SWCLC
Southwest California Legislative Council

**MEETING AGENDA**
**Monday, April 20, 2015**
Mt. San Jacinto College Campus in Room 805

**Presiding: Alex Braicovich, Chair**

**2015 Strategic Initiatives**
*Budget & Tax Reform / Job Creation and Retention / Healthcare / Infrastructure & The Environment*

## Call to Order, Roll Call & Introductions: 12:00 p.m.

## Chair Report

## Agenda Items

1. **Approval of March 2015 Meeting Minutes** — **Action**
2. **Legislative Report #4** — **Action**
    1. **AB 525 (Holden) Franchise relations: renewal and termination**
    2. **AB-463 (Chiu) Pharmaceutical Cost Transparency Act of 2015**
    3. **AB 588 (Grove) Labor code: Private Attorneys General Act of 2004**
    4. **ACA 4 (Frazier) Local Government transportation projects: Special taxes: Voter approval**
    5. **SCA 5 (Hancock) Local Government: Special taxes: Voter approval**
    6. **AB 244 (Eggman) Mortgages and deeds of trust: Successors in interest**
    7. **SB 406 (Jackson) Employment: Leave**
    8. **SB 495 (Stone) Income taxes: withholding: real property sales**
3. **Legislator, Staff and Stakeholder Updates** — **Information**

    **Federal**: Senators Feinstein & Boxer. Representatives Calvert & Hunter
    **State**: Governor Brown, Senators Stone & Morrell, Assembly Members Melendez, Waldron, Jones & Medina
    **Local**: County, Cities, Utilities, EDC, Healthcare, League of Cities
4. **Chamber & Council Member Announcements** — **Information**
5. **Today's lunch sponsored by: New York's Upper Crust Pizza Thank you**


**Adjourn – Next meeting May 18, 2015.**

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Loma Linda University Medical Center
Southwest Healthcare Systems
Wal-Mart
EDC of Southwest California
CR&R Waste Services
The Murrieta Temecula Group
Temecula Valley Chamber of Commerce
Murrieta Chamber of Commerce
Lake Elsinore Valley Chamber of Commerce
Wildomar Chamber of Commerce
Menifee Valley Chamber of Commerce
Perris Valley Chamber of Commerce

# Southwest California Legislative Council

**Menifee Valley Chamber of Commerce**
**Murrieta Chamber of Commerce**
**Temecula Valley Chamber of Commerce**
**Lake Elsinore Chamber of Commerce**
**Wildomar Chamber of Commerce**
**Perris Valley Chamber of Commerce**

**Meeting Minutes**
**Monday, March 16, 2015**

Legislative Consultant: Gene Wunderlich

2015 Chair: Alex Braicovich, Chair

**Directors Attendance:**

Alex Braicovich, CR&R, Inc.
Ali Mazarei, Perris Chamber of Commerce
Brad Neet, Southwest Healthcare Systems
Glen Daigle, Oakgrove Equities
Greg Morrison, EVMWD
Jason Hope, JD Promotions
Judy Guglielmana, Town & Country Real Estate
Matt Buck, California Apartment Association
Pietro Canestrelli, Reid & Hellyer APC
Shaura Olsen, Wal-Mart
Steve Amante, Amante & Associates
Tony LoPiccolo, LoPiccolo Consultants
Vicki Carpenter, Coldwell Banker

**Directors Absent:**

Don Murray, Commerce Bank of Temecula Valley
Joan Sparkman, Southwest Healthcare Systems

**Guests:**

Adam Ruiz, 1st Action Real Estate
Andy Abeles, Rancon Real Estate
Alisha Wilkins, CCSW
Avlin R. Odviar, City of Temecula
Betsey Lowrey, City of Temecula
Brian Ambrose, City of Murrieta
Clair Berger, ReputationBiz.Com
Danielle Coats- EMWD
Darci Castillejos, French Valley Cafe
David Madsen, SCAQMD
Debbie McClure, Edward Jones
Deni Horne, Assembly member Melissa Melendez
Erin Sasse, League of Cities
Gina Gonzalez, City of Menifee
Jani McNees, The Health Insurance Lady
Jeff Krals, UC Riverside
Jeremy Goldman, Southern California Edison
John Denver, John Denver Realty, City of Menifee

Kajeja Shenghur, UC Riverside
Karen Nolan, LCL Realty
Ken Dixon, Murrieta School Board
Kristin Harrison, DIY Divorce
Lana Haddad, WMWD
Verne Lauritzen, Riverside County Supervisor
Marty Lanz, LCL Realty
Mayra Magos, Assembly member Marie Waldron
Michael Garrison, Assembly member Melissa Melendez
Ray Hicks, Southern California Edison
Roger Zeimer, RCWD
Tammy Marine, Habitat for Humanity/TVCC
Tom Stinson, Assembly member Marie Waldron
Tony Amatulli, Amatulli Auto Parts
Tonya Burke, City of Perris Councilmember
Walter Wilson, Walter Wilson Realty
Yvonne Ruiz, Wine Country Notary

**Staff:**

Wendy Mitchell- Wildomar Chamber of Commerce
Alice Sullivan – Temecula Valley Chamber of Commerce
Laura Turnbow – Temecula Valley Chamber of Commerce
Dorothy Wolons – Menifee Chamber of Commerce
Kimberly Niebla, Menifee Valley Chamber of Commerce
Cheri Zamora – Wildomar Chamber of Commerce
Kim Cousins- Lake Elsinore Chamber of Commerce
Patrick Ellis- Murrieta Chamber of Commerce

Meeting called to order at: 12:10 by Chair Alex Braicovich

**1. Approval of Minutes** **Action**

Directors reviewed the minutes from the February 23, 2015 meeting.
Changes: Under Senator Jeff Stone, Right to Die should be Try; Report from Metropolitan Water District of Southern California by Patti Art should be by Danielle Coats. **Motion was made to approve the minutes with the above changes. Motion was seconded and carried by a unanimous vote.**

**2. Legislative Items** **Action**

Gene Wunderlich advised there are 10 bills considering and recommended support for each of the bills and all bills will be out in writing at the end of this week.

1. AB-360 (Melendez) Ontario International Airport

**Motion was made to WATCH: AB-360. Motion was seconded and carried.**

2. AB-1455 (Rodriguez) Ontario International Airport.

**Motion was made to SUPPORT: AB-1455. Motion was seconded and carried.**

3. AB-1038 (Jones) Employment: Flexible Schedules.

**Motion was made to SUPPORT: AB-1038. Motion was seconded and carried.**

4. AB-1252 (Jones) Proposition 65: Enforcement.

**Motion was made to SUPPORT: AB-1252. Motion was seconded and carried.**

5. SB-520 (Berryhill) State Responsibility Areas: Fire Prevention fees.

**Motion was made to SUPPORT: SB-520. Motion was seconded and carried.**

6. AB-1202 (Mayes) Fire Prevention Fee: Fee reduction

**Motion was made to SUPPORT: AB-1202. Motion was seconded and carried.**

7. AB-278 (Hernandez) District-based municipal elections

**Motion was made to OPPOSE: AB-278. Motion was seconded and carried.**

8. AB-476 (Chang) Taxation: Homeowners' exemption and renters' credit.

**Motion was made to WATCH: AB-476. Motion was seconded and carried.**

9. AB-585 (Melendez) Outdoor Water Efficiency Act of 2015: Income tax credits

**Motion was made to SUPPORT: AB 585. Motion was seconded and carried.**

10. Approval of Coalition Californians United for Medi-Cal Funding & Accountability (CUMFA)

**Motion was made to SUPPORT. Motion was seconded and carried.**

**3. SWCLC 2015 Legislative Districts Information**

**4. Legislator, Staff and Stakeholder Updates Information**

**Representative Ken Calvert**

Reported by Brenda Dennstedt: Reported on reintroduction of HR-211; is looking for support.

**Senator Jeff Stone**

Reported by Maryann Edwards: Gave report on SB-143 and SB-149

**Assemblywoman Melissa Melendez**

Reported by Michael Garrison: Report made on AB-289: Whistle Blower Protection Act. Would like to lower legislation from 40 to 20.

**Assembly Member Marie Waldron**

Reported by Tom Stinson: Reported that revenues are up and that the high speed rail is moving forward. Also reported on Medical reimbursement rates.

**Supervisor Chuck Washington**

Opal Hellweg was present representing Supervisor Chuck Washington. Introduced Sundae Sayles, the Supervisors Legislative Assistant.

**City of Murrieta**

Reported by Brian Ambrose that SB 8 is moving forward.

**League of California Cities**

Report by Erin Sasse: Introduced new bills, AD 1521, AB 448, SB 25, AB 1220

**Southwest Healthcare Systems**

Brad Neet reported on medical reimbursement.

Darlene Wetton, CEO of Temecula Valley Hospital, seeking report on emergency room crowding and Mental Health Bill.

**State Water Resources Control Board**

Report on future reductions due to drought.

**4. Chamber and Council Member Announcements Information**

**Temecula Valley Chamber of Commerce**

Report by Alice Sullivan
**Murrieta Chamber of Commerce**
Reported by Patrick Ellis
**Wildomar Valley Chamber of Commerce**
Report on upcoming events
**Menifee Valley Chamber of Commerce**
Report by Dorothy Wolons
**Perris Valley Chamber of Commerce**
Reported by Ali Mazarei: Introduced bill AB-525: Franchise Protection
**Lake Elsinore Valley Chamber of Commerce**
Report by Kim Cousins

**6. Today's Lunch Sponsor**
Lunch provided by French Valley Cafe

**Adjournment – Next Meeting April 20, 2015**
Motion to adjourn at 1:25 p.m.

**Legislative Item #1** **Action**

## AB 525 (Holden) Franchise relations: renewal and termination

**Recommended action:**
**Presentation: Gene Wunderlich/Ali Mazarei**

## Summary:


The California Franchise Relations Act (CFRA) sets forth certain requirements related to the termination, nonrenewal, and transfer of franchises between a franchisor, subfranchisor, and franchisee, as those terms are defined.

**That act**, except as otherwise provided, prohibits a franchisor from terminating a franchise prior to the expiration of its term, except for good cause, which includes, but is not limited to, the failure of the franchisee to comply with any lawful requirement of the franchise agreement after being given notice and a reasonable opportunity to cure the failure within 30 days.

**This bill** would instead limit good cause to be the failure of the franchisee to comply with any lawful requirement of the franchise agreement after being given notice at least 60 days in advance and a reasonable opportunity to cure the failure within 60 days or more.

**The act** prohibits a franchisor from failing to renew a franchise agreement unless the franchisor provides the franchisee at least 180 day's prior written notice of its intention not to renew and specified conditions are met.

**This bill** would instead prohibit a franchisor from failing to renew a franchise agreement unless the franchisee has failed to substantially comply with the franchise agreement. The bill would allow the franchisee to renew for the same duration as provided in the expiring franchise agreement and would require the renewal to be under the franchise agreement terms that are being offered to new franchises. The bill would require, if the franchisor has grounds not to renew a franchise, the franchisor to provide written notice of its intention not to renew at least 180 days prior to the termination of the existing franchise agreement. The bill would, upon termination or expiration of the franchise, prohibit the franchisor from seeking to enforce against the franchisee any covenant not to compete.

**This bill** would make it unlawful for a franchise agreement to prevent a franchisee from selling or transferring a franchise or a part of an interest of a franchise to another person, provided that the person is qualified under the franchisor's then-existing and reasonable standards for approval of new franchisees.

**This bill** would provide that a franchise agreement require the franchisee, prior to the sale, assignment, or transfer of all or substantially all of the assets of the franchise business, or a controlling interest in the franchise business, to another person, to notify the franchisor of the franchisee's decision to sell, transfer, or assign the franchise, and would require the notice to be in writing and include specified information. The bill would provide that the franchise agreement require the franchisor, within a specified period, to notify the franchisee of the approval or disapproval of the sale, assignment, or transfer of the franchise, and would require the notice to be in writing and be personally served on the franchisee or sent by certified mail, return receipt requested. The bill would deem a proposed sale, assignment, or transfer approved, unless disapproved by the franchisor, as specified.

**The act** requires a franchisor that terminates or fails to renew a franchise, other than in accordance with specified provisions of law, to offer to repurchase from the franchisee the franchisee's resalable current inventory, as specified.

**This bill** would require a franchisor that terminates or fails to allow the renewal, sale, assignment, or transfer of a franchise, other than in accordance with specified provisions of law, to, at the election of the franchisee, either reinstate the franchisee and pay specified damages or pay the franchisee the fair market value of the franchise and franchise assets, as provided.

**This bill** would also allow a franchisee to have the opportunity to monetize any equity the franchise may have developed in the franchise business prior to the termination of the franchise agreement, as specified.


## Background:

The CFIL (California Franchise Investment Law) was enacted in 1970 to regulate franchise investment opportunities in order to protect California investors from flimsy or fraudulent franchise investments. The CFIL generally requires

franchisors to provide prospective franchisees with the information necessary to make an intelligent decision regarding franchise offers, and prohibits the sale of franchises where they would lead to fraud or likelihood that a franchisor's promises would not be fulfilled. Subsequently, the CFRA (California Franchise Relations Act) was enacted to govern the ongoing relationships between franchisors and franchisees in an effort to prevent unfair practices in the termination, renewal or transfer of a franchise, where either the franchise is domiciled in California or the franchise business is or has been operated in California. For example, the CFRA generally prohibits franchisors from terminating a franchise prior to the expiration of its term, except for good cause.

AB 2305 (Huffman, **2012**) was introduced to enact the Level Playing Field for Small Businesses Act of 2012 and would have amended both the CFIL and CFRA in an attempt to address "the widespread use of one-sided and nonnegotiable franchise agreements [which have] created numerous problems for franchisees in California." That bill sought to increase protections against unfair practices of franchisors, for example, by permitting termination of a franchise agreement for good cause only where there has been a substantial and material breach of the franchise agreement and the franchisee was granted specified time to cure the breach. Among other things, the bill would have required good faith in the performance and enforcement of the franchise agreement. AB 2305 also would have created a cause of action and would have permitted the award of attorney's fees where a franchisor or subfranchisor sold or offered to sell a franchise in violation of the bill's prohibitions against specified unfair or deceptive acts or practices or unfair methods of competition. The **bill died** in Assembly Business, Professions and Consumer Protection Committee.

## Arguments in Favor:

"This is a historical bill which will protect all small franchisee business owners across California. As owner of multiple franchise brands, I can tell you first hand, the franchisees in California need this Bill to pass and Legislators need to make sure this Bill passes." Ali Mazarei

According to the California Labor Federation, "AB 525 will impact over 83,000 franchised establishments that employ more than 925,700 workers in California. Fast food restaurants are the biggest employers in the franchise sector, and fast food workers and franchisees, mostly small-business people, share a common problem – the unchecked power of big corporations. AB 525 protects franchisees against franchisor abuse, giving franchisees the opportunity to grow profitable businesses, achieve financial security, and pass some of their gains to their workers in the form of higher wages and benefits."

According to Service Employees International Union, "[the provisions of ABB 525] are significant steps towards rebalancing the relationship between franchisors and franchisees. Prohibiting unfair terminations and non-renewals ensures that franchisees who play by the rules have the opportunity to thrive, while still AB 525 providing franchisors with authority to terminate or not renew franchisees who don't meet franchise standards. Protecting franchisees' rights to transfer their business means that franchisees can pass their franchise on to their children or sell it and reap the reward of their labor and investment.

## Arguments in Opposition:

From CalChamber **RE: 2013/2014 Predecessor bill SB 610 (Jackson) (SWCLC took no action on this bill.)**

**CalChamber was Opposed to SB 610.**

Expansion of Litigation for Franchisors. Unfairly limits a franchisor's ability to terminate a franchisee agreement with a poor-performing franchise and substantially increases litigation by limiting the termination of a contract to a "substantial, material breach" which is undefined, and can only be pursued after the franchise has been provided a 30-day right to cure. ('substantial and material breach' have been eliminated from AB 525 however, the bill would propose to limit the definition of 'good cause'.)

There is also concern that AB 525 limits a franchisor's ability to timely enforce lawful terms by extending the current 30 days notification and resolution window to 120 days, potentially jeopardizing the quality of the brand and the success of all other franchisees.

**Governor's Message:**

I am returning **Senate Bill 610** without my signature. This bill alters the relationship between franchisors and franchisees by, among other things, changing the standard required to terminate a franchise agreement from "good cause" to a "substantial and material breach." While the "good cause" standard is common and well understood, the

standard provided in this bill is new and untested. The bill's changes would significantly impact California's vast franchise industry that relies on the certainty of well-settled laws. I am open to reforming the California Franchise Relations Act to give more protections to franchisees if there are indeed unacceptable or predatory practices by franchisors. I need, however, a better explanation of the scope of the problem so I am certain that the solution crafted will fix those problems and not create new ones. Additionally, the parties supporting and opposing this bill have diametrically different views. Given the polarized positions, it is in the best interest of all that a concerted effort be made to reach a more collaborative solution. Sincerely, Edmund G. Brown Jr.

**Supporting:** None on record (4/14/15)

**Opposing:** None on record (4/14/15)

**Status:** Active - In Rules Committee and Business and Professions Committee

**Legislative Item #2** **Action**

## AB-463 (Chiu) Pharmaceutical Cost Transparency Act of 2015

**Recommended action:**
**Presentation: Gene Wunderlich**

**Summary:**

Existing law establishes the Office of Statewide Health Planning and Development, which is vested with all the duties, powers, responsibilities, and jurisdiction of the State Department of Public Health relating to health planning and research development.

This bill would require each manufacturer of a prescription drug, made available in California, that has a wholesale acquisition cost of $10,000 or more annually or per course of treatment to file a report, no later than May 1 of each year, with the Office of Statewide Health Planning and Development on the costs for each qualifying drug, as specified. The bill would require the office to issue a report annually to the Legislature outlining the information submitted pursuant to this act, and the office would be required to post the report on its Internet Web site. The bill would also require the office to convene an advisory workgroup, as provided, to develop the reporting form required by this act.

**Requirements:**

The report shall include all of the following for each drug:

(1) The total costs for the production of the drug, including all of the following:

(A) The total research and development costs paid by the manufacturer, and separately, the total research and development costs paid by any predecessor in the development of the drug.

(B) The total costs of clinical trials and other regulatory costs paid by the manufacturer, and separately, the total costs of clinical trials and other regulatory costs paid by any predecessor in the development of the drug.

(C) The total costs for materials, manufacturing, and administration attributable to the drug.

(D) The total costs paid by any entity other than the manufacturer or predecessor for research and development, including any amount from federal, state, or other governmental programs or any form of subsidies, grants, or other support.

(E) Any other costs to acquire the drug, including costs for the purchase of patents, licensing or acquisition of any corporate entity owning any rights to the drug while in development, or all of these.

(F) The total marketing and advertising costs for the promotion of the drug directly to consumers, including, but not limited to, costs associated with direct to consumer coupons and amount redeemed, total marketing and advertising costs for promotion of the drug directly or indirectly to prescribers, and any other advertising for the drug.

(2) A cumulative annual history of average wholesale price (AWP) and WAC increases for the drug (expressed as percentages), including the months each increase in each category, AWP and WAC, took effect.

(3) The total profit attributable to the drug as represented in total dollars and represented as a percentage of the total company profits that were derived from the sale of the drug.

(4) The total amount of financial assistance the manufacturer has provided through patient prescription assistance programs, if available.

(c) All of the information in subdivision (b) shall be itemized and documented by the manufacturer, and audited by a fully independent third-party auditor prior to filing.

(d) The information required by this section shall be filed annually with the Office of Statewide Health Planning and Development on a form prescribed by the office and shall be submitted no later than May 1 of each year.

(e) (1) Notwithstanding Section 10231.5 of the Government Code, the Office of Statewide Health Planning and Development shall issue a report annually to the Legislature outlining the information submitted pursuant to this section, and the office shall post the report publicly on its Internet Web site.

(2) A report submitted to the Legislature pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

(f) The Office of Statewide Health Planning and Development shall convene an advisory workgroup to develop the form required by this section. The workgroup shall include, but is not limited to, representatives from the pharmaceutical industry, health care service plans and insurers, pharmacy benefit managers, governmental agencies, consumer advocates, and physicians.

**Arguments in Support:**

**Sample letter of support submitted for our consideration by Loma Linda University Medical Center - Murrieta:**

The California Association of Health Plans (CAHP), representing 43 public and private organizations that collectively deliver health care services to more than 21 million Californians, is pleased to SUPPORT AB 463 (Chiu), which offers consumers and health care purchasers long overdue transparency into drug pricing.

California has made significant gains in reducing the uninsured rate over the past couple of years, but in order to ensure the state can sustain the progress we have made, we must address affordability and underlying costs that impact the price of coverage.

Just last year, as spending slowed in other health care sectors, spending on prescription drugs grew more than three times faster than the prior year and faster than it has in more than a decade. Higher prices for specialty drugs was the major factor driving these price increases, with a 25% increase in the last year. New medications treating Hepatitis C, many priced between $84,000 and $94,000 per treatment, led to a 750% increase in spending. These skyrocketing prices are not just impacting employers and health insurers. The federal government and state governments' budgets across the U.S. are reeling from explosive increases in pharmaceutical prices.

With the state paying the health care tab for one-third of Californians through Medi-Cal, along with CalPERS, the AIDS Drug Assistance Program, state hospitals, and corrections, the state and taxpayer liability for increased drug costs is significant. And, while the state meets its commitment to ensure individuals in these programs have access to needed medical treatments, pharmaceutical manufacturers have offered little to no transparency in the development of these drug prices to justify the cost.

The Governor is setting aside a whopping $300 million in his budget to supplement existing state funding for these Hepatitis C drugs because the price exceeds levels the state had planned to spend. This represents $300 million in funding that could be used for other vital state programs.

Across the health care sector, consumers, payers, governments and employers are benefitting from increased transparency that offers public scrutiny of our health care system. Health plans, hospitals, and physicians all submit cost and quality related data to regulators. Considering the recent impact of high drug prices, consumers and policy makers will benefit from increased transparency from the pharmaceutical sector.

AB 463 is a reasonable step towards understanding how drugs are priced. The bill requires drug companies to reveal operational and other costs of the most expensive medications. Without this information policymakers and consumers are

at a disadvantage in the ability to engage in real discussions aimed at achieving more sustainable pricing. This move towards transparency can help further discussions over how we can address prices in the long term.

This bill does not require the disclosure of any contracted agreements between manufacturers and plans or pharmacy benefit managers. The set information required in this bill is designed to be collected in one place so the public can analyze the impact and assumptions in drug pricing.

The AB 463 requirement for drug companies to submit information for only those most expensive drugs – those priced at over $10,000 per year – allows policymakers to look at those treatments that have the largest cost impact and minimizes the reporting requirements on the drug companies.

It should be noted that we are seeing considerable growth among this group of the highest priced drugs. In just four years, of the top 100 selling drugs in the U.S., we have seen the number of drugs that are priced over $10,000 surge from 26% in 2010 to 47% in 2014. Under AB 463, policymakers could better understand what is driving these increases.

And there is no sign that these prices are slowing. There are 12 new "blockbuster" drugs expected to launch this year alone. Of note, there is a new, effective cholesterol drug that will soon be on the market and it is expected to cost $10,000 per year. Under new guidance issued last year, up to half of all Americans should be taking cholesterol-lowering medication for the reminder of their lives to prevent a heart attack. These developments impact affordability.

CAHP urges you to join us in supporting AB 463 because it offers a reasonable level of transparency while also ensuring drug manufacturers can keep proprietary information confidential and protects competition.

**Arguments in Opposition:**

While there is as yet no opposition on record, some, including Senator Jeff Stone, have voiced concerns about the ultimate goal of this type of transparency. While no one is supportive of the high price of medication, there is a concern that this bill establishes a framework by which future legislation could set out to establish an arbitrary price cap on a drug. There have already been overtures made to establish profitability limits on private enterprise including oil development and other corporate interests.

Further, while the price for a single drug might seem exorbitant, the bill, as proposed, would not allow a manufacturer to offset the cost of development for other drugs which never came to market. A drug manufacturer might incur R & D expense for ten drugs for the same or other illnesses before finding the one drug that is effective for treatment.

Manufacturers could incur significant compliance costs predicated on the extensive reporting and auditing requirements. The bill also seeks to establish yet another ongoing state advisory work group with no information on size or cost of such a group.

Finally, while the bill seeks to promote transparency, it will do nothing to impact the price of drugs and may well exacerbate the cost of a medication due to the increased reporting element imposed by the bill.

**Supporting:**

California Association of Health Plans

**Opposing:** None on record (4/15/15)

**Status:** Active - In Committee Process. Assembly Committee on Health.

**Legislative Item #3** **Action**

## AB 588 (Grove) Labor code: Private Attorneys General Act of 2004

**Recommended action: SUPPORT**
**Presentation: Gene Wunderlich**

**Summary:**

The Labor Code Private Attorneys General Act of 2004 authorizes an aggrieved employee to bring a civil action to recover specified civil penalties, that would otherwise be assessed and collected by the Labor and Workforce Development Agency, on behalf of the employee and other current or former employees for the violation of certain provisions affecting employees. The act provides the employer with the right to cure certain violations before the employee may bring a civil action, as specified. For other violations, the act requires the employee to follow specified procedures before bringing an action.

Existing law requires an employer to provide its employees with specified information regarding their wages either semimonthly or at the time of each wage payment and provides that the employer does not have the right to cure a violation of that requirement before an employee may bring a civil action under the act.

This bill would provide an employer with the right to cure a violation of that wage statement law requirement before an employee may bring a civil action under the act. The bill would also delete obsolete provisions of law.

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**Purpose of Bill:**

To reduce frivolous litigation under the Labor Code Private Attorneys General Act (PAGA) for errors included in the itemized wage statement by allowing an employer a 33-day right to cure for any errors. This reduction of litigation will help employers invest more financial resources in growing their business and compensating their employees, rather than litigation costs.

PAGA, set forth in Labor Code Sections 2698, *et seq.*, allows an employee to file a "representative action" against an employer for any violation of the Labor Code and subjects an employer to statutory penalties ranging from $100 per employee per pay period to $200 per employee per pay period, as well as attorney's fees. A representative action is similar to a class action in that the litigation is filed on behalf of the employee and other current and former employees who were aggrieved by the alleged violation, yet the employee does not have to satisfy any of the class action requirements such as commonality of issues/facts, numerosity of class members, typicality of defenses or claims, and adequacy of another forum/procedure. Under PAGA, an employee can immediately sue for the Labor Code violations listed in Labor Code Section 2699.5, which includes Labor Code Section 226 that sets forth the categories of information that must be included in an itemized wage statement. For those Labor Code sections not set forth in Section 2699.5, the employee must give the employer 33 days to cure the alleged violation.

**AB 588** would delete Labor Code Section 226 from Section 2699.5 that allows an employee the immediate right to sue under PAGA, and instead require the employee to allow the employer 33 days to cure the alleged violation before a civil action is filed. Labor Code Section 226 is one area in which employers have seen an increase in frivolous litigation regarding technical violations that do not harm or injure the employee. An example of this frivolous litigation is set forth in *Elliot v. Spherion Pacific Work, LLC*, 572 F.Supp.2d 1169 (2008), in which an employee alleged a cause of action under Labor Code Section 226 because the employer used a truncated name on the wage statement. Specifically, the employer's name on the wage statement was "Spherion Pacific Work, LLC," instead of Spherion's legal name, "Spherion Pacific Workforce, LLC." The employee did not allege that this truncated version of the employer's name misled her, confused her, or caused her any injury. Although the court ultimately dismissed this cause of action through summary judgment, the employer incurred unnecessary legal costs and attorney's fees to have the cause of action dismissed.

**AB 588** would help curb this type of frivolous litigation under PAGA with regard to Labor Code Section 226 by allowing an employer 33 days to cure any alleged violation. If the employer cannot cure the violation, then the employee would still be able file a civil action and obtain any unpaid wages, penalties and attorney's fees. This reform would provide the appropriate balance of allowing an employer to correct unintentional errors, while still protecting the employee's ability to obtain information regarding how his/her wages were calculated during the pay period.

**Supporting:**

CalChamber

**Opposing:** None on record (4/15/15)

**Status:** Active - Committees on Labor and Employment and Committee on Judiciary.

| **Legislative Item #4** | **Action** |
|---|---|

## ACA 4 (Frazier) Local Government transportation projects: Special taxes: Voter approval

**Recommended action: OPPOSE**
**Presentation: Gene Wunderlich**

### Summary:

The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of $^2/_3$ of the voters of the city, county, or special district voting on that tax, except that certain school entities may levy an ad valorem property tax for specified purposes with the approval of 55% of the voters within the jurisdiction of these entities.

This measure would provide that the imposition, extension, or increase of a special tax by a local government for the purpose of providing funding for local transportation projects, as defined, requires the approval of 55% of its voters voting on the proposition. The measure would also make conforming and technical, nonsubstantive changes. This measure would also provide that it shall become effective immediately upon approval by the voters and shall apply to any local measure imposing, extending, or increasing a special tax for local transportation projects submitted at the same election.

### Arguments in Support:

The League of California Cities is pleased to support ACA 4, which would lower the voter threshold requirements for special taxes by a local government for the purpose of providing funding for local transportation projects from 2/3rds approval to 55% approval.

The League has long supported the principle of local control, which includes expanded authority over local revenues. This is especially true in the area of transportation, which so clearly needs additional investment. The 2014 California Local Streets and Roads Needs Assessment rated the state's pavement condition at a precarious 66, and identified $78.3 billion funding shortfall over the next ten years. This is in addition to the $59 billion shortfall identified in the 2014 State Highway Operation and Protection Program. Local transportation measures benefit the entire transportation system and support California's statewide policy goals of lower greenhouse gas emissions, supporting goods movements, and being accountable for how taxpayer dollars are spent.

Revenues from current sales tax measures support capital programs on the state and local system, local streets and roads, transit, bicycle and pedestrians, and transit-oriented development. In a state as diverse as California, the existing model no longer works. The inability to adequately develop and maintain infrastructure hampers our state's economy. It is time for revenue authority and accountability to be decentralized to permit local communities to move forward with measures that address their local infrastructure needs.

### Arguments in Opposition:

**ACA 4** would amend the California Constitution to reduce the voter approval threshold at the local level for the imposition of a "special tax" from two-thirds to fifty-five percent. This amendment adds complexity and uncertainty to the current tax structure and will likely lead to taxes specifically targeting employers.

A primary concern with **ACA 4** is that it provides blanket authority to the local government to impose nearly any type of "special tax" with a reduced voter threshold of only fifty-five percent. There are few parameters or restrictions under which a "special tax" may be imposed under **ACA 4**, other than the revenue must be used for transportation projects and the "special tax" cannot be an ad valorem or a transaction tax on real property. With such broad discretion in the type or scope of "special tax" to impose, we are concerned that it could lead to targeted taxes at the local level against unpopular

taxpayers, industries, products, or property. Specifically, under **ACA 4**, a parcel tax could be disproportionately directed at commercial property within the local jurisdiction, thereby potentially ***undermining the protections in place under Proposition 13*** and discriminating against commercial property versus residential.

The Council appreciates the current financial pressure many cities, counties, or special districts are under to maintain levels of funding for transportation projects but does not believe amending the Constitution to reduce the level of local voter approval necessary to impose nearly any type of special tax is proper. The current two-thirds vote requirement for special taxes provides a mechanism by which voters can still approve tax increases while protecting the interests of a small minority of taxpayers. The business community consistently maintains that if a tax is necessary, it should only be temporary and broad based so that the impact is minimized as it is uniformly shared by all instead of an individual business, industry, or taxpayer. By reducing the voter threshold under **ACA 4** to impose nearly any type of "special tax" at the local level with only a majority vote, it increases the threat of unfair and economically harmful targeted taxes.

**ACA 4 has been identified as a JOB KILLER by the CalChamber.**

**Supporting:**

California League of Cities

**Opposing:**

CalChamber

**Status:** Active - Referred to Committees on Revenue & Tax; Appropriations; and Transportation.

**Legislative Item #5** **Action**

## SCA 5 (Hancock) Local Government: Special taxes: Voter approval

**Recommended action: OPPOSE**
**Presentation: Gene Wunderlich**

**Summary:**

The California Constitution conditions the imposition of a special tax by a local government upon the approval of $^2/_3$ of the voters of the local government voting on that tax, but authorizes the imposition of a local ad valorem tax for school facilities upon the approval of 55% of the voters voting on that tax.

This measure would condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition, if the proposition proposing the tax contains specified requirements. The measure would also make conforming and technical, nonsubstantive changes.

**Arguments in Opposition:**

Same as **ACA 4./ (See previous) This bill has been identified as a JOB KILLER by the CalChamber.**

**Supporting:** None on record (3/10/15)

**Opposing:**

CalChamber

**Status:** Active - Referred to Committees on Government & Finance; Appropriations; and Elections and Constitutional Amendments. .

**Legislative Item #6** **Action**

## AB 244 (Eggman) Mortgages and deeds of trust: Successors in interest

**Recommended action: OPPOSE**
**Presentation: Gene Wunderlich**

**Summary:**

Existing law imposes various requirements to be satisfied prior to exercising a power of sale under a mortgage or deed of trust. Existing law defines a mortgage servicer as a person or entity who directly services a loan, or is responsible for interacting with the borrower, and managing the loan account on a daily basis, as specified. Existing law defines a borrower, for purposes of specified provisions relating to mortgages and deeds of trust, as a natural person who is a mortgagor or trustor who is potentially eligible for any federal, state, or proprietary foreclosure prevention alternative program offered by, or through, his or her mortgage servicer.

This bill would include a successor in interest in the definition of a borrower for purposes of the eligibility provisions described above. The bill would define a successor in interest for these purposes as a natural person who provides the mortgage servicer with notification of the death of the mortgagor or trustor and reasonable documentation, as specified, showing that the person falls into one of four categories of successors, including a personal representative of the mortgagor's or trustor's estate or a surviving spouse, as specified.

**Arguments in Support:**

It is not uncommon for only one person in a household to be listed on a given mortgage, and lenders have argued that the protections for homeowners created by the California Homeowner Bill of Rights (HBOR) do not extend to their widows, widowers and other surviving heirs.

Currently, these homeowners can find themselves caught in a "Catch 22" if they seek a loan modification: Servicers tell them that they can't modify the loan until they assume the mortgage, but won't let them assume the mortgage unless they show they can afford it. As a result, mortgage payments are missed, fees rack up, and foreclosure becomes more likely.

Asm. Eggman's bill, AB 244, fixes this problem by stating that the protections afforded to homeowners under HBOR *also* extend to widows, widowers and other surviving family members who have a legal interest in the property.

"Our community has already suffered so much from the foreclosure crisis," Assemblymember Eggman said. "It's outrageous that this continues to be a problem. Clearly we need to change the law to force lenders to deal fairly with those who are grieving the loss of a spouse or loved one."

Kevin Stein, associate director of the California Reinvestment Coalition, a co-sponsor of the bill, explained the importance of the bill: "While it's a small clarification, this bill could make a world of difference for a grieving spouse or other surviving family member. The Homeowner Bill of Rights is one of the strongest consumer protection laws in the nation, and this bill continues California's trend of leading on the issue of protecting homeowners."

**Arguments in Opposition:**

**This bill has been identified as a JOB KILLER by the CalChamber.**

The **Homeowners Bill of Rights** , ***which this Council OPPOSED in 2012***, was purported to help keep homeowners in their homes. However the existing provisions are imprecise and further exacerbated by this bill. **AB 244** doesn't retain the focus of the underlying law which was to keep people in their homes, it does the opposite. Now persons who never lived in the home are being extended the same provisions as the original homebuyer.

The availability of credit may be severely compromised. Employers are well aware of the high cost of housing in California. It adds considerable complexity to attracting and retaining a solid workforce in many areas of the state. Lenders will choose to discontinue some types type of credit because the risk ratio is too adverse leaving residents of the state with few alternatives that will cost much more. Closing out some lines of credit means a reduction in jobs which California can ill afford. It will lead to lead to higher costs to purchase homes in California through reduced access to credit.

One of the unintended consequences of this bill is the expansion of private rights of actions that may be levied against lenders. It is available in the underlying statute, but is greatly expanded in this bill. The measure is not limited to widows and orphans, it applies to any natural person that is a personal representative, a joint tenant, or a trustee or beneficiary, all of which may include individuals without any familial relation to the deceased borrower and/or who have never resided in the property.

Also federal regulations are pending on this matter. It would be prudent to allow the federal process to conclude before adding any more state regulations that may be in conflict.

**Supporting:** None on record (4/15/15)

**Opposing:**

CalChamber

**Status:** Active - Committee on Banking and Finance

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| **Legislative Item #7** | **Action** |
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## SB 406 (Jackson) Employment: Leave

**Recommended action: OPPOSE**
**Presentation: Gene Wunderlich**

**Summary:**

The Moore-Brown-Roberti Family Rights Act makes it an unlawful employment practice for an employer to refuse to grant a request by an eligible employee to take up to 12 workweeks of unpaid protected leave during any 12-month period (1) to bond with a child who was born to, adopted by, or placed for foster care with, the employee, (2) to care for the employee's parent, spouse, or child who has a serious health condition, as defined, or (3) because the employee is suffering from a serious health condition rendering him or her unable to perform the functions of the job. Under the act, an employee is required to have more than 12 months of service with the employer and at least 1,250 hours of service with the employer during the previous 12-month period. The act exempts from its provisions an employer that employs fewer than 50 employees within 75 miles of the worksite where the employee is employed (small business exemption). The act provides that if the same employer employs both parents entitled to leave under the act, the employer is not required to grant leave in connection with the birth, adoption, or foster care of a child that would allow the parents family care and medical leave totaling more than the amount specified in the act.

The act defines "employer" to mean any person who directly employs 50 or more persons to perform services for a wage or salary or the state, any political or civil subdivision of the state, and cities. The act defines "child" to mean a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis who is either under 18 years of age or an adult dependent child. The act defines "family care and medical leave" to mean, among other things, leave to care for a parent or a spouse who has a serious health condition. The act defines "parent" to mean a biological, foster, or adoptive parent, a stepparent, a legal guardian, or other person who stood in loco parentis to the employee when the employee was a child.

This bill would restrict that small business exemption to an employer that employs **fewer than 5 employees** within 75 miles of the worksite where the employee is employed.

The bill would make various changes to the definitions described above, thereby expanding the persons and purposes for which leave is required to be provided under the act. The act would redefine employer to include any person who directly employs 5 or more persons to perform services for a wage or salary. The bill would redefine the term "child" to include a child of a domestic partner, and would remove the restriction on age or dependent status. The bill would expand the definition of leave with regard to caring for persons with a serious health condition to also include leave to care for a grandparent, grandchild, sibling, or domestic partner who has a serious health condition. The bill would include a parent-in-law in the definition of "parent."

**Arguments in Support:**

Senate Bill 406 will ensure that more employees will be able to utilize their Paid Family Leave benefits without fear of losing their jobs. Currently, more than 40 percent of Californians do not have adequate legal protections to take paid family leave without risking job loss.

"No one should be fired – or even fear being fired – for taking time out to care for a new baby or a sick family member," said Jackson. "This bill will help ensure that more Californians can attend to their family responsibilities and access a benefit they're already paying into without fear of losing their jobs."

SB 406 would expand California law to ensure employees working for companies with five or more employees have job protection for Paid Family Leave, and that that job protection extends to care not only for a parent, spouse, domestic partner or child, but also to a grandparent, grandchild, sibling, in-law or child, regardless of their age.

"Family Leave allows parents to create lasting bonds with new children and helps ill family members recover more quickly. Most Californians pay into the Paid Family Leave program, but too many cannot access the benefits for fear of losing their jobs, due to the limited reach of the California Family Rights Act," said Sharon Terman, senior staff attorney and director of the Work and Family Program at the Legal Aid Society-Employment Law Center, a sponsor of the bill. "It's time to update the law to ensure that no one has to choose between caring for a loved one and keeping their job. We look forward to working with Senator Jackson to ensure passage of SB 406."

**Arguments in Opposition:**

**SB 406 (Jackson)** has been identified as a **JOB KILLER by the CalChamber.**

The bill mandates small employers with only *five* employees to provide a 12-week protected leave of absence under the California Family Rights Act (CFRA), as well as significantly expand the type of individuals for which employees can take the leave, thereby putting a greater burden on both small and large businesses and creating an even further disconnect with the federal Family and Medical Leave Act ("FMLA").

**SB 406 Will Overwhelm Small Businesses**:

Currently, CFRA requires an employer with 50 or more employees to allow an employee who has worked at least 1,250 hours to take up to 12 weeks of leave in a 12-month period for their own serious medical condition, for the birth or placement of a child, or to care for the serious medical condition of a child (under 18 years of age or adult dependent), spouse, or parent. The current definition of "parent" includes step-parents as well as those individuals who stand *in locos parentis* to the child. **SB 406** seeks to impose this 12-week protected leave of absence on employers with only 5 employees. Such a significant expansion of a protected leave of absence will simply overwhelm small businesses with such a limited workforce.

Specifically, after meeting minimum qualifications, an employee's leave under CFRA is absolute and must be allowed, regardless of the undue burden it will create on the employer. Employers could have multiple employees already out of work on a variety of protected leaves or employer-offered leaves of absence, and still must allow any other employee who meets the qualifications of CFRA to have a protected 12-week protected leave of absence as well. Once out on leave, the employer must hire and train a temporary employee to cover the employees' duties, pay an existing employee a higher wage or overtime to take on the duties, or suffer decreased productivity until the existing employee out on leave is ready to return to work. CFRA is a *protected leave* and, therefore, the employer must return the employee to his/her same position, or else face costly litigation.

Expanding this significant burden to an employer with only 5 employees is unfair. CFRA is difficult for larger employers with an extensive workforce to administer and manage. Small employers in California will not be able to comply with this mandate.

**SB 406 Expands the Amount of Protected Leave an Employee May Take**:

In addition to expanding the employers who must provide the leave of absence, **SB 406** also expands the family members for whom an employee may take a 12-week protected leave of absence to care for to include a grandparent, a grandchild, and siblings. The initial intent of CFRA was to provide a balance between an individual's work life and personal life. However, this proposed change would certainly disrupt that balance and negatively impact California employers.

Given the fact that these proposed individuals under **SB 406** are not covered under the corresponding and similar leave provided by the federal Family Medical Leave Act, it will potentially provide a California employer with an obligation to provide up to 24 weeks of protected leave. Specifically, under **SB 406**, an employee could utilize his/her 12-weeks of CFRA to care for the serious medical condition of a grandparent, who is not a family member covered under FMLA, and therefore would not trigger FMLA leave. Upon returning, the employee would still be entitled to another 12-week protected leave of absence under FMLA for his or her own medical condition or the medical condition of his/her spouse, child or parent. Notably, an employee can take CFRA and FMLA in as small of increments as one hour at a time, thereby providing an extensive amount of protected time off for California-only employees, that California-only employers would have to administer.

**Supporting:** None on record (4/15/15)

**Opposing:**

CalChamber

**Status:** Active - Referred to Committee Labor and Industrial Relations.

## Legislative Item #8 — Action

### SB 495 (Stone) Income taxes: withholding: real property sales

**Recommended action: SUPPORT**
**Presentation: Gene Wunderlich**

**Summary:**

Existing law requires the transferee of a California real property interest, in specified circumstances, to withhold, for income tax purposes, $3^{1}/_{3}$% of the sales price of the property when the property is acquired from either an individual, or a partnership or corporation without a permanent place of business, as specified. Existing law also allows, by election of the transferor, alternative withholding amounts that are not less than the amount of gain required to be recognized under income tax laws multiplied by the corporation tax rate, bank and financial corporate tax rate, the highest personal income tax rate, or the current "S" corporation tax rate plus the highest personal income tax rate, as applicable.

This bill would, in the case of any disposition of a California real property interest in taxable years beginning on or after January 1, 2016, provide that withholding would not be required if a transferor makes a written election, in a form prescribed by the Franchise Tax Board, to remit any tax due with the filing of any required tax return.

**Purpose of Bill:**

As stated, the bill seeks to allow the purchaser of a property, as specified, to defer withholding tax until filing of a return. Current law mandates if a seller is not a resident of the state or who is an investor or owner under an S Corp or LLC, for example, the buyer must withhold 3 1/3% of the sales price so that California is assured of getting its share of tax. This is unfair on the face of it as a seller may be taking a loss on the property in which case there would be no taxes due, yet 31/3% is withheld from their proceeds. Even if taxes are due, 3 1/3% of the sales price may be significantly higher than any tax due on actual capital gains or profit from the sale, particularly if there is off-set from other business or property losses for the year. This bill would keep more money in circulation for investment or re-investment as a stimulus to California's economy.

The Franchise Tax Board may, by regulation, require any person, in whatever capacity acting, to withhold an amount, determined by the Franchise Tax Board to reasonably represent the amount of tax due when the items of income are included with other income of the taxpayer, and to transmit the amount withheld to the Franchise Tax Board at the time as it may designate.

Protections will continue in force if the transferee:

1. Has no permanent place of business in California.

For purposes of this subdivision, a corporation or partnership has no permanent place of business in California if all of the following apply:

1. It is not organized and existing under the laws of California.
2. It does not qualify with the office of the Secretary of State to transact business in California.
3. It does not maintain and staff a permanent office in California.

**No transferee** is required to withhold any amount under this subdivision unless the sales price of the California real property conveyed exceeds one hundred thousand dollars ($100,000).

**No transferee**, other than an intermediary or an accommodator in a deferred exchange, is required to withhold any amount under this subdivision unless written notification of the withholding requirements of this subdivision has been provided by the real estate escrow person.

**No transferee**, trustee under a deed of trust, or mortgagee under a mortgage with a power of sale is required to withhold under this subdivision when the transferee has acquired California real property at a sale pursuant to a power of sale under a mortgage or deed of trust or a sale pursuant to a decree of foreclosure or has acquired the property by a deed in lieu of foreclosure.

**No transferee** is required to withhold under this subdivision when the transferor is a bank acting as trustee other than a trustee of a deed of trust.

**No transferee**, including for this purpose any intermediary or accommodator in a deferred exchange, is required to withhold any amount under this subdivision if the transferee, in good faith and based on all the information of which he or she has knowledge, relies on a written certificate executed by the transferor, certifying, under penalty of perjury, one of the following:

1. The California real property being conveyed is the seller's or decedent's principal residence, within the meaning of Section 121 of the Internal Revenue Code.
2. The last use of the property being conveyed was use by the transferor as the transferor's principal residence within the meaning of Section 121 of the Internal Revenue Code.
3. The California real property being conveyed is being exchanged, or will be exchanged, for property of like kind, within the meaning of Section 1031 of the Internal Revenue Code, but only to the extent of the amount of the gain not required to be recognized for California income or franchise tax purposes under Section 1031 of the Internal Revenue Code.
4. The transaction will result in either a net loss or a net gain not required to be recognized for California income or franchise tax purposes.
5. The transferor is a corporation with a permanent place of business in California.

**Supporting:** None on record (4/15/15)

**Opposing:** None on record (4/15/15)

**Status:** Active - Referred to Committee on Government and Finance.

# Southwest California Legislative Council

## 2015 Bill Tracker

| | | | | | | | Senate | | | Assembly | | | | | Gov |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Month | Bill # | Author | Party | Intent | Position | Status | Stone | Roth | Morrell | Melendez | Waldron | Jones | Linder | Medina | Brown |
| 1 | SB 25 | Roth | D | VLF/Prop tax | S | | | | | | | | | | |
| 1 | SB 3 | Leno | D | Minimum wage | O | | | | | | | | | | |
| 1 | SB 32 | Pavley | D | CARB 80% | O | | | | | | | | | | |
| 2 | AB 218 | Melendez | R | Hwy 74 | S | | | | | | | | | | |
| 2 | AB 14 | Waldron | R | Drone task force | S | | | | | | | | | | |
| 2 | SB 198 | Morrell | R | Fire fee repeal | S | | | | | | | | | | |
| 2 | SB 67 | Galgiani | D | ADA damages | S | | | | | | | | | | |
| 2 | AB 323 | Olsen | R | CEQA Exemption | S | | | | | | | | | | |
| 2 | AB 328 | Grove | R | Vet franchise fee | S | | | | | | | | | | |
| 3 | AB 67 | Gonzalez | D | Holiday Dbl Pay | O | | | | | | | | | | |
| 3 | AB 360 | Melendez | R | Ontario Airport | W | | | | | | | | | | |
| 3 | AB 1455 | Rodriguez | D | Ont airport fund | S | | | | | | | | | | |
| 3 | AB 1038 | Jones | R | flex work sched | S | | | | | | | | | | |
| 3 | AB 1525 | Jones | R | Prop 65: enforcement. | S | | | | | | | | | | |
| 3 | SB 520 | Berryhill | R | Fire fee repeal | S | | | | | | | | | | |
| 3 | AB 1202 | Mayes | R | Fire fee reduction | S | | | | | | | | | | |
| 3 | AB 278 | Hernandez | D | District based elections | O | | | | | | | | | | |
| 3 | AB 476 | Chang | D | Homeowner exemption | W | | | | | | | | | | |
| 3 | AB 585 | Melendez | R | Water efficiency tax | S | | | | | | | | | | |
| 4 | AB 52 | Gray | D | ADA compliance | S | | | | | | | | | | |
| 4 | AB 54 | Olsen | R | ADA Compliance | S | | | | | | | | | | |

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|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4 | AB 357 | Chiu | D | Work hours | O | | | | | | | | | | |
| 4 | AB 1074 | Garcia | D | Clean Fuel | S | | | | | | | | | | |
| 4 | AB 1470 | Alejo | D | Overtime | S | | | | | | | | | | |
| 4 | AB 797 | Steinorth | R | Regulations | S | | | | | | | | | | |
| 4 | AB 1075 | Alejo | D | Hazardous Waste | O | | | | | | | | | | |
| 4 | SB 3 | Leno | D | **Minimum Wage** | O | | | | | | | | | | |
| 4 | SB 350 | De Leon | D | Clean Energy | O | | | | | | | | | | |