



Board of Directors Meeting  
Tuesday, April 4, 2017, 8:00 a.m. – 9:45 a.m.  
Torrance Area Chamber of Commerce  
2300 Crenshaw Blvd. Building B  
Torrance, CA 90501  
Dan Hoffman, Chairman

1. Welcome Dan Hoffman, Chair
  - a. Flag Salute
2. Self-Introductions and Sign-In All Participants
3. Approval of Minutes Janice Webb, Secretary
4. Government Affairs Report PEAR Strategies
  - a. SB 1 (Beall) Transportation funding
  - b. SB 17 (Hernandez) Health care: prescription drug costs
  - c. SB 346 (Glazer) Computer science strategic implementation plan
  - d. SB 540 (Roth) Workforce Housing Opportunity Zone
  - e. AB 912 (Obernolte) Small business: California Small Business Regulatory Fairness Act
  - f. AB 1326 (Cooper) Theft: aggregate valuation
  - g. AB 1645 -1649 (Muratsuchi)
  - h. LAX Landside Access Modernization Program (LAMP)
5. Office Holders, Administrative Agencies and Community Partners- *Please limit your reports to no more than 3 minutes.*
  - a. U.S. Chamber of Commerce- Jennings Imel
  - b. League of Cities- Jeff Kiernan
  - c. Los Angeles Air Force Base- Carla L. Rosepryor
  - d. Base Retention Advisory Council- Michael Jackson

- e. South Bay WIB- Chris Cagle
  - f. South Bay Council of Governments- Hon. Britt Huff
  - g. Office of Congresswoman Waters- Blanca Jimenez
  - h. Office of Congresswoman Barragan
  - i. Office of Congressman Lieu- Nicholas Rodriguez
  - j. Office of Senator Allen- Sam Liu
  - k. Office of Senator Bradford- Nital Patel
  - l. Office of Senator Lara- Tonya Martin
  - m. Office of Assemblymember Burke- Robert Pullen-Miles
  - n. Office of Assemblymember Gipson- Chris Wilson
  - o. Office of Assemblymember Muratsuchi- Andrew DeBlock
  - p. Office of Assemblymember O'Donnell- Allison Gallaher
  - q. Office of Supervisor Hahn- Hon. Mark Waronek
6. [Officeholder representatives, non-chamber members, and guests are respectfully asked to leave the meeting at this point]
7. Chair's Report Dan Hoffman
8. Financial Report George Kivett, Treasurer
9. Committee Reports
10. Announcements All
- a. Special thanks to the Torrance Area Chamber of Commerce for hosting us

## SB 1 (Beall) Transportation funding

### Recommended Action

Support

### Background

In 2010, the Legislature enacted two “fuel tax swap” measures that changed the imposition and rates of state taxes on gasoline and diesel fuel, ABx8 6, (Committee on Budget, 2010) and SB 70 (Committee on Budget and Fiscal Review, 2010). These provisions were re-enacted in 2011 by AB 105 (Committee on Budget, 2011) following the passage of Proposition 26. As part of the fuel tax swap, retail sales of gasoline are exempt from the state’s General Fund sales tax rate. The fuel tax swap also increased the sales and use tax rate on retail diesel fuel sales and purchases to offset the loss from the diesel fuel excise tax rate reduction. The amount to offset the loss must be revenue neutral.

SB 1 is the third measure Senator Beall has brought forward in recent years to address the transportation funding shortfall California is facing. Specifically, the state faces a \$59 billion shortfall over the next 10 years to adequately maintain the existing state highway system. Local governments have estimated the funding shortfall for maintaining existing local streets, highways and bridges is \$78 billion over the same time. Without sufficient funding, the shortfall will only grow.

The 2017-2018 legislative session commenced with three separate transportation funding proposals. In addition to SB 1, AB 1 (Frazier) aims to address the state’s unmet transportation funding need, but proposes a 0.5% lower sales and use tax on diesel fuel. AB 1 is estimated to raise \$6 billion yearly. Additionally, in his 2017-2018 budget proposal, the Governor introduced a transportation funding plan projected to generate approximately \$4.2 billion each year. Primarily, the Governor’s plan raises revenues through an annual road improvement charge of \$65, an adjustment of the gasoline tax by ending the fuel tax swap, and an \$0.11 increase in the diesel excise tax.

### Summary

Senate Bill 1 establishes the Road Maintenance and Rehabilitation Program and requires all revenues from the imposed taxes and fees to be deposited in the newly created Road Maintenance and Rehabilitation Account (RMRA). The bill specifies:

- The gasoline and diesel fuel excise tax rates.
- Vehicle license and registration fee increases.
- Allocation of revenues.

SB 1 provides 25 million drivers with smoother, safer, stronger bridges and roads; a reliable transportation system that can withstand natural disasters. Businesses will benefit from improved transportation corridors that will cut down their shipping costs and bring more Pacific Rim tonnage through California ports, making them indispensable in a highly competitive race with Pacific Northwest ports. And, the bill pumps more funding into mass transit. The bill begins the process of repairs now — 87 percent of California’s roads are rated in fair or poor condition — avoiding wasted billions spent in higher costs for deferred maintenance.

These proposals provide comprehensive transportation reform and a funding package that picks up where we left off at the end of the special session and gives this legislature an opportunity for early action.

These proposals would create more than 500,000 jobs. There may be no better way to stimulate our economy than making the roads we and our children rely on safe again.

### Status

Date	Action
03/30/17	From committee with author's amendments. Read second time and amended. Re-referred to Com. on APPR.
03/30/17	Set for hearing April 3.
03/08/17	From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 1. Page 327.) (March 8). Re-referred to Com. on APPR.
03/01/17	Set for hearing March 8.
02/28/17	March 1 hearing postponed by committee.
02/24/17	Set for hearing March 1.
02/22/17	From committee: Do pass and re-refer to Com. on GOV. & F. (Ayes 4. Noes 2. Page 253.) (February 22). Re-referred to Com. on GOV. & F.
02/16/17	Set for hearing February 22.
02/15/17	From committee: Do pass and re-refer to Com. on EQ. (Ayes 8. Noes 3. Page 192.) (February 14). Re-referred to Com. on EQ.
02/03/17	Set for hearing February 14.
02/02/17	Re-referred to Coms. on T. & H., EQ., and GOV. & F.
01/26/17	From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.
01/26/17	Referred to Com. on RLS.
12/06/16	From printer. May be acted upon on or after January 5.
12/05/16	(Corrected December 6).
12/05/16	Introduced. Read first time. To Com. on RLS. for assignment. To print.

### Fiscal Impact

SB 1 imposes the following tax increases beginning July 1, 2017:

- A \$0.12 per gallon excise tax on gasoline staggered over three years. Specifically, an additional \$0.06 in the first year, and an additional \$0.03 in the second and third years;

- An additional price based gasoline excise tax of \$0.075;
- A \$0.20 per gallon excise tax on diesel fuel, and;
- A 4% increase of the sales and use surtax on diesel fuel.

## **SUPPORT**

Alameda Corridor-East Construction Authority; Alameda County Transportation Commission; Alameda-Contra Costa Transit District; American Council of Engineering Companies California; American Heart Association; American Stroke Association; American Subcontractors Association California, Inc.; Associated General Contractors; Associated General Contractors, San Diego Chapter; Association of Monterey Bay Area Governments; Bay Area Council; C.A. Rasmussen, Inc.; Caliagua; California Alliance For Jobs; California Asphalt Pavement Association; California Association of Councils of Governments/Self Help Counties Coalition; California Association of Professional Employees; California Chapters of the National Electric Contractors Association; California Construction and Industrial Materials; California Professional Firefighters; California State Association of Counties; California State Council of Laborers; California Teamsters Public Affairs Council; California Transit Association; California Transportation Commission; Caterpillar, Inc.; Cities Association of Santa Clara County; City of American Canyon; City of Arcata; City of Arroyo Grande; City of Azusa; City of Belvedere; City of Brentwood; City of Brisbane; City of Carpinteria; City of Cathedral City; City of Ceres; City of Cerritos; City of Chino; City of Colton; City of Concord; City of Crescent City; City of Culver City; City of Cupertino; City of Daly City; City of Davis; City of Del Mar; City of Diamond Bar; City of Dinuba; City of Dublin; City of El Centro; City of El Cerrito; City of Fort Bragg; City of Fremont; City of Goleta; City of Gonzales; City of Gustine; City of Hayward; City of Hercules; City of Hollister; City of Indio; City of La Mirada; City of Lafayette; City of Laguna Beach; City of Lakeport; City of Lakewood; City of Lemoore; City of Livermore; City of Lodi; City of Lompoc; City of Menifee; City of Mill Valley; City of Modesto; City of Monterey; City of Moorpark; City of Morro Bay; City of Mountain View; City of Novato; City of Ontario; City of Orland; City of Pacific Grove; City of Palos Verdes Estates; City of Pico Rivera; City of Pismo Beach; City of Point Arena; City of Pomona; City of Rancho Cucamonga; City of Riverbank; City of Rohnert Park; City of Sacramento; City of Salinas; City of San Carlos; City of San Gabriel; City of San Jose; City of San Leandro; City of San Luis Obispo; City of Santa Barbara; City of Santa Cruz; City of Santa Maria; City of Santa Monica; City of Santa Paula; City of Sausalito; City of Scotts Valley; City of Sebastopol; City of Stockton; City of Temecula; City of Thousand Oaks; City of Tulare; City of Turlock; City of Ukiah; City of Vallejo; City of Vernon; City of Walnut Creek; City of Waterford; City of Watsonville; City of Williams; City of Woodland; City of Yreka; City/County Association of Governments of San Mateo County; County of Alameda Board of Supervisors; County of Alameda's Personnel, Administration and Legislation Committee; County of Amador Board of Supervisors; Council of San Benito County Governments; County of Alpine Board of Supervisors; County of Del Norte Board of Supervisors; County of Glenn Board of Supervisors; County of Humboldt Board of Supervisors; County of Imperial Board of Supervisors; County of Inyo Board of Supervisors; County of Los Angeles Board of Supervisors; County of Marin Board of Supervisors; County of Mariposa Board of Supervisors; County of Monterey Board of Supervisors; County of Napa Board of Supervisors; County of Nevada Board of Supervisors; County of Riverside Board of Supervisors; County of Sacramento Board of Supervisors; County of Santa Barbara Board of Supervisors; County of Santa Clara Board of Supervisors; County of Santa Cruz Board of Supervisors; County of Solano Board of Supervisors; County of Sonoma Board of Supervisors; County of Yolo Board of Supervisors; County of Yuba Board of Supervisors; East Bay Leadership Council; FEHR & PEERS; Fix Our Roads Coalition; Flasher Barricade Association; Gateway Cities Council of Governments; General Engineering

Contractors; Gold Coast Transit District; Golden Empire Transit District in Bakersfield; Golden State Gateway Coalition; Granite Construction Incorporated; Humboldt County Association of Governments; International Longshore and Warehouse Union; International Longshore and Warehouse Union Local 13, Local 63, Local 94; Lake County/City Area Planning Council; League of California Cities; Los Angeles Area Chamber of Commerce; Los Angeles County Business Federation; Los Angeles County Division of the League of California Cities; Los Angeles County Metropolitan Transportation Authority Board of Directors; Marin County Council of Mayors and Councilmembers.

## **OPPOSITION**

A to Z Families for Safe Streets; Albany Strollers & Rollers; American Lung Association in California; Amigos de Los Rios; Asian Pacific Environmental Network; Automobile Club of Southern California; Bike East Bay; Bike San Gabriel Valley; Bike Santa Cruz County; Bike SLO County; Brightline Defense; California Bicycle Coalition; California Environmental Justice Alliance; California League of Conservation Voters; California Pan- Ethnic Health Network; California Walks; Campaign for Sensible Transportation; Capital Region Organizing Project; Catholic Charities, Diocese of Stockton; Center for Climate Change and Health; Center for Community Action & Environmental Justice; Center for Environmental Health; Central California Asthma Collaborative; Centro la Familia; ChangeLab Solutions; Circulate San Diego; City Heights Community Development Corp.; Climate Action Campaign; Climate Resolve; ClimatePlan; Coalition for Clean Air; Coalition for Sustainable Transportation; Cultiva la Salud; East Yard Communities for Environmental Justice; Environmental Council of Sacramento; Environmental Health Coalition; Gamaliel of California; Genesis; Housing Leadership Council of San Mateo County; Howard Jarvis Taxpayers Association; Investing in Place; Justice Overcoming Boundaries; Leadership Counsel for Justice & Accountability; Los Angeles County Bicycle Coalition; Los Angeles Walks; Marin County Bicycle Coalition; Mission: Pedestrian; Move LA; Natural Resources Defense Council; North Bay Organizing Project; Pathways to Right-of-Way's Inc.; Planning & Conservation League; PolicyLink; Prevention Institute; Public Advocates Inc.; Rails-to-Trails Conservancy; Redwood Community Action Agency; Regional Asthma Management and Prevention; Safe Routes to School National Partnership; San Diego County Bicycle Coalition; San Francisco Bicycle Coalition; San Francisco Transit Riders; Santa Barbara Bicycle Coalition; Sequoia Riverlands Trust; Shasta Living Streets; Sierra Club California; Sonoma County Bicycle Coalition; Sunflower Alliance; The Arc of California; The Greenlining Institute; The Trust For Public Land; TransForm; Urban Habitat; Valley LEAP; Walk & Bike Mendocino; Walk Long Beach; Walk Oakland Bike Oakland; Walk San Francisco; WALKSacramento

## SB 17 (Hernandez) Health care: prescription drug costs

### Recommended Action

Support

### Background

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care (DMHC) and makes a willful violation of the act a crime. Health care service plans and health insurers to file specified rate information with DMHC or DOI, as applicable, for health care service plan contracts or health insurance policies in the individual or small group markets and for health care service plan contracts and health insurance policies in the large group market.

### Summary

- Requires drug manufacturer to notify purchasers, at least 90 days prior to the planned effective date, if it will be increasing the wholesale acquisition cost of a prescription drug by 10% for drugs priced above Medicare's specialty drug threshold (\$600/month) and 25% for drugs priced below that threshold.
- Requires manufacturers to provide specified information related to price increase to OSHPD, such as a description of factors that led to the decision to increase drug's price, information on the marketing budget for the drug and patient assistance programs, and documentation of increased clinical efficacy of the drug, if any.
- Requires drug manufacturers to report, within 3 days of commercial availability, to OSHPD if it is introducing a prescription drug to market priced above Medicare's specialty drug threshold
- Requires manufacturers to provide specified information related to the new drug's price to OSHPD within 30 days of that notification, such as the marketing and pricing plans used in the launch of the new drug, the estimated volume of patients that may be prescribed the drug, and any documentation showing increased efficacy of the drug compared to existing treatments.

### Status

Last 5 History Actions	
Date	Action
03/14/17	From committee with author's amendments. Read second time and amended. Re-referred to Com. on

<b>Last 5 History Actions</b>	
<b>Date</b>	<b>Action</b>
	RLS.
01/12/17	Referred to Com. on RLS.
12/06/16	From printer. May be acted upon on or after January 5.
12/05/16	Introduced. Read first time. To Com. on RLS. for assignment. To print.



## SB 346 (Glazer) Computer science strategic implementation plan

### Recommended Action

Support

### Background

Existing law requires the Superintendent of Public Instruction to appoint a statewide computer science liaison within the State Department of Education to serve the computer science strategic implementation advisory panel, as provided.

This bill would repeal that provision.

### Summary

**Increases Access to Computer Science.** Promotes a coordinated effort by schools to offer computer science as part of their curriculum by requiring the California Department of Education to develop and the State Board of Education to consider adopting a plan to make the curriculum available in every school.

The computer science strategic implementation plan ensures that computer science is taught in all California schools. Studying computer science prepares students for careers in a large variety of sectors by teaching them valuable computational and critical thinking skills, and by allowing them to create new technologies rather than simply using them. The subject is applicable to careers in manufacturing, healthcare, retail, the arts, financial services, agriculture and more. According to Code.org, in California alone, there are currently 68,352 open computing jobs.

SB 346 seeks to address the technical issues in the statutory language and allows for the proper establishment and function of the computer science strategic implementation panel and plan. This measure will help move California schools forward in a coordinated fashion to achieve the important goal of making computer science curriculum available in every school.

### Status

Last 5 History Actions	
Date	Action
03/20/17	From committee with author's amendments. Read second time and amended. Re-referred to Com. on ED.
03/07/17	Set for hearing March 22.
02/23/17	Referred to Com. on ED.
02/15/17	From printer. May be acted upon on or after March 17.
02/14/17	Introduced. Read first time. To Com. on RLS. for assignment. To print.

## SB 540 (Roth) Workforce Housing Opportunity Zone

### Recommended Action

Support

### Background

The Planning and Zoning Law requires a city or county to adopt a general plan for land use development within its boundaries that includes, among other things, a housing element. Existing law provides for various reforms and incentives intended to facilitate and expedite the construction of affordable housing.

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment.

### Summary

SB 540 aims to streamline housing approvals and construction. One challenge local developers face is complying with the California Environmental Quality Act (CEQA), which can be a lengthy process that creates delays and uncertainty. Under SB 540, cities and counties could identify priority housing areas within a community where enhanced planning, necessary environmental reviews and public engagement would occur at the front end.

By focusing on workforce and affordable housing in areas close to jobs and transit, the additional streamlined process would encourage developers to propose projects that address affordable housing needs and climate protection goals. Funding to support the up-front planning would come from a revolving state loan fund available to local governments. Loans would be repaid when development occurs.

Local elected leaders are acutely aware of the severity of California's housing affordability crisis and our role in fashioning solutions. While numerous factors are contributing to the problem, it is agreed that more needs to be done to create a path for and incentivize new housing construction. The League strongly supports SB 540 and believes that it strikes the right balance between streamlining the housing approval process and protecting environmental review and public participation in local land use decisions.

### Status

Last 5 History Actions	
Date	Action
03/22/17	March 28 set for first hearing canceled at the request of author.
03/21/17	Set for hearing March 28.

<b>Last 5 History Actions</b>	
<b>Date</b>	<b>Action</b>
03/20/17	From committee with author's amendments. Read second time and amended. Re-referred to Com. on T. & H.
03/02/17	Referred to Coms. on T. & H., GOV. & F., and EQ.
02/17/17	From printer. May be acted upon on or after March 19.

## AB 912 (Obernolte) Small business: California Small Business Regulatory Fairness Act

### Recommended Action

Support

### Background

The growth of small businesses in California is a key component to maintaining a strong economy. **AB 912** will help ensure such growth by providing small businesses with the tools and resources needed to comply with California's regulations.

Existing law, the Administrative Procedure Act, governs the procedures for the adoption, amendment, or repeal of regulations by state agencies and requires, among other things, that a state agency make available to the public facts, evidence, documents, testimony, or other evidence on which the state agency relies to support the agency's determination that the proposed action will not have a significant adverse impact on business.

### Summary

Small Business Penalty Relief. Recognizes challenges small businesses face in implementing state rules by allowing adjustment of civil penalties for mitigating factors. California's complex regulatory scheme is challenging for all employers, but especially small businesses.

In recognizing this challenge, California has provided GO-BIZ as a resource for small employers to obtain information regarding various obstacles that small businesses face. **AB 912** would further assist small businesses in navigating the regulations in California so that they can comply and grow their business, without facing costly enforcement actions for inadvertent mistakes. Specifically, **AB 912** will require state agencies who adopt regulations to help small businesses with understanding and complying with those regulations, adopt policies that consider mitigating circumstances - such as the small business cooperating with authorities, and the violation not posing an imminent threat, in assessing penalties against small businesses when there has been a violation. This penalty relief will grant the small employer equitable relief from burdensome administrative penalties.

### Status

Last 5 History Actions	
Date	Action
03/02/17	Referred to Coms. on J., E.D., & E. and A. & A.R.
02/17/17	From printer. May be heard in committee March 19.
02/16/17	Read first time. To print.

## AB 1326 (Cooper) Theft: aggregate valuation

### Recommended Action

Support

### Background

The unintended consequences of the passage of Proposition 47 in 2014, is the rise in thefts in retail settings. Criminals quickly figured out that they could steal with impunity and with little consequence if they stayed under the \$950 threshold. Misdemeanor convictions carry little jail time, if any, due to overcrowded jail facilities. Statewide data from law enforcement and business have documented the rise in property crimes. California's property crime rate has increased 7.26 percent in 2015 compared with 2014. Nationwide the rate showed a decline over the same time-period. Retail theft has also increased dramatically with some retailers experiencing an increase of over 100 percent in the dollar value of losses between 2012 to 2016.

### Summary

Prevents Thefts. Saves retailers from being repeatedly robbed for merchandise amounting to less than \$950 which is a misdemeanor and rarely prosecuted. Changes law to aggregate thefts in a one year timeframe so that the \$950 threshold is met and punishable by a stiffer penalty.

The Safe Neighborhoods and Schools Act (act), enacted as an initiative statute by Proposition 47, as approved by the electors at the November 4, 2014, statewide general election, provided that for several theft and theft-related offenses, where the value of the property involved does not exceed \$950, the offenses are punishable as a misdemeanor, unless the defendant has suffered a prior conviction for one or more specified crimes, in which case the offenses may be punished as a felony. The act created the offense of shoplifting, and applied the \$950 limit to that crime and to the crimes of forgery of certain financial instruments, passing a check or certain other instruments knowing there are insufficient funds for payment of the check or instrument, petty theft, and buying or receiving stolen property, as specified.

### Status

Last 5 History Actions	
Date	Action
03/13/17	Referred to Com. on PUB. S.
02/19/17	From printer. May be heard in committee March 21.
02/17/17	Read first time. To print.