

SWCLC Southwest California Legislative Council

*A Coalition of
The Temecula Valley, Murrieta, Lake Elsinore Valley and Wildomar Chambers of Commerce*

MEETING AGENDA
Monday, August 19, 2013

Ortega Adult School, 520 Chaney St., Lake Elsinore

Presiding: Dennis Frank, Chair

2013 Strategic Initiatives
Budget & Tax Reform / Job Creation and Retention / Healthcare Reform

Call to Order, Roll Call & Introductions:

Chair Report

Agenda Items

1. Approval of July 2013 Meeting Minutes Action
2. Legislative Report #8 Action
 1. [AB 12 \(Cooley\): State government: Administrative Procedure Act: standardized regulatory impact analyses.](#)
 2. [SB 176 \(Galgiani\): Administrative procedures](#)
 3. [SB 401 \(Hueso\): Administrative practices.](#)
 4. [SB 648 \(Corbett\): Electronic cigarettes: restriction of use and advertising](#)
 5. [SB 594 \(Hill\): Use of public resources](#)
5. Year-to-Date Bill Review Information
6. Regional Legislator, Staff and Stakeholder Updates Information

Federal: Senators Feinstein & Boxer. Representatives Calvert & Hunter
State: Governor Brown, Senators Emmerson, Anderson & Roth, Assemblymembers Melendez, Waldron, Jones & Nestande
Local: County, Cities, Utilities, EDC, Healthcare, League of Cities
6. Chamber & Council Member Announcements Information
7. Lunch Sponsor Eat There



Adjourn – Next meeting September 16, 2013



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The Southwest California Legislative Council Thanks Our Partners:

Southwest Riverside Country
Association of Realtors
Metropolitan Water District of
Southern California
Near-Cal Corporation
Economic Development Corp of
Southwest California
Elsinore Valley Municipal Water
District

The Gas Company
Abbott Vascular
The Murrieta Temecula Group
Temecula Valley Chamber of
Commerce
Murrieta Chamber of Commerce
Lake Elsinore Valley Chamber of
Commerce

Wildomar Chamber of
Commerce
Southern California Edison
Loma Linda University Medical
Center
Southwest Healthcare Systems
Walmart

Please consider adding your business to the list. The SWCLC is fully funded by sponsorships from various private organizations and businesses. The SWCLC exists solely because of the contributions of these proactive organizations and businesses located throughout the region. Without their support the actions of the SWCLC would not be possible.



Southwest California Legislative Council

**Murrieta Chamber of Commerce
Temecula Valley Chamber of Commerce
Lake Elsinore Chamber of Commerce
Wildomar Chamber of Commerce
Meeting Minutes
July 15, 2013**

Legislative Consultant: Gene Wunderlich

2013 Chair: Dennis Frank, D.R. Frank & Associates

Directors Attendance: Nicole Albrecht, Financial Accounting Services
Alex Braicovich, CR & R, Inc
Tony Lopicolo, LoPiccolo Consulting
Greg Morrison, EVMWD
Don Murray, Commerce Bank of Temecula Valley
Shaura Olsen, Walmart
Joan Sparkman

Directors Absent: Steve Amante, Amante & Associates
Glen Daigle, Oakgrove Equities
Jeff George, Superior Quality Construction
Judy Guiliemana, Town & Country Real Estate
Isaac Lizarraga, Rancho Ford Lincoln
Karie Reuther, The David Reuther Vocal Studio
Gary Thornhill, Tierra Verde

Council Guests: Andy Abeles, Coldwell Banker
Brian Ambrose, City of Murrieta
Patty Artl, Metropolitan Water District
Miguel Belmonte, Perris Valley Chamber of Commerce
Joni Caposey, County of Riverside
Danielle Coats, EMWD
Nicole Dailey, City of Lake Elsinore
Ken Dickson, MVUSD
Jack Ferguson, CPA
Deni Horne, Assemblywoman Melissa Melendez 67th District
Tim Johnson, CA Apartment Assoc.-Inland Empire
John Kelliher, Temecula Valley Convention & Visitors Bureau
Connie Lynch, SRCAR
David Madsen, South Coast AQMD
Doug McAllister, Private Citizen
Jami McNees, Temecula Insurance
Peter Minegar, Senator Joel Anderson
Morris Myers, EDC

Erin Sass, League of Cities
Tom Somers, Pacific Advisors
Jackie Steed, Nation Merchants Association
Tom Stinson, Assemblywoman Marie Waldron 25th District
Kelcey Sticker, CSUSM
Donna Thompson, Assemblywoman Melissa Melendez 67th District
Michele McKinney Underwood, Western Municipal Water District
Baldev S. Bij, SINGMA Investments Inc.
Marie Waldron, Assemblywoman Marie Waldron 25th District
Walter Wilson, SRCAR
Roger Ziemer, RC Ziemer & Assoc.

Staff Present: Kim Cousins, Michelle Simon-Lake Elsinore Valley Chamber of Commerce
Alice Sullivan, Laura Turnbow-Temecula Valley Chamber of Commerce
Patrick Ellis-Murrieta Chamber of Commerce
Karen Pollock-Wildomar Chamber of Commerce

Meeting called to order at: 12:15 P.M. by Chairman Dennis Frank

1. Approval of Minutes Action

Directors reviewed the Minutes from the June 17, 2013 meeting. **The motion was made to approve the minutes as written. The motion was seconded and carried by a unanimous vote.**

2. Legislative Report #2 Action

1. AB 1333 (Hernandez) Local government: Contracts

This bill did not get out of committee.

2. SB 633 (Pavley) CEQA

Following discussion, the motion was made to SUPPORT SB 633. The motion was seconded and carried by a unanimous vote.

3. AB 1383 (Committee on Labor & Employment) Employment regulations: local enforcement

Following discussion, the motion was made to OPPOSE AB 1383. The motion was seconded and carried by a unanimous vote.

4. Proposition 90-Riverside County

Following discussion, the motion was made to OPPOSE Proposition 90. The motion was seconded and carried by a unanimous vote.

5. AB 857

Following discussion, the motion was made to OPPOSE AB 857. The motion was seconded and carried by a unanimous vote.

3. Sacramento Update Assemblywoman Marie Waldron Information

The Assemblywoman addressed the Legislative Council for this first time due to the recess. It has been an eye opener with 14 years' service as a Councilwoman and business owner to go to Sacramento and be in the minority. Out of 80 assembly members, this year we have 38 new assembly members due to term limits to 12 years and with recent changes 4 more seats will change meaning the majority of the assembly members will have changed.

There is a little bit of hope that this class will be able to work together in spite of the old guard. But the old guard can still punish the new members if they stray too far from their party platform. With 2014 election we will have a number of new members and hopefully be able to move to a new more business friendly agenda.

4. Citizen Legislature-Information Request Flyer Information

As a follow-up to the presentation at last month's Legislative Council Meeting, Gene let everyone know that there was an information flyer circulating through the room that allows individuals to sign up for further information.

Senator Joel Anderson

Report by Peter Minegar

They just found out the Department of Defense has cancelled their Del Mar Air Show. The show has been a big event for San Diego Military's history and its cancellation will have a large economic impact on that area. Senator Anderson is working with a couple other members from the State Senate as well and other Military officials to see if there is another event they can put on in the Del Mar help offset the economic impact.

Assemblywoman Melissa A. Melendez

Report by Deni Horne

The Assembly woman had her first bill AB813, passes out of both the State Assembly and Senate and is now on its way to the Governor to hopefully be signed into law. The Assemblywoman also has three other bills working their way through Senate, which are AB 526, AB 939, & AB 681.

Assemblywoman Marie Waldron

Report by Tom Stenson

Every 3rd Tuesday of the month they have a mobile District office at the Temecula City Hall @ 9-10:30AM.

City of Lake Elsinore

Report Nicole Dailey

Nicole will be conducting public information in government relations & community relations for the City of Lake Elsinore. The City Council has approved 2 developments that are renovations, one for The Lake Elsinore Outlets \$4.5 million project and the other to the 7/11 Historic Downtown Main Street project, which was a design change.

City of Murrieta

Report by Brian Ambrose

Talked about electronic cigarettes and their use in public. Since they are not technically a tobacco product, he suggests we look up SB648 guidelines-which basically states you cannot use electronic cigarettes in a public facility.

5. Chamber & Council Member Announcements Information

Lake Elsinore Valley Chamber of Commerce

Report by Kim Joseph Cousins

The Lake Elsinore Valley Chamber of Commerce will be hosting their luncheon at the Diamond club in Lake Elsinore on July 18th at 11:30AM. Topic: "Integrated Marketing Strategies Presented by Judy Zulfiqar". The Mayor Bob Magee will be presenting the State of Our City Address on August 22nd at 5:00 P.M. at the Diamond club in Lake Elsinore.

Murrieta Chamber of Commerce

Report by Patrick Ellis

The Murrieta Chamber of Commerce will be having their networking breakfast on July 18th @ 7:30AM at Spelly's Pub & Grille. The Murrieta Chamber of Commerce is also having their Awards Celebration at Pechanga, July 20th @ 5:30PM.

Wildomar Chamber of Commerce

Report by Karen Pollock

Mixer is scheduled for Thursday at the Assistance League of Temecula Valley. Breakfast is the 1st Wednesday of the Month at the Landing Zone. Next fundraiser is August 17th Poker Night at the VFW.

Temecula Chamber of Commerce

Report by Alice Sullivan

AB 12 (Cooley): State government: Administrative Procedure Act: standardized regulatory impact analyses.

Recommended action: SUPPORT

Presentation: Gene Wunderlich

Bill Summary:

Annual reviews of agency compliance levels, recommendations for legislative action to improve compliance, and internet posting of non compliance will raise awareness about the costs and benefits of major regulations and ensure legislators have the information they need to improve California's regulatory environment.

Existing law:

The Administrative Procedure Act (APA), establishes rulemaking procedures and standards for state agencies. State regulations must also be adopted in compliance with regulations adopted by the Office of Administrative Law (OAL). The APA, among other things:

- Requires every agency to prepare and submit a specified notice of the proposed action and make certain information available to the public (e.g., draft regulation in "plain English"; statement of reasons for proposing the adoption, amendment, or repeal of a regulation; the problem the agency intends to address; benefits anticipated from the regulatory action; evidence to support a determination that the action will not have a significant adverse economic impact on business).
- Requires state agencies proposing to adopt, amend, or repeal an administrative regulation to assess the potential for adverse economic impact on California businesses and individuals.
- Requires each board, department, and office within the California Environmental Protection Agency, before adopting any major regulation, to evaluate alternatives and consider whether there is a less costly alternative or combination of alternatives that would be equally effective in achieving increments of environmental protection in a manner that ensures full compliance with statutory mandates within the same amount of time as the proposed regulatory requirements. Under this provision, "major regulation" means any regulation that will have an economic impact on the state's business enterprises in an amount exceeding \$10 million

This bill:

- Requires the Department of Finance (DOF) and OAL to **annually review** standardized regulatory impact analyses (which are required for state agencies to do when adopting, amending, or repealing administrative regulations) for adherence to regulations adopted by DOF and **report to the Legislature**.
- Requires the report to include any recommendations for the Legislature to consider to **improve state agency performance and compliance** in the creation of the standardized regulatory impact analyses as described in GO §11346.3.
- Requires OAL to **post the report and notice of noncompliance of a state agency** with regards to conducting the standardized regulatory, economic impact analysis on its website.

Summary:

According to the author, "AB 12 **increases accountability and legislative oversight** in the regulatory adoption process by requiring DOF to review major regulatory impact analysis reports and issue its findings annually to the Legislature on state agencies' compliance in creating the reports. It further increases government transparency by instructing the OAL to make public notice on its website of any state agency failing to issue a standardized regulatory impact report or failing to comply with the guidelines set out by DOF in creating the report."

Costs of inaction.

While some parties may disagree over various economic studies, delays in acting on certain matters, such as climate change, can also result in costs. A recent Climate Action Team (CAT) draft assessment on climate change provides analyses on climate change impacts relating to various matters, such as warming trends, precipitation, sea-level rise, agriculture, forestry, water resources, and public health.

When deliberating the cost of regulation, it is important to look at the reason the regulation was passed in the first place. It is often to address a public health or environmental protection need. For example, the Clean Water Act ensures drinking water quality. While regulations are adopted to implement the act, which may have a cost to businesses and individuals, they also have crucial societal benefits and purpose. To provide a more balanced economic impact analysis, in addition to identifying any adverse economic impacts of a regulation, it is appropriate and prudent for state agencies to identify and give adequate consideration to, for example: a) benefits to the regulation (including environmental and health benefits); and, b) reduced environmental impacts and reduced costs to the public from the regulation.

Supporting:

- | | |
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| Alliance of Automobile Manufacturers | California Service Station & Automotive Repair Association |
| American Council of Engineering Companies of California | California Trucking Association |
| California Asian Pacific Chamber of Commerce | Chemical Industry Council of California |
| California Association of Health Facilities | Consumer Specialty Products Association |
| California Business Properties Association | Golden State Builders Exchanges |
| California Chamber of Commerce | Industrial Environmental Association |
| California Construction and Industrial Materials Association | National Aerosol Association |
| California Hotel & Lodging Association | Pacific Merchant Shipping Association |
| California Independent Oil Marketers Association | United Contractors |
| California Manufacturers & Technology Association | Western States Petroleum Association |
| California Retailers Association | |

Opposing:

None on file.

Status: Passed Assembly - Referred to Senate Appropriations.

Votes: Melendez 'Yes', Waldron 'Yes', Jones 'Yes', Nestande "yes"

Legislative Report Item 2	Action Item
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SB 176 (Galgiani): Administrative procedures

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

Bill Summary:

SB 176 would require state agencies to engage interested parties who would be subject to regulations in public discussions prior to publishing a notice of proposed regulatory actions.

Existing Law:

Existing law authorizes a state agency that is considering adopting, amending, or repealing a regulation to consult with interested persons before initiating any regulatory action. When a state agency is proposing to adopt complex or numerous regulatory proposals, existing law requires the agency, prior to publication of a required notice of public regulations, to

involve parties who would be subject to those proposed regulations in public discussions. The OAL is specifically exempted from participation in any such preliminary discussions.

This Bill:

SB 176 would require state agencies, boards, and commissions to publish notice in the Notice Register at least 15 days in advance of any meeting or report seeking public input, including but not limited to formal, official, or organized informational hearings, workshops, scoping hearings, preliminary meetings, and public and stakeholder outreach meetings. The bill would also require these entities to submit a notice for publication in the Register upon issuance or publication of the following:

- Any notice indicating changes to a proposed regulation, for which a 15-day comment period is required.
- Any notice sent to specified interested parties identifying a study or report added to the rulemaking record after notice of proposed action has been published.
- Links to informational reports prepared for public review and posted on an agency, board, or commission website in connection with proposed regulations.

The author’s office notes that, although state agencies must publish notices of proposed adoption of regulations in the Register, they are not required to publish notices of informational hearings, workshops, reports and the like in the Register. Consequently, the affected public is not typically involved in the regulatory process until the rule is released for public comment. The author’s office suggests that California should adopt practices that more closely approximate the federal rulemaking process, which requires federal agencies to additionally publish all public notices of hearings, workshops and the like in the Federal Register, not just notices of proposed regulations.

The supporters and sponsor of the bill note that since the adoption of the Administrative Procedure Act in 1945, the process for developing regulations has evolved substantially, and today a majority of regulations are developed during the pre-rulemaking process. They believe that this bill will greatly benefit state agencies when developing regulations by encouraging citizen participation, and that this bill will simplify the state’s regulatory notice procedures by providing a single source of information to state agencies’ pre-rule making process.

The opponents contend that the requirement to publish notifications of agency meetings, workshops, etc. would discourage agencies from seeking general public input as it would create a major bureaucratic barrier and substantial new costs. Therefore, the bill will limit the ability for Californians to weigh in on important matters. Furthermore, the opponents suggest that, if the Notice Register is made the central location of all public notices for agencies, it needs to be user-friendly and there should be an option for individuals to subscribe to email alerts.

Supporting: (as of 7/13)

- | | |
|--|--|
| California Association of Realtors (source) | California Manufactures and Technology Association |
| American Council of Engineering Companies | California New Car Dealers Association |
| Apartment Association of Greater Los Angeles | California Restaurant Association |
| California Apartment Association | California Retailers Association |
| California Building Industry Association | California Service Station and Auto Repair Association |
| California Business Properties Association | National Federation of Independent Business |
| California Cement Manufactures Environmental Coalition | San Diego County Apartment Association |
| California Chamber of Commerce | Santa Barbara Rental Property Association |
| California Independent Oil Marketers Association | USANA Health Sciences, Inc. |
| California Land and Title Association | Western States Petroleum Association |

Opposing:

- Sierra Club California

Status: Passed Senate - Referred to Assembly Accountability & Administrative Review

Votes: Anderson 'Yes', Emmerson 'Yes', Roth 'Yes'

SB 401 (Hueso): Administrative practices.**Recommended action: SUPPORT****Presentation: Gene Wunderlich****Bill Summary:**

SB 401 requires any state entity proposing amendments to non-residential model building codes, and when requested for new standards within the model codes, to estimate the cost of compliance and the potential benefits of the new standard as well as disclose the assumptions used to determine the estimates.

Existing Law:

Under the Administrative Procedures Act, state agencies adopting regulations, including those related to building standards, must conduct certain analyses of the impacts of the proposed regulation and follow specific procedures for allowing public input and review of the proposed regulation. In particular, state agencies are required to analyze the potential impact of a proposed regulation on businesses or job creation in the state and potential financial impacts on state agencies. At certain steps in the process for adopting regulations, this information must be made available to the Office of Administrative Law and the public.

The California Building Standards Law establishes the California Building Standards Commission (BSC) and the process for adopting state building standards. Under this process, state agencies propose building standards for building types under their jurisdiction. For example, the Department of Housing and Community Development is the relevant state agency for residential building standards. The Office of Statewide Health Planning and Development is responsible for hospitals and clinics, and the Division of the State Architect is the relevant agency for schools and emergency service buildings. In addition, the California Energy Commission develops building standards relating to energy efficiency for all occupancies.

State agencies begin with a model code developed by a national code-writing entity. They then propose amendments to the model codes to reflect California needs and priorities and submit to the BSC the amended model codes. The BSC must then adopt, modify, or reject the proposed building standards.

Building standards qualify as regulations. Therefore, the adoption of building standards is subject to the Administrative Procedures Act, which establishes the general process for the adoption of regulations. As part of the Act, an entity proposing new or amended regulations must prepare and submit to the Office of Administrative Law a notice of the proposed action and an initial statement of reasons (ISOR) for proposing the change in regulation. Among other things, the ISOR must include a statement of the specific purpose for each change, the problem the agency intends to address, and the rationale for why the change is reasonably necessary to carry out the purpose and address the problem for which it is proposed. The ISOR must also enumerate the benefits anticipated from the regulatory action, both monetary and non-monetary, and include evidence to support an initial determination that the change may have or will not have a significant, statewide adverse impact directly affecting business.

The notice of proposed action that accompanies the ISOR must include, among other things, a statement of whether or not the changes would have a significant effect on housing costs and, separately, a description of all cost impacts known to the agency that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If the agency is unaware of cost impacts on private persons or businesses, it may state that instead.

AB 1612 (Lara, Chapter 471, Statutes of 2012), a bill SUPPORTED by the SWCLC in 2012, requires the ISOR for any California amendment to a model building code that impacts housing to include the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates. For changes in the model codes themselves, AB 1612 requires the ISOR to include the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates for that specific change only if an interested party has made a request to the agency to examine that specific section. No longer may a state agency developing building standards that relate to housing state that changes to the standards do not have a significant effect on housing costs without publicly substantiating that determination with cost data.

This bill:

SB 401 would require state agencies, when adopting any building standards regulations, to disclose specified information on the costs of compliance, potential benefits of the regulation, and related assumptions used to perform the economic analysis. For model codes proposed by national code-writing entities that are added to the Building Standards Code, these requirements would not be necessary, unless a request is made with respect to a particular model code.

- Applies the AB 1612 ISOR rules to any building standard, not just a building standard that impacts housing.
- Requires any state entity proposing building codes to include in the ISOR the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates for any California amendment to a model building code.
- Requires a state entity include in the ISOR the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates for any change in the model codes themselves if an interested party has made a request to the agency to examine that specific section.

ARGUMENTS IN SUPPORT:

According to the author’s office, it is critical to consider the impacts of changes in state building standards on all businesses, not just on the residential construction industry. If an agency is able to make the determination that a new standard will have no significant impact on business, it should know what the proposed standard will cost. This bill creates parity between residential and non-residential building standards.

FISCAL EFFECT:

According to the Senate Appropriations Committee:

Potential costs to the BSC of up to \$89,000 annually for estimating impacts and underlying assumptions for all building standards, and for sections of the model codes upon request (Building Standards Administration Special Revolving Fund).

Minor costs to other state agencies who propose building standards regulations (General Fund, various special funds).

SUPPORT: (Verified 5/21/13)

American Council of Engineering Companies - California
 Building Owners and Managers Association of California
 California Apartment Association
 California Association of Realtors
 California Building Industry Association

California Business Properties Association
 California Chamber of Commerce
 Commercial Real Estate Development Association – National
 Association of Industrial And Office Properties of California
 International Council of Shopping Centers

OPPOSITION:

None on record.

Votes: Anderson 'Aye', Emmerson ':Aye', Roth 'Aye'

Status: Passed Senate, referred to Assembly Committee on Appropriations

SB 648 (Corbett): Electronic cigarettes: restriction of use and advertising**Recommended action: SUPPORT****Presentation: Gene Wunderlich****Bill Summary:**

SB 648 extends the restrictions and prohibitions against the smoking of tobacco products to include restrictions or prohibitions against electronic cigarettes (e-cigarettes) in various places, including, but not limited to, places of employment, school campuses, public buildings, day care facilities, retail food facilities, and health facilities.

Existing Law:

- Restricts or prohibits the smoking of tobacco products in various places, including, but not limited to, school campuses, public buildings, places of employment, day care facilities, retail food facilities, and health facilities.
- Permits the landlord of a residential dwelling unit, as defined to prohibit the smoking of a cigarette or other tobacco product on the property or in any building or portion of the building, including any dwelling unit, other interior or exterior area, or the premises on which it is located.
- Makes it unlawful, to the extent not preempted by federal law, for a person to sell or otherwise furnish an e-cigarette to a person under 18 years of age.
- Defines an “electronic cigarette” as a device that can provide an inhalable dose of nicotine by delivering a vaporized solution.
- Makes it a violation of the prohibition against selling e-cigarettes to minors an infraction punishable by a fine not exceeding \$200 for the first violation, by a fine not exceeding \$500 for the second violation, or by a fine not exceeding \$1,000 for a third or subsequent violation.
- Prohibits existing law prohibiting the sale of e-cigarettes to minors from being construed to invalidate an existing ordinance, or to prohibit the adoption of an ordinance, by a city or county that regulates the distribution of e-cigarettes in a manner that is more restrictive than state law, to the extent that the ordinance is not otherwise prohibited by federal law.

This Bill:

- Extends the existing restrictions and prohibitions against the smoking of tobacco products to include e-cigarettes.
- Changes the definition of a crime with respect to certain facilities, thereby creating a state-mandated local program.
- Extends the existing prohibition against advertising to e-cigarettes, as defined

Food and Drug Administration (FDA) information on e-cigarettes:

According to the FDA, e-cigarettes are products designed to deliver nicotine or other substances to a user in the form of a vapor. Typically, e-cigarettes are composed of a rechargeable, battery-operated heating element, a replaceable cartridge that may contain nicotine or other chemicals, and an atomizer that, when heated, converts the contents of the cartridge into a vapor. This vapor can then be inhaled by the user. These products are often made to look like such products as cigarettes, cigars, and pipes. They are also sometimes made to look like everyday items such as pens and memory sticks, for people who wish to use the product without others noticing.

The FDA states that, as the safety and efficacy of e-cigarettes has not been fully studied, consumers of e-cigarette products currently have no way of knowing whether e-cigarettes are safe for their intended use, how much nicotine or other potentially harmful chemicals are being inhaled during use, or if there are any benefits associated with using these products. Additionally, the FDA states it is not known if e-cigarettes may lead young people to try other tobacco products, including conventional cigarettes, which are known to cause disease and lead to premature death. A 2009 evaluation by the FDA’s Division of Pharmaceutical Analysis evaluated two brands of e-cigarettes for nicotine content and other impurities. Nicotine was found in both products and other possible tobacco specific impurities were detected, such as menthol.

ARGUMENTS IN SUPPORT:

According to the author’s office, one of the most controversial issues affecting the regulation of e-cigarettes has been whether to regulate them as drug delivery devices or tobacco products. In 2010 e-cigarette manufacturers sued the FDA to prevent e-

cigarettes from being regulated as a drug device. E-cigarette manufacturers won the lawsuit and the right to keep selling their product as a type of tobacco product. They are, however, now subjected to the Tobacco Control Act. A number of state and local governments have already passed legislation to restrict the sale, marketing, and use of e-cigarettes. Many of these provisions are included in smoke-free laws.

The California Black Health Network (CBHN) writes that e-cigarettes have only been available for a short period of time, and because research is scarce on the possible health issues caused by inhaling these vapors, it does not know with any certainty of possible addiction or health problems. CBHN writes that because the FDA is concerned about the safety of these products, and because these products have not been submitted to the FDA for evaluation or approval, and there are possible toxic and cancerous chemicals in these products, CBHN believes California should proceed with caution and that the use of e-cigarettes should be prohibited in schools and public buildings. The California Medical Association writes that e-cigarettes have the potential to be harmful and should be approached with caution until additional evidence shows that they are not harmful to users' health and do not undermine California's successful effort to decrease tobacco use.

ARGUMENTS IN OPPOSITION:

Opponents argue smoking bans are enacted to protect the public from second-hand smoke, but e-cigarettes have not been shown to cause harm to bystanders, and the evidence to date shows that health risk associated with e-cigarettes is comparable to other smokeless nicotine products. Opponents argue there is no smoke or ash associated with e-cigarettes, the use of e-cigarettes has helped individuals to quit smoking, and the use of e-cigarettes in public spaces actually improves public health by inspiring other smokers to switch and by allowing the users of e-cigarettes to avoid second-hand tobacco smoke.

One of the lawmakers who voted against it, Sen. Joel Anderson, R-Alpine, believes that they are an effective way to quit regular cigarettes. He urged senators to consider that, especially when California spends "tens of millions, billions of dollars trying to get people off cigarettes."

Prior Legislation

SB 882 (Corbett, Chapter 312, Statutes of 2010) makes it unlawful, to the extent not preempted by federal law, for a person to sell or otherwise furnish an e-cigarette to a person under 18 years of age.

AB 13 (T. Friedman, Chapter 310, Statutes of 1994) prohibits employers from knowingly or intentionally permitting, or any person from engaging in, the smoking of tobacco products in enclosed places of employment, with specific exemptions.

SUPPORT: (Verified 5/21/13)

Breathe California
California Black Health Network
California Medical Association

Opposing:

The Electronic Cigarette Industry Group

Status: Passed Senate - Referred to Assembly Governance and Accountability, held.

Votes: Anderson 'No', Emmerson 'NVR', Roth 'Yes'

Legislative Report Item 5	Action Item
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[SB 594 \(Hill\): Use of public resources](#)

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

Bill Summary:

In April the SWCLC voted to SUPPORT SB 594 (Steinberg), a bill seeking to establish career pathways for high school students providing an alternative education track geared toward meaningful work related experience. On August 7th that bill was gutted and amended under a new author. In its current incarnation, SB 594 seeks to prohibit nonprofit organizations and their employees, officers, or agents from using funds received from local agencies for campaign purposes, as specified, and requires nonprofit organizations that receive specified amounts of money from local agencies to maintain a separate bank account for campaign activities and to disclose the sources of those funds, as specified.

According to the author, this measure seeks to "eliminate existing loopholes utilized by taxpayer-financed nonprofit organizations and curb their practice of 'co-mingling' public and private resources and ultimately using the co-mingled funds for campaign activity." "Strengthening our laws in this regard," the author believes, "strengthens a taxpayer's right to know and bolster the integrity of California's taxpayer-financed nonprofit organization." The author and supporters single out, in particular, the League of California Cities (League) and California State Association of Counties (CSAC), as the kinds of nonprofit organizations that this bill is intended to target. However, the bill would apply to all nonprofit organizations, which are defined as any entity incorporated under the Nonprofit Corporation Law, or a nonprofit organization that qualifies for exempt status under Section 115 or 501(c), excluding Section 501(c)(3), of the Internal Revenue Code.

Existing Law:

- Makes it unlawful for an elected state or local officer, appointee, employee, or consultant to use, or permit others to use, public resources for a campaign activity. (Government Code Sections 8314 and 54964.)
- Requires, under the California Political Reform Act, qualifying individuals and political organizations to disclose specified information, including, but not limited to, political contributions, in statements filed with the Fair Political Practices Commission. (Government Code Section 81000 *et seq.*)

This Bill:

- Makes it unlawful for a nonprofit organization to use or permit others to use public resources, including, but not limited to, public resources received in exchange for consideration, from any local agency for any campaign activity not authorized by law. Prohibits an officer, employee, or agent of a nonprofit organization from expending or authorizing the expenditure of any public resources from any local agency to support or oppose the approval or rejection of a ballot measure or the election or defeat of a candidate.
- Provides that the prohibitions on the use of public resources described above do not prohibit the use of public resources for providing information to the public about the possible effects of any bond issuance or other ballot measure on state activities, operations, or policies
- Provides that a nonprofit organization or person that intentionally or negligently violates the provisions of this bill prohibiting the use of public resources is liable for a civil penalty not to exceed \$1,000 for each day on which the violation occurs, plus three times the value of the unlawful use of public resources.
- Requires certain nonprofit organizations that receive more than 20% of their gross revenues from local agencies to deposit funds designated for campaign use into a separate account and to prepare quarterly reports disclosing their campaign activities,

ARGUMENTS IN SUPPORT:

According to the author: "Disclosure and transparency are particularly crucial when public resources are involved. As public agencies continue to cut back on essential public services due to financial struggles, California taxpayers deserve to understand just how their tax dollars are being used. As such, there is a need to eliminate existing loopholes utilized by taxpayer-financed nonprofit organizations and curb their practice of "co-mingling" public and private resources and ultimately using the co-mingled funds for campaign activity. Under existing law, even when the funds used are from "non-public" funds, disclosure of the source of those funds is non-existent. Strengthening our laws in this regard will not only strengthen a taxpayer's right to know and bolster the integrity of California's taxpayer-financed nonprofit organizations, but also restore the public's trust." The author believes that this bill will remedy this problem "by creating a more robust

prohibition on the use of public resources for campaign activities. It provides an appropriate level of transparency and an enforcement mechanism, which are applicable to taxpayer-financed nonprofit organizations that spend non-public resources on political campaign activities."

According to the California Professional Firefighters (CPF), this bill "creates more robust prohibition on the use of public resources for political purposes by taxpayer-financed nonprofit organizations, as well as provides for an appropriate level of transparency and related enforcement mechanisms." CPF contends that at a time when essential public services are facing cut backs, "it is in the public's best interest to ensure transparency and facilitate proper disclosure of how taxpayer dollars are being used." CPF also notes that organizations like itself are held to multiple levels of disclosures, and argues that government funded non-profit organizations that engage in political activity should be held to the same standard. CPF acknowledges that these publicly-funded non-profit organizations provide many valuable public services, but if they co-mingle public and non-public resources and engage in political activity, they should disclose their source of funds. SB 594 "doesn't seek to change the way these agencies operate in any way," CPF contends, it "simply creates a means by which the public can be assured that their dollars aren't being spent on political campaigns and when these nonprofits engage in political activity, proper disclosure will tell the whole story that is otherwise obfuscated today."

ARGUMENTS IN OPPOSITION:

The League of California Cities strongly opposes this measure and objects to the allegation that it has been "co-mingling" public and non-public funds in financing political activity. Specifically, the League raises several objections to the bill.

First, the League rejects the "unsubstantiated allegation" that it is inappropriately co-mingling funds or making campaign contributions from accounts that are financed in whole or in part with public dollars. The League writes that it "scrupulously adhered to all legal requirements associated with ballot campaign activity." The League regularly advises its members on the scope of the existing use of public funds prohibition. We publish articles and other information for informing and training local officials. When the League is involved in a ballot measure campaign (we never get involved in candidate races), we regularly advise our staff and members on how to comply with the law. To the extent non-public funds have been contributed to a ballot campaign they are derived from legally-permitted sources." The League adds that their practices have been validated by the Fair Political Practices Commission, noting that in response to a similar allegation made by the Howard Jarvis Taxpayers Association against the League and others, the FPPC ruled in November 2009, after a one-year investigation, that there was "no evidence that public funds were used to make political contributions by the organizations."

Second, the League contends that this measure is an "effort to weaken and silence the voice of local government." The League notes that the "California ballot process has become a major policy forum where decisions are made that have widespread impacts on all Californians. Many organizations and entities have become active on ballot measures to ensure the public has a full understanding of the effect of these measures, and many of them have potential financial or policy impact on local governments." Finally, the League opposes this measure because it "singles-out specific types of organizations for these restrictive provisions, but exempts others." This is inequitable. If the Legislature desires to adopt broader disclosure policies, then they should apply to all organizations active on ballot measures." (NOTE: This objection may be partially met by the author's agreement to remove the exemption of funds received from local school and community college districts in the next committee.)

The California State Association of Counties (CSAC) opposes this bill for substantially the same reasons as those set forth by the League, but it adds that "SB 594 is a solution in search of a problem." CSAC writes that it is prepared to spend the time necessary with the author to discuss its processes for engaging in statewide ballot measures, its finances, and its relationships with other local agencies. Finally, CSAC adds: "[W]e reject any assertion that we have evaded the law when it comes to CSAC's participation in California's initiative process. We are strongly opposed to any efforts to effectively eliminate our voice in matters of statewide importance, particularly those proposed at the last days of the legislative session."

The Urban Counties Caucus (UCC) believes that this bill will set a "dangerous precedent" for all nonprofits. First, UCC claims that the bill will create "a new process and restrictions on nonprofits to use public funds for campaigns or ballot measures which include significant new reporting requirements, audits by the Attorney General, and accounting requirements." UCC claims that while it has never donated any funds for campaign purposes, it has taken positions on ballot measures. UCC fears that "SB 594 is so broadly worded it is unclear if the provisions in this bill would allow us to take any position on a ballot measure and therefore would significantly impact our ability to provide input in a public process." UCC believes that "SB 594 seems to be intended to limit our ability to provide input or take positions on measures. While we have not been as active as other nonprofits, this bill sets a dangerous precedent by singling out local agencies and restricting our ability to participate in the initiative process." Finally, UCC suggests that the bill is unnecessary, noting that it already files

quarterly reports with the FPPC and is already required to provide information on campaign donations that are available to the public.

The California Police Chiefs Association (CPCA) opposes this measure because, it contends, the bill "rests on a factually incorrect premise" that nonprofit organizations like the CPCA are co-mingling funds to circumvent the existing restrictions on the use of public recourses for political campaign activity. CPCA writes that it regularly advises its members "on the scope of the existing use of public funds prohibition. We publish articles and other information for informing and training local officials. When the California Police Chiefs Association is involved in a ballot measure campaign we regularly advise our staff and members on how to comply with the law. To the extent non-public funds have been contributed to a ballot campaign they are derived from legally-permitted sources. When we endorse candidates we vet all campaign material that uses the name or the insignia of the California Police Chiefs Association and our members are prohibited from appearing in uniform at any candidate events." This bill is opposed by the California State Sheriffs' Association and the California District Attorneys Association for substantially the same reasons.

The California Society of Association Executives (CalSAE), which represents several nonprofit associations in California, opposes this bill on several grounds. First CalSAE points out that nonprofit associations include an array of groups and interests, not just the League of California Cities and CSAC. CalSAE also believes that "this legislation unjustly hampers non-profit associations' ability to represent public sector organizations, their members and employees." CalSAE writes that while most of the professional associations that it represents focus on education, learning and providing information to their members, they also at times represent those members in the legislative and political process. CalSAE claims that all of these associations know and respect the rules regarding the use of association funds for political campaigns. In addition, CalSAE maintains that local elected bodies and individuals are "proper and thoughtful stewards of public funds," and that they can legitimately decide when and if public funds can and should be provided to their respective associations to collectively represent them in political activity. Finally, CalSAE – like most of the other opponents – more generally objects to "the introduction of last minute legislation through a 'gut and amend' process" that does "not provide adequate time for the needed and necessary interaction between the legislature and the impacted parties."

SUPPORT: (Verified 5/21/13)

California Clean Money Campaign
California Common Cause
California Labor Federation
California Professional Firefighters
State Building and Construction Trades Council, AFL-CIO

Opposing:

Air Conditioning Trade Association	California State Sheriffs' Association
Associated Builders and Contractors of California	League of California Cities
Association of California Health Care Districts	Plumbing-Heating-Cooling Contractors Association of California
California District Attorneys Association	Rural County Representatives Association
California Police Chiefs Association	Urban Counties Caucus
California Society of Association Executives	Western Electrical Contractors Association
California Special Districts Association	
California State Association of Counties	

Status: Passed Senate - Referred to Assembly Judiciary.

Votes:

Taking a Break

For an all-too-brief period at the end of July and beginning of August your business was safe from onslaught by the policymakers and regulators in Sacramento - they were on vacation. Unfortunately for us they're back.

While on vacation we can assume the legislators who want to tax you more, regulate you more and infringe on your daily life more spent time with their constituents that are apparently demanding higher taxes, more regulations and fewer liberties. The legislators who want lower taxes, less regulation and more personal liberty, talked to us (and hopefully, you). But they're/we're in the minority so our voices hardly matter.

The Southwest California Legislative Council enjoyed an update at our most recent meeting by 75th District Assemblymember **Marie Waldron**. As a freshman legislator as well as business owner, Assemblymember Waldron brought a refreshing perspective from Sacramento. It is her observation that the freshman delegation of both parties appear to be focused less on partisan politics and more on effective governance. The new kids in the capitol, who account for nearly 1/2 the class, are aware of the dismal approval ratings accorded our elected officials and, according to Waldron, appear intent on changing the culture.

One can only hope.

The year-to-date vote record compiled by the **SWCLC** provides a mixed review of that optimism at best. Bills identified as Job Killers, invariably authored by Democratic lawmakers, have been passed on straight party-line votes with no support from our local legislators. Bills identified as Job Creators, numbering less than half that of Job Killers, have also been authored by Democratic lawmakers but passed with bi-partisan support.

To date not a single Republican authored Job Creator supported by the **SWCLC** has passed. A Joel Anderson co-authored bill (SB30) that would provide tax relief to homeowners who short sale their homes is progressing but it has been linked with another Democratic authored bill (SB391) that would raise your fees on all manners of real estate transactions by \$75 per document. Not exactly a win-win.

If you would like to find out more about what Sacramento lawmakers are doing to impact your business, please join us the 3rd Monday of every month at noon. It's a chance to hear about new laws you will get to deal with and find out what your federal, state and local elected officials and utilities have to say on the issues. This year's meetings are being hosted by the **Lake Elsinore Valley Chamber of Commerce** at the Ortega Adult School, 520 Chaney Street in the west side conference center. We're fighting for your business too.

Year-to-date Bill Review

✓ Denotes SWCLC adopted a position on that bill.

JOB CREATORS

as of 7/25/2013

Improved Legal Climate

- ✓ [AB 227](#) [Gatto D](#) ([History](#))
Stops Drive-by Lawsuits. Protects small businesses from drive-by lawsuits by providing a 14-day right to cure for allegations of a failure to post a Prop 65 warning related to chemicals produced during the cooking process, alcohol, second-hand smoke, and car exhaust.
- ✓ [SB 713](#) [Correa D](#) ([History](#))
Reliance on State Agencies' Written Advice. Protects employers from inappropriate litigation by affirming they can rely upon the state government to provide them with information regarding how to comply with the law.
- ✓ [SB 731](#) [Steinberg D](#) ([History](#))
Comprehensive CEQA Reform. Establishes the Legislature's intent to address a variety of problems with the CEQA process and CEQA litigation including: 1) expanding the infill exemption, 2) streamlining the process for several types of projects, 3) adopting thresholds of significance for certain environmental impacts, 4) streamlining the process for projects subject to a plan with a full EIR, 5) giving clearer instruction to trial courts, and 6) addressing document dumping.

Improved Tax Climate

- ✓ [AB 486](#) [Mullin D](#) ([History](#))
Increase Manufacturing and R&D Jobs. Encourages employers to maintain and expand their manufacturing operating in California by providing a full state sales-and-use tax exemption for purchases of manufacturing and research and development equipment.
- ✓ [AB 1326](#) [Gorell R](#) ([History](#))
Increase Aerospace Manufacturing Jobs. Encourages manufacturers of unmanned aerial vehicles to maintain and expand their manufacturing operating in California by providing a full state sales-and-use tax exemption for purchases of manufacturing equipment used to produce unmanned aerial vehicles through January 1, 2024.
- ✓ [SB 19](#) [Knight R](#) ([History](#))
Increases Aerospace Industry Jobs. Encourages aerospace industry employers to maintain and expand California operations by providing a full sales tax exemption for purchases of equipment used to construct the facilities designed to launch a space vehicle.
- ✓ [SB 235](#) [Wyland R](#) ([History](#))
Increase Manufacturing and R&D Jobs. Encourages employers to maintain and expand their manufacturing operating in California by providing a full state sales-and-use tax exemption for purchases of manufacturing and research and development equipment.
- ✓ [SB 376](#) [Correa D](#) ([History](#))
Increase Manufacturing and R&D Jobs. Encourages employers to maintain and expand their manufacturing operating in California by providing a full state sales-and-use tax exemption for purchases of manufacturing and research and development equipment.
- ✓ [SB 412](#) [Knight R](#) ([History](#))
Increase Aerospace Manufacturing and R&D Jobs. Encourages employers to maintain and expand their aerospace manufacturing operating in California by providing a full state sales-and-use tax exemption for purchases of aerospace manufacturing and research and development equipment made through January 1, 2019.

All SWCLC SUPPORTED bills thru 8/9

AB 25	Campos	D	Employment: social media	S
AB 27	Medina	D	UCR Funding	S
AB 28	Perez (VM)	D	Enterprise zones	S
AB 42	Perea	D	Mortgage debt forgiveness	S
AB 116	Bocanegra	D	Subdivision map expiration	S
AB 124	Morrell	R	fire prevention fee	S
AB 223	Olsen	R	Nuisance lawsuits:cities	S
AB 227	Gatto	D	Prop 65, enforcement: chemical listing	S
AB 227	Gatto	D	Prop 65, enforcement: chemical listing	S
AB 486	Mullin	D	Mfg tax exemption	S
AB 633	Salas	D	EMS: civil liability	S
AB 756	Melendez	R	CEQA streamline public works	S
AB 1026	Quirk	D	Toxic Chemicals: Listing	S
AB 1095	Nestande	R	Recycling nonferrous metals	S
AB 1203	Gorrell	R	Taxation: interest: penalties.	S
AB 1257	Bocanegra	D	Natural Gas	S
AB 1326	Gorell	R	Sales & Use tax exemptions	S
AB 1400	Committee		Jobs, economic dev & export	S
H.R. 1165	Calvert	R	MORE Act: offshore resources	S
H.R. 994	Calvert	R	ACCESS Act: ADA compl.	S
Ord 920	Jeffries/Benoit		Reinstate Prop 90	S
S. 344	Wicker	R	E-15 Fuel prohibition	S
SB 17	Gaines	R	fire prevention fee	S
SB 19	Knight	R	sls & use tax exemptions	S
SB 21	Roth	D	UCR funding	S
SB 30	Calderon	D	Mortgage debt forgiveness	S
SB 56	Roth/Emmerson	D/R	VLF return	S
SB 56	Roth/Emmerson	D/R	VLF fees	S
SB 176	Galgiani	D	Administrative Procedures	S

SB 235	Wyland	R	Manufacturing sales tax exempt	S
SB 376	Correa	D	Sales & Use tax: MFG credit	S
SB 412	Knight	R	Aerospace and space flight	S
SB 554	Anderson	R	Employment: Overtime compensation	S
SB 594	Steinberg	D	Career Pathways	S
SB 633	Pavley	D	CEQA	S
SB 641	Anderson	R	Corporation taxes: minimum franchise tax: exemptions	S
SB 713	Correa	D	Good faith reliance	S
SB 731	Steinberg	D	CEQA Reform	S
SB 737	Huff	R	Appeals: representative actions	S
			F 35 JSP	S
			CARB relocation	S
			241 Toll road	S
			SR74/I-5 Interchange	S
			Wine Country CV zoning	S
			SONGS safe restart	S
			Alliance - Saving Our Events	S
			MWD Support Letter	S
			Trans Pacific Trade Agmt	S
			Enterprise Zones	S

Job Killers 2013

- ✓ **AB 5 (Ammiano; D-San Francisco) Increased Exposure to Frivolous Litigation** — Imposes costly and unreasonable mandates on employers that could jeopardize the health and safety of others by creating a new protected classification of employees and customers who are or are perceived to be homeless, low income, suffering from a mental disability, or physical disability, and establishing a private right of action for such individuals that includes statutory damages, punitive damages, and attorney's fees. **With 4/30/13 amendments, "job killer" status removed. CalChamber still opposes.**
- ✓ **AB 10 (Alejo; D-Salinas) Automatic Minimum Wage Increase** — Unfairly imposes an automatic \$2.00 increase in minimum wage over the next five years, that will continue to increase costs on employers of all sizes, regardless of other economic factors or costs that California employers are struggling with to sustain their business.
- ✓ **AB 880 (Gomez; D-Los Angeles) Expansion of Discrimination Litigation and New Health Care Coverage Penalties** — Discourages hiring of entry or re-entry workers, increases discrimination litigation and increases costs by taxing large employers with a penalty if any of their employees who work as little as 8 hours per week enroll in California's Medi-Cal program and expands the Labor Code to include a protected classification for any person who is enrolled in California's Medi-Cal program or in the California Health Benefit Exchange. **Failed to pass the Assembly, 6/27/13.**
- ✓ **SB 404 (Jackson; D-Santa Barbara) Expansion of Discrimination Litigation** — Makes it virtually impossible for employers to manage their employees and exposes them to a higher risk of litigation by expanding the Fair Employment and Housing Act to include a protected classification for any person who is, perceived to be, or associated with an individual who provides medical or supervisory care to a listed family member.
- ✓ **SB 626 (Beall; D-San Jose) Massive Workers' Compensation Cost Increase** — Unravels many of the employer cost-saving provisions in last year's workers' compensation reform package and results in employers paying nearly \$1 billion in benefit increases to injured workers without an expectation that the increases will be fully offset by system savings. **Missed deadline to pass from policy committee to fiscal committee in the house in which it was introduced.**
- ✓ **SB 761 (DeSaulnier; D-Concord) Expansion of Paid Family Leave Program** — Transforms the paid family leave program from a wage replacement program into a new protected leave of absence that will burden small and large businesses by allowing an employee to file litigation for any alleged retaliation or discrimination as a result of their intent, request, or use of the paid family leave program. **Refused passage in Senate, 5/29/13. Reconsideration granted. Placed on Senate inactive file, 5/30/13. Missed house of origin deadline.**

Economic Development Barriers

- ✓ **AB 188 (Ammiano; D-San Francisco) Split Roll Change of Ownership** — Unfairly targets commercial property by redefining "change of ownership" so that such property is more frequently reassessed, which will ultimately lead to higher property taxes that will be passed onto tenants, consumers, and potentially employees. **Held on the Assembly Appropriations Suspense File, 5/24/13.**
- ✓ **AB 288 (Levine; D-San Rafael) Threatens Use of Hydraulic Fracturing** — Before amendments, imposed a de facto moratorium on the use of hydraulic fracturing in the state, driving up fuel and energy prices and harming the job market in these sectors, and fundamentally altered state policy related to energy production. **With 5/28/13 amendments, "job killer" status removed. CalChamber still opposes.**
- ✓ **AB 649 (Nazarian; D-Studio City) Moratorium on Hydraulic Fracturing** — Substantially hinders oil and gas production in the state, driving up fuel and energy prices and harming the job market in these sectors, by prohibiting hydraulic fracturing and the use of fresh water in hydraulic fracturing until CalEPA re-authorizes the practice under a new regulatory scheme, if at all, in 2019. **Held on the Assembly Appropriations Suspense File, 05/23/13.**
- ✓ **AB 769 (Skinner; D-Berkeley) Creates Inequity in the Tax Structure** — Harms struggling small businesses and start-ups by repealing the Net Operating Loss (NOL) carry back deduction, a lifeline that helps employers stay afloat, retain employees, and continue investing in their businesses in an economic downturn.
- ✓ **AB 823 (Eggman; D-Stockton) Mandatory CEQA Mitigation** — Adds additional costs and hurdles to critically needed new infrastructure and development projects by imposing unreasonable, mandatory mitigation requirements whenever agricultural land is converted to another use. **Missed deadline to pass from policy committee to fiscal committee in the house in which it was introduced.**
- ✓ **AB 953 (Ammiano; D-San Francisco) Increases CEQA Litigation** — Invites more litigation over CEQA projects by overturning a recent court decision and allowing project opponents to challenge EIRs that don't adequately evaluate and mitigate impacts related to conditions and physical features in the environment like sea-level rise and fault-lines. **Held on the Assembly Floor inactive file, 05/31/13. Missed the house of origin deadline.**
- ✓ **AB 1164 (Lowenthal; D-Long Beach) Unproven Wage Liens** — Creates a dangerous and unfair precedent in the wage and hour arena by allowing employees to file liens on an employer's real or personal property, or property where work was performed, based upon alleged yet unproven wage claims. **Failed fiscal deadline. Held on the Assembly Appropriations Suspense File, 05/24/13.**
- ✓ **AB 1301 (Bloom; D-Santa Monica) Moratorium on Hydraulic Fracturing** — Substantially hinders oil and gas production in the state, driving up fuel and energy prices and harming the job market in these sectors, by imposing a moratorium on the use of hydraulic fracturing until the Legislature re-authorizes it through subsequent legislation that limits the conditions under which it can be conducted. **Held on the Assembly Appropriations Suspense File, 05/24/13.**
- ✓ **AB 1323 (Mitchell; D-Los Angeles) Moratorium on Hydraulic Fracturing** — Substantially hinders oil and gas production in the state, driving up fuel and energy prices and harming the job market in these sectors, by prohibiting hydraulic fracturing and the use of fresh water in hydraulic fracturing until CalEPA re-authorizes the practice under a new regulatory scheme, if at all, in 2019. **Refused passage on Assembly Floor, 5/31/13.**

- ✓ **ACA 3 (Campos; D-San Jose) Lowers Vote Requirement for Tax Increases** — Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners to support public safety services by giving local government new authority to enact a special tax, including parcel taxes, by lowering the vote threshold from two-thirds to only fifty-five percent.
- ✓ **SB 241 (Evans; D-Santa Rosa) Oil and Gas Severance Tax: Fuel and Gas Price Increase** — Drives up fuel prices for businesses and consumers by imposing a severance tax at the rate of 9.9% of the gross value of each barrel of gas severed or 3.5% of the average price of each unit of gas, thereby discouraging production of such oil and gas in this state. **Held on the Senate Appropriations Suspense File, 05/23/13.**
- ✓ **SB 365 (Wolk; D-Davis) Limitations on Tax Credits** — Creates uncertainty for California employers making long-term investment decisions by requiring that tax incentives end 10 years after their effective date.
- ✓ **SB 622 (Monning; D-Carmel) Targeted Tax** — Threatens jobs in beverage, retail and restaurant industries by arbitrarily and unfairly targeting certain beverages for a new tax in order to fund Children's health programs. **Held on the Senate Appropriations Suspense File, 05/23/13.**
- ✓ **SB 691 (Hancock; D-Berkeley) Dramatically Increases Pollution Penalties** — Dramatically increases existing strict-liability penalties for nuisance-based, non-vehicular air-quality violations without adequately defining what types and levels of pollution would trigger those penalties.
- ✓ **SCA 3 (Leno; D-San Francisco) Lowers Vote Requirement for Tax Increases** — Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners for education programs by giving school districts and community colleges new authority to enact a parcel tax from two-thirds to fifty-five percent. **With 6/20/13 amendments, "job killer" status removed. CalChamber has no position.**
- ✓ **SCA 4 (Liu; D-La Cañada Flintridge) Lowers Vote Requirement for Tax Increases** — Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners for local transportation projects by giving local government new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to fifty-five percent.
- ✓ **SCA 7 (Wolk; D-Davis) Lowers Vote Requirement for Tax Increases** — Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners to finance library construction by giving local government new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to fifty-five percent.
- ✓ **SCA 8 (Corbett; D-San Leandro) Lowers Vote Requirement for Tax Increases** — Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners for transportation projects by giving local government new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to fifty-five percent.
- ✓ **SCA 9 (Corbett; D-San Leandro) Lowers Vote Requirement for Tax Increases** — Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners to finance community and economic development projects by giving local government new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to fifty-five percent.
- ✓ **SCA 11 (Hancock; D-Oakland) Lowers Vote Requirement for Tax Increases** — Adds complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners by giving local government new authority to enact special taxes, including parcel taxes, by lowering the vote threshold from two-thirds to fifty-five percent.

Expensive, Unnecessary Regulations

- ✓ **SB 395 (Jackson; D-Santa Barbara) Threatens All Oil and Gas Production** — Threatens all oil and gas production in California, driving up fuel and energy prices and harming the job market in these sectors, by requiring oil and gas generators to prove that produced water used in oil and natural gas wells is not hazardous before it can be disposed of in a disposal well, the most commonly-used and cost-effective means of disposal available in California. **Senate Floor inactive file, 05/30/13. Missed house of origin deadline.**
- ✓ **SB 529 (Leno; D-San Francisco) Disposable Fast-Food Container Ban** — Places an unworkable ban on disposable food services containers or single-use carryout bags, unless they can meet an increasing recycling threshold that will reach 75% on July 1, 2020. **Held on the Senate Appropriations Suspense File, 05/23/13.**
- ✓ **SB 617 (Evans; D-Santa Rosa) Comprehensive CEQA Expansion** — Inappropriately expands CEQA, slowing development and growth in the state and inviting more litigation over CEQA projects, by requiring lead agencies to evaluate and mitigate for potential impacts on a project caused by conditions in the environment like earthquakes, wildfires, flooding, and sea-level rise. **Senate Floor inactive file, 05/30/13. Missed house of origin deadline.**
- ✓ **SB 747 (DeSaulnier; D-Concord) Unnecessary New Regulatory Scheme** — Establishes a costly, duplicative, and burdensome program that requires the Department of Public Health to regulate manufacturers of consumer products that the Department determines contribute to a significant public health epidemic, (ie: obesity, diabetes, cancer, heart disease) and allows the department to restrict or prohibit the sale of such products. **Missed deadline to pass from policy committee to fiscal committee in the house in which it was introduced.**
- ✓ **SB 754 (Evans; Santa Rosa) Dramatic CEQA Expansion** — Expands and incentivizes litigation under the California Environmental Quality Act (CEQA) and increases the complexity and cost of CEQA compliance by 1) Prohibiting a lead agency from asking a project proponent to draft an EIR, 2) forcing re-analysis of projects that more than more than 7 years old, 3) creating a new cause of action to allow anyone to stop a project by alleging a mitigation measure has not been implemented, and 4) removing limits on archeological resources mitigation fees. **Held on the Senate Appropriations Suspense File, 05/23/13.**

All SWCLC OPPOSED bills thru 8/9

AB 5	Ammiano	D	Homelessness	0
AB 10	Alejo	D	Minimum wage	0
AB 152	Yamada	D	Unemployment: Self-Employment Assistance Program.	0
AB 155	Alejo	D	Employee right to inspect	0
AB 188	Ammiano	D	Split tax roll	0
AB 203	Stone	D	Coastal Commission: penalties	0
AB 218	Dickinson	D	Employment app: criminal history	0
AB 288	Levine	D	Oil & Gas: hydraulic Fracturing	0
AB 468	Chesbro	D	New 4.8% Fire Tax	0
AB 561	Ting	D	Taxation: documentary transfer tax	0
AB 649	Nazarian	D	Oil & Gas: hydraulic Fracturing	0
AB 667	Hernandez	D	Development Project review	0
AB 769	Skinner	D	repeal Operating loss carryback	0
AB 823	Eggman	D	CEQA farmland mitigation	0
AB 857	Fong	D	Initiatives:petition circulators	0
AB 880	Gomez	D	Medi-cal: Large employers	0
AB 953	Ammiano	D	CEQA	0
AB 976	Atkins	D	Coastal Commission: penalties	0
AB 1165	Skinner	D	OSHA violations	0
AB 1164	Lowenthal	D	Liens: Employees & workers	0
AB 1277	Skinner	D	OSHA procedures	0
AB 1301	Bloom	D	Oil & Gas: hydraulic Fracturing	0
AB 1323	Mitchell	D	Oil & Gas: hydraulic Fracturing	0
AB 1383	Committee		Employment Regulations; local enforcement	0
SB 4	Pavley	D	Oil & Gas: hydraulic Fracturing	0
SB 7	Steinberg	D	Charter Cities wage	0
SB 25	Steinberg	D	Agricultural labor contract dispute resolution	0
SB 33	Wolk	D	IFD	0
SB 121	Evans	D	PAC disclosures	0
AB 145	Perea	D	Water Board	0/a
SB 161	Hernandez	D	Stop loss ins.	0
SB 241	Evans	D	Oil Severance tax	0
SB 365	Wolk	D	Tax Credit Sunset	0
SB 395	Jackson	D	Hazardous Waste: wells	0
SB 400	Jackson	D	Victims of Domestic Violence	0
SB 404	Jackson	D	Fair housing: familial status	0
SB 462	Monning	D	Employment Compensation	0

SB 516	Steinberg	D	Foreign Labor Contracors	0
SB 529	Leno	D	Recycling: fast food facilities	0
SB 617	Evans	D	CEQA expansion	0
SB 622	Monning	D	Sweetened beverage tax	0
SB 626	Beall	D	Workers' compensation.	0
SB 667	Hernandez	D	Superstores	0
SB 691	Hancock	D	Air pollution:control penalties	0
SB 747	DeSaulnier	D	Health Impact Report	0
SB 754	Evans	D	CEQA expansion	0
SB 761	DeSaulnier	D	Temp disability ins	0
SCA 3	Leno	D	Taxation: parcel tax	0
SCA 4	Liu	D	Special Tax: voter threshold	0
SCA 7	Wolk	D	Special Tax: voter threshold	0
SCA 8	Corbett	D	Special Tax: voter threshold	0
SCA 9	Corbett	D	Special Tax: voter threshold	0
SCA 11	Hancock	D	Special Tax: voter threshold	0
			FTB retro business tax	0