Imposes inappropriate mandates on private contracts between two businesses and adds burdensome regulations to the white and yellow pages industry. Oppose.

Senate Inactive File 6/14/10

Implements Protectionist Measures. AB 2690 (De La Torre; D-South Gate) Unreasonably restricts the use of commercial call centers outside of the state, limiting choices and driving up prices for consumers and for the state. Oppose.

Failed Passage in Assembly Utilities and Commerce 5/3/10; Reconsideration Granted; Failed Deadline
### Tourism

**Increases Construction Jobs.** SB 1192 (Oropeza; D-Long Beach) Creates construction jobs building travel infrastructure and creates a better travel environment for state business and tourism. Support/Job Creator.  
Passed Assembly Judiciary 6/29/10

**Increases Business Liability.** AB 1652 (Jones; D-Sacramento) Places substantial burdens on California ski resorts and opens them up to significant increased liability by requiring them to make their safety plans available to the public or publish them on the resort’s website. Oppose.  
Passed Senate Health 6/30/10

**Legal Burden for Rental Car Companies.** AB 2059 (C. Calderon; D-Montebello) Before amendments, would have required car rental companies to accept service of process for international renters who purchase supplemental liability coverage, and to notify them of service at the rental company’s expense. Neutral.  
Passed Senate Judiciary 6/22/10

### Transportation and Infrastructure

**Port Infrastructure Investments.** AB 2687 (Bradford; D-Gardena) Promotes job development in ports and surrounding areas by allowing ports to receive tax credits for their investments in infrastructure and environmental improvement projects. Support.  
Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline

**County Design-Build.** SB 879 (Cox; R-Fair Oaks) Makes local public works projects more efficient, less costly, and puts jobs on the ground more quickly by extending the sunset for design-build authorization for counties. Support.  
Passed Assembly Local Government 6/16/10

**Health Care District Design-Build.** SB 1005 (Cox; R-Fair Oaks) Makes the construction and retrofit of public hospitals more efficient, less costly and puts jobs on the ground more quickly by authorizing health care districts to use design-build public contracting. Support.  
Passed Assembly Local Government 6/16/10

**Protectionist Language in High-Speed Rail Authority.** AB 619 (Blumenfield; D-San Fernando Valley) Increases the cost of the high-speed rail system and chances for delays by requiring companies bidding for contracts to certify they were not involved in the Holocaust. Oppose.  
Passed Senate Transportation and Housing 6/29/10

**State-Level Passenger Bill of Rights.** SB 1264 (Leno; D-San Francisco) Creates a confusing patchwork of state and federal laws by establishing a state-level passenger bill of rights that would be pre-empted by federal laws and court cases. Oppose.  
Senate Inactive File 6/24/10

**Equipment Performance Standards.** AB 2738 (Niello; R-Fair Oaks) Directs state regulators to set performance standards rather than mandate the use of specific technologies, equipment, actions or procedures. Support.  
Passed Senate Governmental Organization 6/22/10

**Infrastructure Bank: Local Assistance Programs.** AB 2518 (V. M. Pérez; D-Coachella) Supports the economy of small and rural communities by authorizing the California Infrastructure Bank to create local assistance programs to help these communities find financing for local infrastructure projects. Support.  
Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline

**Gas Tax Swap.** ABX8 6 (Committee on Budget) Authorization for metropolitan planning organizations to raise taxes and suspension of unitary tax credit and NOL tax credit has been removed. Increases diesel sales tax on some industries. Oppose.  
Chapter 11

**Gas Tax Swap.** SBX8 6 (Committee on Budget and Fiscal Review) Implements the gas tax swap, authorizes metropolitan planning organizations to enact taxes and suspends the implementation of two tax credits: the NOL and unitary tax. Oppose.  
Senate Unfinished Business 2/23/10; Session Closed

**Engineering Firms.** SB 1008 (Padilla; D-Pacoima) Allows engineering and land surveying firms to organize as a limited liability partnership (LLP). This gives them more flexibility to grow and to create more specialty partnerships that will boost project delivery options. Support.  
Passed Assembly Judiciary 6/29/10

**Continuation of C-17 Production.** SJR 29 (Wright; D-Inglewood) Urges U.S. government to extend C-17 production in Long Beach. Support.  
Passed Assembly Jobs, Economic Development and the Economy 6/22/10

**National Freight Policy.** SJR 33 (A. Lowenthal; D-Long Beach) Urges the U.S. Congress to create a national freight policy as a component of the next federal transportation bill, which will promote improved investment in the national and international supply chains. Support.  
Passed Senate Transportation and Housing 6/29/10
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<thead>
<tr>
<th>Bill Number</th>
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<tr>
<td>AB 2620</td>
<td>Diversion of Local Transportation Funds</td>
<td>Passed Senate Transportation and Housing 6/29/10</td>
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<tr>
<td>SB 1438</td>
<td>Suspension of Regulations</td>
<td>Senate Labor and Industrial Relations 4/12/10; Failed Deadline</td>
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<tr>
<td>AB 2030</td>
<td>Increased Unemployment Insurance Costs</td>
<td>Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline</td>
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<td>SB 968</td>
<td>Costly Program Expansion</td>
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<td>AB 1827</td>
<td>Increased Costs to Unemployment Insurance Administrator</td>
<td>Passed Senate Labor and Industrial Relations 6/23/10</td>
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<tr>
<td>AB 857</td>
<td>Increased Costs to Unemployment Insurance Administrator</td>
<td>Held in Senate Appropriations Suspense File 8/27/09</td>
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<td>AB 2058</td>
<td>California Training Benefits Program</td>
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<td>AB 1594</td>
<td>Water Supply and Quality</td>
<td>Held in Assembly Water, Parks and Wildlife 4/27/10; Failed Deadline</td>
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<td>SB 565</td>
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<tr>
<td>AB 2049</td>
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<td>AB 2776</td>
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<td>Passed Senate Natural Resources and Water 6/29/10</td>
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<tr>
<td>AB 2595</td>
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<td>Passed Senate Environmental Quality 6/28/10</td>
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<td>SB 1284</td>
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<tr>
<td>AB 2304</td>
<td>Property Rights</td>
<td>Passed Senate Natural Resources and Water 6/22/10</td>
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<tr>
<td>AB 2336</td>
<td>Invasive Species Investigation</td>
<td>Held in Senate Natural Resources and Water 6/29/10</td>
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</table>
**CEQA Exemption.** AB 1704 (Jeffries; R-Lake Elsinore) Encourages the use of recycled water by exempting installation of underground pipelines that carry recycled water beneath public rights of way from CEQA. Support.  
Failed Passage in Assembly Natural Resources 4/19/10; Failed Deadline

**Water Conservation.** SB 261 (Dutton; R-Rancho Cucamonga) Requires ag and urban water suppliers to have and implement a water use efficiency and conservation plan to meet the goal of reducing water consumption by 20 percent by 2020. Support.  
Assembly Appropriations Suspense File 8/19/09

**Water Conservation.** AB 300 (Caballero; D-Salinas) Promotes greater water use reductions in new subdivisions by encouraging voluntary water conservation measures in new homes. Measures must be permanently attached to building. Support.  
Senate Natural Resources and Water 7/7/09

**Water Conservation.** AB 49 (Feuer; D-Los Angeles) Implements mandatory water conservation and water use efficiency programs detrimental to business and agriculture. Oppose.  
Assembly Inactive File 1/27/10

**Workers’ Compensation**

**Increased Workers’ Compensation Costs.** AB 1994 (Skinner; D-Berkeley) Inappropriately increases costs to employers by expanding workers’ compensation presumptions into the private sector for the first time by allowing hospital workers to be eligible for various presumptions including H1N1, MRSA, and other diseases and injuries. Oppose/Job Killer.  
Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline

**Utilization Review.** AB 933 (Fong; D-Cupertino) Increases the cost of performing utilization review (UR) on medical treatment requests by requiring all doctors who make UR decisions to be licensed in California. Oppose.  
Passed Senate Labor and Industrial Relations 6/23/10

**Increased Workers’ Compensation Costs.** AB 2253 (Coto; D-San Jose) Drives up workers’ compensation costs for public sector employers and creates pressure to apply similar presumptions to the private sector by giving public safety employees an extended timeframe to file for the cancer presumption from 60 months, or five years, to 120 months, or 10 years, after the termination of employment. Oppose.  
Passed Senate Labor and Industrial Relations 6/23/10

**Workers’ Compensation Apportionment.** SB 145 (DeSaulnier; D-Concord) Erodes recent workers’ compensation reforms and leads to higher premiums for California employers by undercutting fair and reasonable provisions in current law that protect an employer from paying for disability that was not caused by a workplace accident. Oppose.  
Assembly Inactive File 7/13/09

**Group Self-Insurance Audits.** SB 683 (R. Calderon; D-Montebello) Increases transparency by requiring a group self-insurer to annually file with the Division of Workers’ Compensation an annual audit of financial ad claim information by an independent third-party CPA and prohibits the information from specific individual members from being made public. Oppose Unless Amended.  
Assembly Insurance 7/8/09

**Increased Workers’ Compensation Costs.** AB 2269 (Adams; R-Hesperia) Increases the state’s workers’ compensation costs and increases pressure to apply the presumption to the private sector by extending heart trouble presumptions to certain employees of the Department of Corrections who work in state hospitals. Oppose.  
Held in Assembly Appropriations Suspense File 5/28/10; Failed Deadline

**Temporary Disability Benefits Extension.** AB 1603 (Solorio; D-Anaheim) Harms employers by extending temporary disability benefits between permanent and stationary and employment offer. Oppose.  
Assembly Insurance 5/5/10; Failed Deadline

**Workers’ Compensation Coverage.** SB 1254 (Leno; D-San Francisco) Authorizes the state to issue stop order to a contractor that does not have workers’ compensation coverage. Support.  
Assembly Appropriations Suspense File 6/30/10

**Increased Pharmacy Costs.** AB 2593 (Bradford; D-Gardena) Delinks pharmacy services from Medicare and gets reimbursement to average wholesale price minus 17 percent. Oppose.  
Assembly Insurance 5/5/10; Failed Deadline

**Streamlined Medicare Claims Resolution.** AJR 42 (Solorio; D-Anaheim) Allows parties to more quickly settle claims involving Medicare beneficiaries by providing them important information about potential Medicare Secondary Payer claims, and allowing them to more quickly, and with finality, settle claims they may have against third parties. Support.  
Passed Assembly 6/24/10

**Compounding Drugs Limitations.** AB 2779 (Solorio; D-Santa Ana) Lowers pharmaceutical costs in the workers’ compensation system by addressing the abuse of medical and billing practices in regards to the compounding of drugs. Support.  
Senate Banking, Finance and Insurance 6/30/10
This summer you are required to provide training to avoid on-the-job heat illness.

Summer’s here and your company may face a liability that rises with the temperature. Cal/OSHA requires heat illness prevention for all California outdoor workers. This includes providing access to drinking water, shade and training for preventing, recognizing and treating heat illness to everyone working outside. Don’t take a chance with the heat. Prevent injuries, fines and lawsuits with our Heat Illness Prevention Kit.

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