



**Board of Directors Meeting  
South Bay Council of Governments  
Charles Gale, Chairman  
September 5, 2018**

1. Welcome Charles Gale, Chair
  - a. Flag Salute
2. Self-Introductions and Sign-In All Participants
3. Approval of Minutes John Heffernann, Secretary
4. Presentation
5. Government Affairs Report PEAR Strategies
  - a. 2018 Signature and Veto Letters
  - b. Dynamex Decison
2. 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 and Vartan Dijhanian
  - b. League of Cities - Jeff Kiernan
  - c. Los Angeles Air Force Base - Carla L. Rosepryor
  - d. South Bay WIB - Chris Cagle
  - e. South Coast AQMD- Tina A. Cox
  - f. South Bay Council of Governments - Hon. Britt Huff
  - g. California State University Dominguez Hills- Gary Pok
  - h. Office of Congresswoman Waters - Blanca Jimenez
  - i. Office of Congresswoman Barragan - Morgan Roth
  - j. Office of Congressman Lieu – Aurelia Friedman
  - k. Office of Senator Allen - Sam Liu
  - l. Office of Senator Bradford - Nital Patel
  - m. Office of Senator Lara - Tonya Martin
  - n. Office of Assemblymember Burke - Robert Pullen-Miles
  - o. Office of Assemblymember Gipson - Chris Wilson

- p. Office of Assemblymember Muratsuchi - Andrew DeBlock
- q. Office of Assemblymember O'Donnell – Sarah Patterson
- r. Office of Supervisor Hahn- Jennifer Lamarque
- s. City of Long Beach- Lou Baglietto

[Officeholder representatives, non-chamber members, and guests are respectfully asked to leave the meeting at this point]

3. Chair's Report

Charles Gale

4. Financial Report

Janice Webb, Treasurer

a. Profit and Loss

b. Balance Sheet

5. Adjournment/Announcements

All

a. Special thanks to The South Bay Council of Governments for hosting us

b. Special thanks to Sherry Kramer from Continental Development Corporation for breakfast

c. Next SBACC meeting will be on Tuesday, October 2, 2018



## Board of Directors Meeting\_MINUTES

### South Bay Council of Governments

Charles Gale, Chairman

August 7, 2018

*D. Hoffman, P. Donaldson, M. Lipz, J. Turner, W. Love, J. McClellan, H. Rogers, J. Heffernan, M. Lyons, D. Duperron, E. Hupp, S. Josel, T. Cox, J. Kiernan, S. Cramer, G. Kivette, M. Garth, J. Webb, C. Gale, J. Lamarque, O. Valentine, E. Swanson, A. Pena, L. Baglietto, M. Hunt, B. Breen, C. Bridges, G. Pok*

1. Welcome Charles Gale, Chair
  - a. Flag Salute
2. Self-Introductions and Sign-In All Participants
3. Approval of Minutes John Heffernann, Secretary
  - a. Motion to Approve: P. Donaldson
  - b. 2<sup>nd</sup>: D. Hoffman
  - c. Motion Passes
4. Presentation
  - a. Jim MacLellan, Director of Trade Development- Port of Los Angeles- Providing cargo updates from the Port of Los Angeles. See attachments regarding the Port's Export University.
  - a. WSPA- AB 617 (Garcia) Nonvehicular air pollution: criteria air pollutants and toxic air contaminants- *Oppose*
    - i. Motion to join the coalition: O. Valentine
    - ii. 2<sup>nd</sup>: D. Duperron
    - iii. Motion Carries
2. Government Affairs Report PEAR Strategies
  - a. AB 1901 (Oberholt) CEQA: Exemptions on Roadway Projects
    - i. AB 1901 will allow small local jurisdictions to depend on this CEQA exemption when planning their road maintenance and improvement projects. Infrastructure projects are often planned years out and knowing this exemption will still be available is crucial to being able to accurately plan these projects.
      1. Move to Support +100K: D. Hoffman
      2. 2<sup>nd</sup>: M. Lyons
      3. Motion Carries
  - b. AB 2361, as amended, Weber. University of California: outsource contracts
    - i. This bill requires that a contractor agree to provide the University of California (UC) with specified information regarding each active outsource contract in order

to qualify as the lowest responsible bidder or the best value awardee, or otherwise to perform any service work for the university; it requests UC to report through a publicly accessible website that information and; requires the Legislature to deduct a certain amount from the UC's General Fund appropriation should UC fail to report the information.

- ii. Motion to Oppose: O. Valentine
  - iii. 2<sup>nd</sup>: E. Hupp
  - iv. Motion Carries
- c. AB 2808 (Muratsuchi) Education finance: local control funding formula: funding increase  
This bill increases the Local Control Funding Formula (LCFF) per-student base grant funding targets for school districts and charter schools for the 2019-20 fiscal year up to the following:
- W. Love
  - O. Valentine
  - Motion Carries
- \$14,661 for grades 9-12 (includes 2.6 percent career technical education adjustment)
- d. AB 3030 (Caballero) CEQA: Exemptions on Qualified Opportunity Zones
- i. This bill creates a fast path to new economic development and affordable housing. Through the federal Tax Cuts and Jobs Act of 2017, investors can defer or eliminate federal taxes on capital gains when they invest in state identified "Opportunity Zones." California has identified Opportunity Zones for 879 tracts in California, spread across 57 different counties. The Opportunity Zones with "shovel ready projects will have a jump start when it comes to encouraging investment dollars through this program. Other Opportunity Zones, however, with few or limited development projects in the pipeline, are at a disadvantage when it comes to encouraging investment into the community.
  - ii. Motion to Support: L. Baglietto
  - iii. 2<sup>nd</sup>: D. Hoffman
  - iv. Motion Carries
- e. SB 1121 (Dodd) Personal Information
- i. SB 1121 would drastically expand the civil liability of companies providing goods and services in California without any corresponding benefit to California consumers. Updates and recasts provisions of the California Customer Records Act to better protect consumers against modern, large-scale data breaches.
  - ii. Motion to Oppose: O. Valentine
  - iii. 2<sup>nd</sup>: G. Kivette
  - iv. Motion Carries
- f. Proposition 3: Water related infrastructure
- i. Motion to Support: M. Hunt
  - ii. 2<sup>nd</sup>: M. Garth

- iii. Motion Carries
    - iv. Abstain: C. Gale
  - g. Proposition 6: Repeal of SB 1
    - i. Motion to Oppose Proposition 6: W. Love
    - ii. 2<sup>nd</sup>: O. Valentine
    - iii. Motion Carries
    - iv. Abstain- L. Baglietto, D. Hoffman
  - h. Proposition 8: Dialysis Clinics Refunds
    - i. Motion to Oppose: J. Webb
    - ii. 2<sup>nd</sup>: W. Love
    - iii. Motion Carries
  - i. Proposition 10: Rent control
    - i. Motion to Oppose L. Baglietto
    - ii. 2<sup>nd</sup>: M. Lyons
    - iii. Abstain: E. Hupp
    - iv. Motion Carries
- 3. 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 and Vartan Dijhanian
  - b. League of Cities - Jeff Kiernan
  - c. Los Angeles Air Force Base - Carla L. Rosepryor
  - d. South Bay WIB - Chris Cagle
  - e. South Coast AQMD- Tina A. Cox
  - f. South Bay Council of Governments - Hon. Britt Huff- The COG is doing a Green Business improvement program.
  - g. California State University Dominguez Hills- Gary Pok
  - h. Office of Congresswoman Waters - Blanca Jimenez
  - i. Office of Congresswoman Barragan - Morgan Roth
  - j. Office of Congressman Lieu – Aurelia Friedman- J. Turner is presenting RE: congressional arts competition and the Military Academy nominations. Big issues they are seeing is with USPS and delivery issues in the South Bay.
  - k. Office of Senator Allen - Sam Liu
  - l. Office of Senator Bradford - Nital Patel
  - m. Office of Senator Lara - Tonya Martin
  - n. Office of Assemblymember Burke - Robert Pullen-Miles
  - o. Office of Assemblymember Gipson - Chris Wilson

- p. Office of Assemblymember Muratsuchi - Andrew DeBlock
- q. Office of Assemblymember O'Donnell – Sarah Patterson
- r. Office of Supervisor Hahn – J. Lamar the Supervisor will be bringing forward a motion to address the County Registrars voter issues.
- s. City of Long Beach- Lou Baglietto- The city will taking the hotel panick button bill and can do one of three options 1. Implement it 2. Put it on the ballot 3. Ask for a staff fiscal review and then it will go on the 2020 cycle

[Officeholder representatives, non-chamber members, and guests are respectfully asked to leave the meeting at this point]

4. Chair's Report

Charles Gale

5. Financial Report

Janice Webb, Treasurer

a. Profit and Loss

i. Motion to Approve: L. Baglietto

ii. 2<sup>nd</sup>: W. Love

iii. Motion Carries

b. Balance Sheet

i. Motion to Approve: L. Baglietto

ii. 2<sup>nd</sup>: E. Hupp

iii. Motion Carries

6. Adjournment/Announcements

All

a. Special thanks to The South Bay Council of Governments for hosting us.

b. Next SBACC meeting will be on Tuesday, September 4, 2018

# memo

## PEAR Strategies

To: South Bay Chambers of Commerce  
From: PEAR Strategies  
CC: Recipient names  
Date: September 1, 2018  
Re: Dynamex Decision

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**Comments:** April 30<sup>th</sup>- The California Supreme Court issued a landmark decision in the matter of Dynamex Operations West, Inc. v. Superior Court of Los Angeles. In an, 82-page decision, the California Supreme Court reinterpreted and ultimately rejected the Borello test for determining whether workers should be classified as either employees or independent contractors for the purposes of the wage orders adopted by California’s Industrial Welfare Commission (“IWC”) in favor of a worker-friendly standard that may upend the existing independent contractor labor market.

In particular, the Court embraced a standard presuming that all workers are employees instead of contractors, and placed the burden on any entity classifying an individual as an independent contractor of establishing that such classification is proper under the newly adopted “ABC test”.

### Background

Dynamex is a nationwide same-day courier and delivery service that offers on-demand, same-day pickup and delivery services to businesses and the public. Prior to 2004, Dynamex classified its California drivers as employees. Starting in 2004, however, Dynamex converted all of its drivers to independent contractors as a cost savings measure.

In January 2005, Plaintiff Charles Lee entered into a written independent contractor agreement with Dynamex to provide delivery services for the company. Just three months after leaving his work at Dynamex, Lee filed this lawsuit on his own behalf and on behalf of similarly situated Dynamex drivers, alleging that Dynamex’s alleged misclassification of its drivers as independent contractors led to Dynamex’s violation of the provisions of IWC wage order No. 9, the applicable state wage order governing the transportation industry, as well as various sections of the Labor Code, and, as a result, that Dynamex had engaged in unfair and unlawful business practices under Business and Professions Code section 17200.

After an earlier round of litigation in which the trial court’s initial order denying class certification was reversed by the Court of Appeal, the trial court ultimately certified a class action, relying on the three alternate definitions of “employ” and “employer” set forth in the applicable wage order and as discussed in the Supreme Court’s decision in Martinez v. Combs

In Martinez, the Court held that to “employ” has three alternative definitions:

- (1) to exercise control over the hours, wages, or workings conditions
- (2) to suffer or permit to work, or
- (3) to engage, thereby creating a common law employment relationship. Notably, the “suffer or permit to work” definition was derived from statutes regulating and prohibiting child labor laws dating back to

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the early 1900s and imposed liability simply “based on the defendant’s failure to exercise reasonable care to prevent child labor from occurring.” Martinez at 58. Such a definition, of course, goes far beyond the traditional common law employment relationship. The Martinez case, however, only involved a joint employer analysis—which is conceptually distinct from the question of whether a worker is an employee or independent contractor in the first place.

### **The ABC Test**

Under the ABC test, a worker will be deemed to have been “suffered or permitted to work,” and thus, an employee for wage order purposes, unless the putative employer proves:

- A. that the worker is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact;
- B. that the worker performs work that is outside the usual course of the hiring entity’s business; and
- C. that the worker is customarily engaged in an independently established trade, occupation, or business of the same nature as the work performed.

Note that each of these requirements need to be met in order for the presumption that a worker is an employee to be rebutted, and for a court to recognize that a worker has been properly classified as an independent contractor.

### **What This Means For California Businesses**

The question of whether an individual worker should be classified as an employee or independent contractor has considerable significance for workers, businesses, and the public generally. If a worker is classified as an employee, the employer bears the responsibility of paying Social Security and payroll taxes, unemployment insurance taxes and state employment taxes, providing worker’s compensation insurance, and of course, complying with the endless labyrinth of state and federal statutes governing the wages, hours, and working conditions of employees.

Indeed, many businesses, particularly those operating in the “gig economy,” are fundamentally premised on the use of independent contractors. In light of this case, any businesses operating in California that treat workers as independent contractors should confer with their legal counsel to review the relationship under the “ABC test” and determine whether any or all such workers should be reclassified.

For example, prong B of the ABC test is particularly troublesome for any businesses that use independent contractors to deliver or provide their core product or service. In applying the ABC test to Dynamex, the Court noted that a class of delivery drivers could be certified under prong B because the question of whether the delivery drivers were performing outside the usual course of Dynamex’s business could clearly be resolved on a classwide basis. Indeed, delivery services—which are provided by the delivery drivers—are the very core of Dynamex’s business.

Lastly, it is not yet clear whether the ABC test applies to wage claims that do not arise from a wage order. For example, a claim for reimbursement for business expenses such as fuel and tolls that are not governed by a wage order and are obtainable only under section 2802 of the Labor Code may still be controlled by the Borello test. Indeed, this was the holding of the Court of Appeal in Dynamex, and the Supreme Court stated that it was not reaching the issue. Also left open by the Supreme Court’s decision is whether the “exercises control over the wages, hours or working conditions” prong of the wage orders’ definition of “employ” is applicable to classification questions outside the joint employment context.



# Employee vs. Independent Contractor: 3 Categories of Evidence

A new approach with respect to worker classification has been adopted by the IRS. Rather than using the IRS's 20 Factors, the approach now is to group items of evidence into three categories of control. To determine whether a test is satisfied, all three categories of evidence must be analyzed. However, the significance of each will depend on the particular facts and circumstances. To avoid future problems, employers should periodically review the nature of their relationship with all independent contractors (ICs).

**Behavioral Control.** Evidence in this category focuses on whether there is a right to direct or control how the worker performs the specific task for which he or she is hired.

*Furnishing tools.* ICs more often furnish their own tools and materials.

*Approval.* If approval is required to be obtained before taking certain actions, employee status is indicated.

*Order or sequence.* If this is controlled, employment is indicated.

*Services rendered personally.* If the worker is required to provide services personally, employment is indicated.

*Reporting.* The more the worker is required to report, the more likely employment is indicated.

*Periodic or ongoing training.* Training provided on procedures and methods indicates employee status.

*Business identification.* If the worker must wear a uniform or place the business's name on a vehicle for security purposes, it is a neutral fact.

*Hiring, supervising and paying assistants.* A worker's responsibility, for assistance indicates IC status.

*Job evaluation systems.* A job evaluation system used to measure compliance with work performance standards indicates employee control.

*Nature of occupation.* Highly trained professionals who offer services to the public are more likely to be ICs.

**Financial Control.** Evidence under this category focuses on whether there is a right to direct or control how the financial aspects of the worker's activities are conducted.

*Method of payment.* ICs are more often paid by the job for a flat fee than on an hourly, daily, or weekly basis.

*Investment.* ICs more often invest in facilities used in performing services.

*Realization of profit or loss.* A worker who can realize a profit or loss from his or her services is generally an IC.

*Making services available to the public.* This indicates IC status.

*Unreimbursed business expenses.* ICs are more likely to have large amounts of unreimbursed expenses.

**Relationship of the Parties.** Evidence in this category focuses on how the relationship is perceived.

*Written contract.* Although a contract describing the worker as an IC indicates IC intent, the facts and circumstances are determinate.

*Permanency of relationship.* An indefinite work duration is generally considered employment intent.

*State law.* Laws classifying workers as employees for purposes of various benefits should be discounted.

*Discharge/termination.* An IC can't be fired as long as the contract specifications are met. If services can be terminated without liability, an employment relationship is indicated.

*Employee benefits.* If a worker receives benefits such as paid vacation and sick leave, health, life or disability insurance, or a pension, employee status is indicated.

*Regular business activity.* If the services performed by the worker are a key aspect of the regular business activity of the company, employee status is indicated.

*Incorporation.* A worker who creates a corporation through which to perform services will usually be treated as an employee of the corporation.

**Factors of Lesser Importance.** The IRS has highlighted factors that will typically provide less useful evidence of whether a worker is an independent contractor or employee.

*Full or Part-time Work.* Devoting full time to one business is common with either status, And providing services to multiple businesses is no longer significant evidence of IC status.

*Work Location.* Whether or not work is performed on business premises is not an issue unless it helps determine the right to control work performance.

*Hours of Work.* Flexible hours can indicate either IC or employee status.

Bill	Author	Description	Position	Status
AB 319	<a href="#">Stone, Mark</a>	Recycling: single-use plastic beverage container caps. Burdensome Mandate on Beverage Containers. Drives up the cost of beverages and imposes impractical technology requirements by requiring that the cap of a single-use plastic beverage container be tethered or affixed to the container.	Oppose	2/1/2018-Failed Deadline pursuant to Rule 61(b)(3). (Last location was THIRD READING on 1/10/2018)
AB 427	<a href="#">Muratsuchi</a>	Encourages Development. Encourages economic development by creating the California Aerospace and Aviation Commission to support the health and competitiveness of California's aerospace manufacturing sector.	Support	8/27/2018-Senate amendments concurred in. To Engrossing and Enrolling.
AB 1743 (coalition)	<a href="#">O'Donnell</a>	Career Technical Education. Reauthorizes and provides appropriations for the Career Technical Education Incentive Grant program.	Support	6/29/2018-Failed Deadline pursuant to Rule 61(b)(13). (Last location was S. ED. on 6/7/2018)
AB 1745	Ting	This bill would, commencing January 1, 2040, prohibit the department from accepting an application for original registration of a motor vehicle unless the vehicle is a zero emissions vehicle, as defined. The bill would exempt from that prohibition, a commercial vehicle with a gross vehicle weight rating of 10,001 pounds or more, and a vehicle brought into the state from outside of the state for original registration, as specified.	Oppose	4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was TRANS. on 1/16/2018)
AB 1761	Muratsuchi	The bill would impose an unspecified civil penalty on hotel employers for violations of its provisions and would provide legislative findings in support of its provisions.	Oppose	8/16/2018-In committee: Held under submission.

AB 1795	Gipson	This bill would authorize a local emergency medical services agency to submit, as part of its emergency services plan, a plan to transport specified patients to a community care facility, as defined, in lieu of transportation to a general acute care hospital. The bill would make conforming changes to the definition of advanced life support to include prehospital emergency care provided before and during, transport to a community care facility, as specified. The bill would also direct the Emergency Medical Services Authority to authorize a local EMS agency to add to its scope of practice for specified emergency personnel those activities necessary for the assessment, treatment, and transport of a patient to a community care facility.	Support	5/25/2018- Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/16/2018)
AB 1879	Santiago	This bill would require the board to adopt occupational safety and health standards for state public works projects to prevent and control coccidioidomycosis, more commonly known as Valley Fever. By expanding the definition of an existing crime, this bill would impose a state-mandated local program.	Support	8/29/2018-Read third time. Urgency clause refused adoption. Reconsideration granted.
AB 1884	Calderon	This bill would prohibit a food facility, as specified, where food may be consumed on the premises from providing single-use plastic straws to consumers unless requested by the consumer, as specified.	Oppose	8/28/2018- Enrolled and presented to the Governor at 3 p.m.
AB 1901	Obernolte	Expedites and Reduces Costs for Roadway Repair and Maintenance Projects. Streamlines infrastructure development by extending indefinitely, the current CEQA exemption for certain roadway repair and maintenance projects.	Support	7/6/2018-Failed Deadline pursuant to Rule 61(b)(14). (Last location was S. E.Q. on 5/10/2018)
AB 2069	Bonta	Undermines employers' ability to provide a safe and drug-free workplace by creating a new protected classification of employees who use marijuana for medical purposes, and exposes employers to costly and unnecessary litigation under the Fair Employment and Housing Act (FEHA).	Oppose	5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/16/2018)

AB 2094	Kalra	Increased Costs for Hazardous Waste Operators. Imposes unnecessary new costs on hazardous waste permit operators and further delays permit processing by arbitrarily increasing the frequency of inspections for hazardous waste facilities rather than focusing on improving the existing inspection process.	Oppose	8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was S. APPR. SUSPENSE FILE on
AB 2361	Weber	Onerous Disclosure Requirements. Imposes onerous disclosure requirements on contractors of the University of California that will force public reporting of proprietary information as well as personal employee data, with the threat of barring the contractor from bidding on any contract for five years if the contractor makes a mistake or omission.	Oppose	8/24/2018-Read third time. Passed. Ordered to the Assembly. In Assembly. Ordered to Engrossing and
AB 2379	Bloom	Increases Costs On Microfiber Products. Prematurely imposes new costly and misinformed labeling requirements on polyester microfiber products when scientific and academic research on the root cause of emissions from non-apparel textile sources is uncertain. It also places enormous liability on retailers who would be required under this bill to ensure that every piece of	Oppose	6/1/2018-Failed Deadline pursuant to Rule 61(b)(11). (Last location was A. INACTIVE FILE on 6/4/2018)
AB 2455	Kalra	This bill would require, for any new registration or renewal of registration of a home care aid occurring on and after January 1, 2019, the department to provide a labor organization an electronic copy of a registered home care aide's name, telephone number, and cellular telephone number, as specified. would require the department to establish a simple opt-out procedure to request that contact information on file with the department not be disclosed in response to a request by a labor organization. This bill would prohibit a labor organization from using or disclosing this information, except for certain purposes. Because a violation of the Home Care Services Consumer Protection Act is punishable as a misdemeanor and this bill would expand requirements under the act, this bill would impose a state-mandated local program.	Oppose	8/29/2018-Senate amendments concurred in. To Engrossing and Enrolling.
AB 2510	Muratsuchi	This bill would reduce to \$100 the annual tax for microbusinesses, as defined, and would extend indefinitely the exemption for a limited liability company that is a small business solely owned by a deployed member of the United States Armed Forces.	Support	4/9/2018-In committee: Hearing postponed by committee.

AB 2762	Carillo	AB 2762 would update state law to include contracting preference for DVBEs and SEs by increasing the percent preference in bidding from 5 percent up to 15 percent for public works contracts. This applies to construction, procurement of goods, or delivery of services.	Support	8/29/2018-Referred to Com. on J., E.D., & E. pursuant to Assembly Rule 77.2. Joint Rule 62(a), file notice
AB 2779	Stone	Burdensome Mandate on Beverage Containers. Drives up the cost of beverages, imposes impractical technology requirements, and reverses a decade-long trend of reducing the amount of plastic in PET bottles by requiring that the cap of any single-use plastic beverage container be tethered to the container.	Oppose	6/1/2018-Failed Deadline pursuant to Rule 61(b)(11). (Last location was A. INACTIVE FILE on 6/4/2018)
AB 2808	Muratsuchi	Education finance: local control funding formula: funding increase.	Support	8/29/2018-Assembly Rule 77 suspended.
AB 3001	Bonta	Increased Energy Costs. Increases the cost of energy by changing the definition of cost-effectiveness in order to favor non-fossil forms of energy.	Oppose	4/27/2018-Failed Deadline pursuant to Rule 61(b)(5). (Last location was NAT. RES. on 3/12/2018)
AB 3030	Caballero	CEQA. Creates a statutory exemption for affordable housing and mixed-use projects that meet very specific qualifying criteria and could be used in California Opportunity Zones.	Support	8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was S. APPR. SUSPENSE FILE on
AB 3087 - coalition	Kalra	Jeopardizes employers negotiating power and access to care, ignores the drivers of health care costs, and adds another layer of bureaucracy by creating an appointed commission to impose price controls on health care providers and insurers	Oppose	5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/23/2018)]

AB 3197	Burke	Property tax: exemptions: personal property used in space flight.	Support ??	5/25/2018-Joint Rule 62(a), file notice suspended. In committee: Held under submission.
AB 3232	Friedman	Increased Energy Cost. Will increase the cost of energy by adding an additional greenhouse gas emissions target on top of already existing energy efficiency targets.	Oppose	8/27/2018-Bill in its final form passes. NULL Ordered to Engrossing and Enrolling.
SB 64	<a href="#">Wieckowski</a>	Increased Rates. Creates short list of fossil-fuel generating facilities that are subject to arbitrary shutdown during non-attainment days with only 24 hours' notice. Requires disclosure of startup, shutdown, and cycling data.	Oppose	8/29/2018-Read third time. Refused passage. Motion to reconsider made by Assembly Member Eggman. (FAILED)
SB 300	Monning	Sugar-sweetened beverages: health warnings. Lawsuit Exposure. Increases frivolous liability claims and exposes beverage manufacturers and food retailers to fines and penalties by mandating state-only labeling requirements for sugar sweetened drinks.	Oppose	1/13/2018-Failed Deadline pursuant to Rule 61(b)(1). (Last location was HEALTH on 2/23/2017) (history)
SB 623 - Coalition	Monning	Water Tax. Unfairly imposes a discriminatory tax on businesses to fund projects for which they receive no benefit	Support	9/1/2017-From committee: Without recommendation . (Ayes 11. Noes 0.) (September 1) Re-referred to Com. on RLS.

SB 826	Jackson	Corporations: boards of directors. Unconstitutional Board Mandate for Publicly Traded Corporations. Requires publicly traded corporations to satisfy quotas regarding the number of women on its board or face significant penalties, which is likely unconstitutional, a violation of California's Civil Rights statute, and a violation of the internal affairs doctrine for publicly held corporations.	Oppose	8/30/2018- Assembly amendments concurred in. (Ayes 23. Noes 9.) Ordered to engrossing and enrolling.
SB 831	Wieckowski	Streamlines Permitting For New ADUs. Promotes affordable housing by requiring local agencies to waive permitting fees typically charged for new Accessory Dwelling Units (ADU), also known as granny or in-law units, and streamlines the ADU permitting process by requiring local agencies to decide on any new ADU application within 60 days or else the application is automatically approved.	Support	6/29/2018- Failed Deadline pursuant to Rule 61(b)(13). (Last location was A. L. GOV. on 6/20/2018)
SB 946	Lara	The bill would prohibit a local authority from adopting rules or regulations, by ordinance or that regulate sidewalk vendors, as defined, unless it first adopts a sidewalk vending license program that requires a sidewalk vendor to obtain a license from the local authority before selling food or merchandise.	Oppose	8/28/2018- Enrolled and presented to the Governor at 3:30 p.m.
SB 993	Hertzberg	Tax on Services. Imposes a 3% tax on services purchased by businesses in California, with some exceptions, adding another layer of taxes onto California companies, raising costs, and putting them at a competitive disadvantage.	Oppose	5/16/2018-May 16 hearing: Heard for testimony only.
SB 1008 - Coalition	Skinner	would increase dental premiums by mandating a ratio on how much can be spent on administration and patient care ignoring that the low cost of dental premiums make such a ratio impossible to meet without raising the cost of dental coverage.	Oppose	8/23/2018-Read third time and amended. Ordered to third reading.
SB 1121	Dodd	AB 375 Technical Clean-up Vehicle. Originally removed the requirement of economic injury for standing to bring a claim in California against a company for a data breach, undermining the intent of voters, and drastically increasing liability for companies without providing any corresponding benefit to California consumers. Now being developed as a technical clean-up bill for AB 375. CalChamber working with members and other affected parties to create a list of technical fixes that need to be included in SB 1121. Position Pending	Oppose	8/29/2018- August 29 hearing postponed by committee.

SB 1131	Hertzberg	Electrical and gas corporations: energy efficiency: financing options: industrial and agricultural processes: custom projects.		8/29/2018-Read third time. Passed. Ordered to the Senate. In Senate. Concurrence in Assembly amendments pending.
SB 1243	Portantino	Career Training Education. Establishes the California State Pathways in Technology (CA P-TECH) program, to encourage and assist selected schools in a public-private partnership, to prepare students for high-skilled, high demand jobs in technology, manufacturing, health care and finance.	Support	6/29/2018- Failed Deadline pursuant to Rule 61(b)(13). (Last location was A. HIGHER ED. on 6/7/2018)
SB 1284 - coalition	Jackson	Unfairly requires California employers to submit pay data to the Department of Industrial Relations creating a false impression of wage discrimination or unequal pay where none exists and, therefore, subjecting employers to unfair public criticism, enforcement measures, and significant litigation costs to defend against meritless claims.	Oppose	8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was A. APPR. on 8/15/2018)
SB 1300	Jackson	Significantly increases litigation by removing standing requirement for plaintiff alleging failure to prevent harassment or discrimination when no harassment even occurs, limits the use of severance agreements, and prohibits the use of a general release or nondisparagement clause in employer/employee contracts.	Oppose	8/21/2018-Read second time. Ordered to third reading.
SB 1335	Allen	New Recycling/Composting Requirements. Forces food service facilities operating in California state agencies or facilities to stop using disposable food service ware by 2021 unless 75% or more of the packaging can be recycled or composted. Since the mandated recycle/compost rate is not achievable within the time frame allotted, the bill serves as a "de-facto" ban on single-use cups, take-out containers, plates, trays and bowls in all state facilities.	Oppose	8/24/2018-Read third time and amended. Ordered to third reading.
SCAQMD Rule 1410		Rule 1410 could eliminate 25% of the region's fuel supply, forcing us to import our fuel from offshore sources as a result of regional supply shortages and price spikes.	Oppose	Going through the refinery working group



Pier B On Dock Rail Facility		The existing Pier B rail facility serves as a storage and staging area for trains and is a critical juncture in the Port's rail networks. The facility is primarily used by Pacific Harbor Line which provides dispatching services. PHL has been recognized as America's Greenest railroad. The project will allow trains up to 10,000 feet long to be loaded and unloaded at on-dock rail facilities at marine terminals to streamline rail operations, remove bottlenecks and reduce the need for local truck trips.	Support	This project has been given the green light - the environmental study appeal was denied
Prop 3: Water related infrastructure		Proposition 3 would issue \$8.877 billion in general obligation bonds for water-related infrastructure and environmental projects. The state fiscal analyst said the bond would generate about \$8.4 billion in interest over a 40-year period, meaning the bond would cost the state a total of \$17.3 billion.	Support	On November Ballot
Prop 5: Property Tax Transfer Initiative		The measure would amend Proposition 13 (1978) to allow homebuyers who are over 55 years of age or severely disabled to transfer their tax assessment from their prior home to their new home, no matter the new home's market value, the new home's location in the state, or the number of moves. If the new home is a different value than the prior home, the initiative would allow for an adjusted value between the old and new values.	Support	On November Ballot
Prop 6: Repeal of SB 1		The ballot initiative would repeal the gas and diesel tax increases and vehicle fees that were enacted in 2017 and require voter approval for fuel tax and vehicle fee increases in the future.	Oppose	On November Ballot
Prop 8: Dialysis Clinics Refunds		Requires dialysis clinics to issue refunds for revenue above a certain amount	Oppose	On November Ballot
Prop 10: Rent Control		Allows Governments to regulate rent		On November Ballot
Prop 69: Transportation Funding		Proposition 69 requires the collection of DNA samples from all felons, and from adults and juveniles arrested for or charged with specified crimes. The DNA samples must be submitted to the state's DNA database.	Support	Approved



August 30, 2018

The Honorable Edmund G. Brown  
Governor, State of California  
State Capitol  
Sacramento, CA 95814

Dear Governor Brown,

The South Bay Area Chambers of Commerce respectfully **REQUEST** your **VETOS** on the following pieces of legislation currently before you.

**AB 1884 - Calderon – FOOD FACILITIES: SINGLE-USE PLASTIC STRAWS**

This bill would prohibit a food facility, as specified, where food may be consumed on the premises from providing single-use plastic straws to consumers unless requested by the consumer, as specified.

**AB 2361 – WEBER– ONEROUS DISCLOSURE REQUIREMENTS**

Imposes onerous disclosure requirements on contractors of the University of California that will force public reporting of proprietary information as well as personal employee data, with the threat of barring the contractor from bidding on any contract for five years if the contractor makes a mistake or omission.

**AB 2455 – KALRA – HOME CARE AIDE REGISTRY: DISCLOSURE OF PERSONAL CONTACT INFORMATION**

This bill would require, for any new registration or renewal of registration of a home care aid occurring on and after January 1, 2019, the department to provide a labor organization an electronic copy of a registered home care aide's name, telephone number, and cellular telephone number, as specified. would require the department to establish a simple opt-out procedure to request that contact information on file with the department not be disclosed in response to a request by a labor organization. This bill would prohibit a labor organization from using or disclosing this information, except for certain purposes. Because a violation of the Home Care Services Consumer Protection Act is punishable as a misdemeanor and this bill would expand requirements under the act, this bill would impose a state-mandated local program.

**AB 3232 – FRIEDMAN - INCREASED ENERGY COSTS**

Will increase the cost of energy by adding an additional greenhouse gas emissions target on top of already existing energy efficiency targets.

**SB 623 - MONNING – WATER TAX**

This bill Unfairly imposes a discriminatory tax on businesses to fund projects for which they receive no benefit

**SB 826 - JACKSON – CORPORATIONS: BOARDS OF DIRECTORS**

Unconstitutional Board Mandate for Publicly Traded Corporations. Requires publicly traded corporations to satisfy quotas regarding the number of women on its board or face significant penalties, which is likely unconstitutional, a violation of California's Civil Rights statute, and a violation of the internal affairs doctrine for publicly held corporations.

**SB 946 – LARA – SIDEWALK VENDORS**

The bill would prohibit a local authority from adopting rules or regulations, by ordinance or that regulate sidewalk vendors, as defined, unless it first adopts a sidewalk vending licensing program that requires a sidewalk vendor to obtain a license from the local authority before selling food or merchandise.

**SB 993 – Hertzberg – TAX ON SERVICES**

This bill would impose a 3% tax on services purchased by businesses in California, with some exceptions, adding another layer of taxes onto California companies, raising costs, and putting them at a competitive disadvantage.

**SB 1008 – SKINNER – HEALTH INSURANCE: DENTAL SERVICES; REPORTING AND DISCLOSURES**

This bill would increase dental premiums by mandating a ratio on how much can be spent on administration and patient care ignoring that the low cost of dental premiums make such a ratio impossible to meet without raising the cost of dental coverage.

**SB 1121 – DODD – AB 375 TECHNICAL CLEAN-UP VEHICLE**

Originally removed the requirement of economic injury for standing to bring a claim in California against a company for a data breach, undermining the intent of voters, and drastically increasing liability for companies without providing any corresponding benefit to California consumers. Now being developed as a technical clean-up bill for AB 375. CalChamber working with members and other affected parties to create a list of technical fixes that need to be included in SB 1121.

**SB 1300 – JACKSON – UNLAWFUL EMPLOYMENT PRACTICES: DISCRIMINATION AND HARRASSMENT**

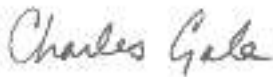
Significantly increases litigation by removing standing requirement for plaintiff alleging failure to prevent harassment or discrimination when no harassment even occurs, limits the use of severance agreements, and prohibits the use of a general release or nondisparagement clause in employer/employee contracts.

**SB 1335 - ALLEN – NEW RECYCLING/COMPOSTING REQUIREMENTS**

This bill forces food service facilities operating in California state agencies or facilities to stop using disposable food service ware by 2021 unless 75% or more of the packaging can be recycled or composted. Since the mandated recycle/compost rate is not achievable within the time frame allotted, the bill serves as a “de-facto” ban on single-use cups, take-out containers, plates, trays and bowls in all state facilities.

For these reasons, we respectfully **REQUEST** your **VETOS** when these bills come before you for consideration.

Sincerely,



Charles Gale  
SBACC Chair



August 30, 2018

The Honorable Edmund G. Brown  
Governor, State of California  
State Capitol  
Sacramento, CA 95814

Dear Governor Brown,

The South Bay Chambers of Commerce (SBACC) respectfully REQUEST your SIGNATURE on the following pieces of legislation currently before you.

**AB 427 – MURATSUCHI – ENCOURAGES DEVELOPMENT**

Encourages economic development by creating the California Aerospace and Aviation Commission to support the health and competitiveness of California's aerospace manufacturing sector.

**AB 1879 – SANTIAGO – GAS CORPORATION: SERVICE CONNECTIONS**

Provides Energy Certainty. Provides certainty to business by allowing a natural gas supplier to provide a new natural gas connection to homes and businesses in the state.

**AB 2510 – MURATSUCHI – LIMITED LIABILITY COMPANIES: ANNUAL TAX: MICROBUSINESSES**

This bill would reduce to \$100 the annual tax for microbusinesses, as defined, and would extend indefinitely the exemption for a limited liability company that is a small business solely owned by a deployed member of the United States Armed Forces.

**AB 2762 – CARILLO – PUBLIC CONTRACTS: DISABLED VETERAN BUSINESS ENTERPRISES: LOCAL SMALL BUSINESS ENTERPRISES: SOCIAL ENTERPRIZES**

AB 2762 would update state law to include contracting preference for DVBEs and SEs by increasing the percent preference in bidding from 5 percent up to 15 percent for public works contracts. This applies to construction, procurement of goods, or delivery of services.

**AB 2808 – MURATSUCHI – EDUCATION FINANCE: LOCAL CONTROL FUNDING FORMULA: FUNDING INCREASE**

This bill would express findings and declarations of the Legislature with respect to the level of funding provided to K–12 public schools in the state. The bill would also express the intent of the Legislature to enact legislation providing that, beginning in the 2019–20 fiscal year, the state shall begin to provide increases to the LCFF and fund California K–12 public schools at a level that is equal to, or above, the average of the top 10 states nationally by 2025 and, at a minimum, to maintain this level of funding indefinitely.

For these reasons, we respectfully **REQUEST** your **SIGNATURE** when these bills come before you for consideration.

Sincerely,

A handwritten signature in cursive script that reads "Charles Gale". The ink is dark and the signature is centered horizontally.

Charles Gale  
SBACC Chair