

SWCLC
Southwest California
Legislative Council
A coalition of the
Temecula Valley, Murrieta, Lake Elsinore Valley, Wildomar & Menifee
Chambers of Commerce

MEETING AGENDA
Monday, October 20, 2014

Realtor House, 26529 Jefferson Avenue, Murrieta CA

Presiding: Alex Braicovich, Chair


2014 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 September 2014 Meeting Minutes **Action**
2. SWCLC 2014 Ballot Proposition Positions **Information**
3. SWCLC 2014 Bill Tracker **Information**
4. SWCLC 2014 Report Card & Sample Position Letters **Information**
5. Riverside County Building Industry, Update **Information**
Nathan A. Miller, Government Affairs Director, Riverside County Building Industry
7. SWCLC Letter to Supervisor Jeff Stone RE: Temecula Valley Wine Country **Information**
6. Legislator, Staff and Stakeholder Updates **Information**
Federal: Senators Feinstein & Boxer. Representatives Calvert & Hunter
State: Governor Brown, Senators Anderson & Roth, Assemblymembers Melendez, Waldron & Jones
Local: County, Cities, Utilities, EDC, Healthcare, League of Cities
7. Chamber & Council Member Announcements **Information**
8. Today's lunch sponsored by:  Murrieta Hot Springs **Thank you**

Adjourn – **Next meeting November 24, 2014. Directors Only.**

For updates that affect your business everyday - LIKE us on:



The Southwest California Legislative Council Thanks Our Partners:

Southwest Riverside Country
Association of Realtors
Southern California Edison
Metropolitan Water District of
Southern California
Elsinore Valley Municipal Water
District

The Gas Company
Abbott Vascular
Commerce Bank of Temecula Valley
Loma Linda University Medical
Center
Southwest Healthcare Systems
Walmart

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](#)



**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
Meeting Minutes
September 22, 2014**

Legislative Consultant: Gene Wunderlich

2014 Chair: Alex Braicovich

Directors Attendance:

Steve Amante, Amante & Associates
Matt Buck, California Apartment Association
Pietro Canestrelli, Reid & Hellyer APC
Vicki Carpenter, Coldwell Banker
Dennis Frank, D.R. & Associates
Judy Guglielmana, Town & Country Real Estate
Jason Hope, JD Promotions

Tony LoPiccolo, LoPiccolo Consultants
Greg Morrison, EVMWD
Don Murray, Commerce Bank of Temecula
Valley
Brad Neet, Southwest Healthcare Systems
Shaura Olsen, Walmart
Joan Sparkman, Southwest Healthcare Systems
Gary Thornhill, Gary Thornhill Consulting

Directors Absent: Glen Daigle, Oakgrove Equities

Council Guests:

Andy Abeles, Rancon Real Estate
Brian Ambrose, City of Menifee
Patti Arlt, MWD
Josaline Cuesta, Senator Anderson
Brenda Dennstedt, Congressman Ken Calvert
Kenneth Dickson, MVUSD
Michael Garrison, Assemblymember
Melissa Melendez
Rick Gibbs, City of Murrieta
Jeremy Goldman, SCE
Linda Hofstatter, Home Smart Legends
Connie Lynch, SRCAR
Remi Malahieude, RILYNN

Mike Mason, SRCAR
Ali Mazarfa, PVCC
Doug McAllister
Melissa Melendez, Assemblymember
Karen Poulson, Business Rescue Specialists
Myles Ross, Sunbelt Business Sales
Adam Ruiz, 1st Action Real Estate
Yvonne Ruiz, Wine Country Notary
Rebecca Shear'Ree, Keller Williams
Roger Schultz, MSJC
Baldev S. Vij, Sigma Investments
Darlene Wetton, Temecula Valley Hospital

Staff:

Kim Cousins – Lake Elsinore Valley Chamber of Commerce
Wendy Mitchell- Wildomar Chamber of Commerce
Alice Sullivan – Temecula Valley Chamber of Commerce
Dorothy Wolons – Menifee Chamber of Commerce
Cheri Zamora – Wildomar Chamber of Commerce

Meeting called to order at: 12:09 by Chairman Alex Braicovich

1. Approval of Minutes Action
Directors reviewed the minutes from the August 18th, 2014 meeting. **The motion was made to approve the minutes. The motion was seconded and carried by a unanimous vote.**

2. Qualified Ballot Propositions Action

1. California Proposition 1, Water Bond 2014 (Formerly Proposition 43)

Report by Patti Arlt, Senior Gov't & Regional Affairs Rep., Metropolitan Water District

This bond was originally an \$11.14 billion bond part of a 2009 comprehensive package that was passed at that time and it was rescheduled to 2012 due to general economic conditions of the state and then it was deferred and finally moved to the 2014 ballot by the legislature. Several bills were introduced that were related to the water bond, but only 2 floated to the top, SB 868 and AB 1471. They are both similar bills and they both passed almost unanimously by the Assembly and the Senate. Then the Governor signed AB 1471 on August 13th and he just signed Proposition 1, which is identical which will be on the November Ballot. Metropolitan Water District board of directors voted to support water bond because they believe that it aligns with their water bond priorities that they had adopted last year, which were co-equal goals, delta sustainability for public interest and funding multi-benefit projects to reduce future reliance and funds that would be available for state-wide system improvements. This bond does repeal the existing \$11.14 billion bond and authorizes a \$7.12 billion dollars of new debt and re-authorizes \$425 million from prior bonds, which is money left over from projects that did not qualify in previous bonds, however, this money still has to go before voters for repurposing the approval of that money. There is money in this bond for the following: New surface and ground water storage projects; regional water reliability; sustainable ground water management; water recycling and conservation; water shed protection; safe drinking water; disadvantaged communities; levee repairs in the delta region; storage and flood protection. It is BDCP neutral which means it prohibits expenditures for delta conveyance. There are no earmarks, everyone competes for the dollars and there are no specific projects listed within the bond. Projects that leverage local or federal funding are going to be given priority and projects with existing water rights will be given priority. Here is a partial list of supporters; MWD; EVMWD; Eastern Municipal Water District; Western Municipal Water District; Inland Empire Utilities Agency.

Following discussion the motion was made to SUPPORT Proposition 1. The motion was seconded and carried by a unanimous vote.

2. Mount San Jacinto College Bond Measure AA

Report by Dr. Roger Schultz, President & Superintendent, MSJC

The full Bond Measure AA can be found on their website msjc.edu. MSJC has been around for 50 years and one of the fastest growing Community Colleges in the State. They are projected to have over 50,000 students by 2025. Top 150 Community Colleges in the Country, which means they are in the top 15% nationwide. In August, MSJC was identified as one of the top 100 degree granting institutions in the country. They are #38 in awarding degrees to Hispanic students. There are 112 California Community Colleges and MSJC is about middle of the pack size-wise, but they are #30 feeder to the University of California. MSJC is one of only 3 Community Colleges in the state recognized as a military friendly institution, and the only one with 2 veteran resource centers to serve their veteran population. The workforce that is being trained at MSJC has a rate of 95% that are staying within the valley for their vocation. Measure AA is a bond that is going to be used to deal with some of their aging facilities and their growing capacities. MSJC is one of only 8 Community College Districts in the state to not have a facilities bond in the last 3 or 4 decades. We need those facilities in order to educate and expand in those key areas to attract businesses and prepare tomorrow's workforce. MSJC has an extremely affordable option with high quality allowing them to transfer. There is an immediate return on their investment, once they graduate they can double their salary with an Associate's Degree within 3 years according to statewide data. Another national survey shows that 61% of Associate Degree holders earn as much if not more than people with a Bachelor's Degree. The college is looking at upgrading, repairing and expanding facilities. We have two sites in Temecula, one in Menifee, 80 acres in Wildomar that are in Escrow, one site in Menifee and one in San Jacinto, and a small modular campus in Banning. The

project list spans the entire district and will allow them to double capacity in high demand areas in Science and STEM related fields, as well as in the career technical educational areas. It will also allow for them to expand to serve more veterans as they come back. There is a lot of support including Supervisor Marion Ashley, Mayor Scott Mann of Menifee, Councilman Chuck Washington of Temecula, Bank of Hemet, Hemet Unified School District with many others. Received Readers Choice Award for the Favorite School or College in the Region for the 6th year in a row. The cost per household is about \$26 per year.

Following discussion the motion was made to SUPPORT Measure AA. The motion was seconded and carried by a unanimous vote.

3. Murrieta Valley Unified School District Bond Measure BB

Report by Patrick Kelley, Superintendent, Murrieta Valley Unified School District

Murrieta Valley Unified School District has 23,000 students and 20 schools. They consistently rank very close to the top in the two country areas of achievement. The latest high school exit exam achievement results were just release and MVUSD is the top achieving district in regards to the number of students that passed the exit exam on the first try. A year ago, an initiative was started to prepare their students for the jobs that will be available in the years to come. In August, the board authorized to place Measure BB on the November Ballot. Measure BB is an education, technology and facilities bond. It is a \$98 billion bond. The dollar amount for \$100,000 of assessed evaluation was \$25. Two-thirds of the revenue that would be generated would be used for educational technology initiatives. This is to prepare the students and give them opportunities in STEM and labs and increasing the rigors that is going to be required in that. About one-third would be for the facilities including a new elementary school within the next few years. They are very proud of their school and their achievements. The Murrieta Valley High School Robotics Team were the 2012 World Champions competing with 500 world teams at the High School and College level. The Virtual Enterprise Entrepreneurial Club placed 4th in the nation in business plan and business creation.

Following discussion the motion was made to SUPPORT Measure BB. The motion was seconded and carried by a unanimous vote.

4. California Proposition 2, Rainy Day Budget Stabilization Fund Act 2014 (Formerly Prop 44)

Report by Gene Wunderlich

Last month the council took a position to OPPOSE Prop 44. It has now been changed to Proposition 2 and the council will remain in OPPOSITION.

3. Legislator, Staff and Stakeholder Updates

Information

Assemblymember Melissa Melendez

Report by Melissa Melendez

Ground Water Legislation – There is concern about meters being placed on wells in our area which brings about concerns of water rights. She had no answers about which way things will go. She encouraged everyone to stay in touch with their local water districts and local legislators.

Hidden Gas Tax – Increase starting January 2015 of anywhere from .16 cents to .78 cents and that increase will continue each year until 2020 when the cap and trade is supposed to reduce our emissions. This increase might be modest but in the years to come it can go up to \$2.50 per gallon. This will not only affect your gas tank fill up, it will increase our lives in every way. FED UP AT THE PUMP.com

Assemblymember Marie Waldron

Report by Tom Stinson

Supports Water Bond.

Ground Water Legislation – There were 3 bills, SB 1168; SB 1319 AB 1739, she opposed the bills. She studied the bills and did not want to rush them. They will be phased in gradually. She signed a bill asking for veto.

She has 5 bills on Governor's desk – SB 1649 Computer Crimes bill; 4 other bills that have to do with traffic synchronization, restraining orders for children in domestic violence situations, invasion of privacy and a technical bill for the San Luis Rey Water District and passed and are now waiting to be signed on the Governor's desk.

Senator Joel Anderson

Report by Joseline Cuesta

SB 702 – Increase fine for impersonation of a peace officer is on the Assembly floor.

SB 813 – Veterans to receive State tuition for those wanting to further their education.

City of Murrieta

Report by Brian Ambrose

Progress will be seen in the coming months and next few years of new construction and new businesses coming to Murrieta.

October 1 & 14 - City Council Forum

The city is working on the VLF bills for those struggling cities.

Temecula Valley Hospital

Report by Darlene Wetton

There was a public hearing last week in regards to Fallbrook Healthcare District. There are 3 entities looking at continuing the hospital. Scripps would serve a consultant role, Tri-Cities would manage the outpatient services and Strategic Global Alliance agreed to maintain the ER, re-instate OB services and outpatient services. A decision is to be made within 30 days.

5. Chamber & Council Member

Announcements

Information

Menifee Chamber of Commerce

Report by Dorothy Wolons

September 30th – Assistance League of Temecula 25th Anniversary Ribbon Cutting

October 4th – City birthday bash.

October 24th – Mayor's Ball

Lake Elsinore Valley Chamber of Commerce

Report by Kim Cousins

October 17th – State of the City

Wildomar Chamber of Commerce

Report by Cheri Zamora

September 23rd – Candidate Forum (Elsinore High School)

October 1st – Wake Up Wildomar Breakfast

October 4th – Wild & Crazy Golf Tournament

October 9th – Networking Mixer

Temecula Valley Chamber of Commerce

Report by Alice Sullivan

Candidate Forum on their website Temecula.org

October/November – Social Media Classes

October 15th -Business Health Expo

Murrieta Chamber of Commerce

Report by Don Murray

October 1st – Candidate Forum

October 6th – Candidate Forum (Thompson Middle School)

October 2nd – Rock-tober Mixer

Joan Sparkman

October 10th – MSJC (Menifee) – Wine and Jazz Festival

Gene Wunderlich

Letter to Supervisor Jeff Stone in regards of concern to proposal from the Mt. Palomar winery to remove 66% of wine grapes to put in tract housing.

5. Lunch Sponsor Message Envy of Wildomar Information

Alex Braicovich thanked the Message Envy of Wildomar for sponsoring lunch today.

Motion to Adjourn at 1:31 p.m.



2014 Strategic Initiatives

Budget & Tax Reform / Job Creation and Retention / Healthcare / Infrastructure & The Environment

The **Southwest California Legislative Council** is a coalition of the Temecula Valley, Murrieta, Lake Elsinore Valley, Menifee and Wildomar Chambers of Commerce.

The Council has adopted the following positions for the November 2014 ballot initiatives:

- ✓ **Proposition 1: \$7.12 billion water bond.** **SUPPORT**
 Title: Water Quality, Supply, and Infrastructure Improvement Act of 2014.
- ✓ **Proposition 2: State Budget. Budget Stabilization Account.** **OPPOSE**
 Title: Rainy Day Budget Stabilization Fund Act.
- ✓ **Proposition 45: Healthcare Insurance. Rate Changes.** **OPPOSE**
 Title: Public Notice Required for Insurance Company Rates Initiative.
- ✓ **Proposition 46: Medical Malpractice Lawsuits Cap** **OPPOSE**
 Title: Drug and Alcohol Testing of Doctors. Medical Negligence Lawsuits.
- ✓ **Proposition 47: Reduces Penalties for Some Crimes Initiative** **OPPOSE**
 Title: Criminal Sentences. Misdemeanor Penalties. Initiative Statute.
- ✓ **Proposition 48: Indian Gaming Compacts** **Not Business Related**
 Title: Indian Gaming Compacts. Referendum.
- ✓ **Proposition AA: Mount San Jacinto College Bond Measure** **SUPPORT**
- ✓ **Proposition BB: Murrieta Valley Unified School District Bond Measure** **SUPPORT**

For a more detailed review please visit:

<http://www.slideshare.net/genewunderlich/2014-ballot-propositions-expanded>

In 2014 the SWCLC adopted positions on 63 state bills, 5 federal measures and 4 local issues. Of the 63 bills, 20 made it through the entire process. Of those, 13 were bills we supported and 7 were bills we opposed. While that's just 21% of supported bills that made it through, it's a 65% win ration against overall bills we took positions on. Not a bad year, all things considered. Highlighted bills are the ones that made it through. Summary & report card are in the following section.

Southwest California Legislative Council 2014 Bill Tracker

Month	Bill #	Author	Party	Intent	Position	Status	Senate		Assembly				Gov
							Anderson	Roth	Melendez	Waldron	Jones	Linder	Brown
2	AB 1513	Fox	D	Squatters	S	To Sen	Y	Y	Y	Y	Y	Y	Y
2	AB 1521	Fox	D	VLF	S	To Sen	Y	Y	Y	Y	Y	Y	V
2	ACA 8	Blumenfield	D	Tax threshold	O	To Sen			N	N	N	N	
2	HR 2097	Calvert	R	REBUILD Act	S								
2				Trade Promotions Act	S								
2	HR 3309			Patent Reform/trolls	S								
3	AB 1522	Gonzalez	D	Paid Sick Days	O	To Sen	NV	NV	N	N	N	N	Y
3	AB 1521	Fox	D	Local Tax allocation	S	To Sen	Y	Y	Y	Y	Y	Y	V
3	AB 1634	Skinner	D	OSHA Violations	O	To Sen	N	Y	N	N	N	N	Y
3	AB 1698	Wagner	R	Fraudulant Deeds	O/A	To Sen	Y	Y	Y	Y	Y	Y	Y
3	AB 1764	Olsen	R	Education	S	To Sen	Y	Y	Y	Y	Y	Y	Y
3	AB 1839	Gatto	D	Film Credits	S	To Sen	Y	Y	Y	Y	Y	Y	Y
3	AB 2095	Wagner	R	Frivolous lawsuits	S	FC							
3	AB 2353	Waldron	R	CEQA water	S	DC							
3	AB 2361	Jones	R	Prop 65 enforcement	S	DC							
3	AB 2495	Melendez	R	Franchise Tax	S	DC							
3	AB 2688	Brown	D	Good faith defense	S	DC							
3				FHA Loan Limits	S								
3				CARB Diesel Reg's									
3	HR 29	Gomez	D	Outsourcing	O	To Sen			N	NV	N	N	
3	SB 69	Roth	D	VLF	S	To Assy	Y	Y	Y	Y	Y	Y	V/UB
3	SB 747	DeSaulnier	D	Public Health	O	DC							
3	SB 834	Huff	R	MFG Facilities	S	DC							

3	SB 935	Leno	D	Minimum Wage	O	To Assy	N	NV						
3	SB 1017	Evans	D	Oil severance	O	Susp								
3	SB 1021	Wolk	D	School districts: parcel taxes	O	To Assy	N	NV						
3	SB 1200	Padilla	D	Education	S	To Assy	Y	Y	Y	Y	Y	Y	Y	Y
3	SB 1381	Evans	D	GMA foods	O	Fail	N	NV						
4	AB 1792	Gomez	D	Reports	O	To Sen	N	Y	N	N	N	N	N	Y
4	AB 1897	Hernandez	D	Labor	O	To Sen	N	NV	N	N	N	N	N	Y
4	AB 2140	Bloom	D	Orca	O	DC								
4	AB 2617	Weber	D	Civil Rights	O	To Sen	N	NV	N	N	N	N	N	Y
4	AB 2670	Medina	D	SBDC	S	HELD								
4	AB 2723	Medina	D	Regulations	S	To Sen	Y	Y	Y	Y	Y	Y	Y	V
4				MWD fees	S									
4	SB 1021	Wolk	D	Parcel Taxes	O	To Assy	N	NV						
4	SB 1451	Hill	R	CEQA	S	DC								
4	AB 2079	Grove	R	Lawsuits	S	DC								
4	AB 2686	Perea	D	Clean Water	S	DC								
4	SB 1250	Hueso	D	Clean Water	S	DC								
4	AB 2493	Bloom	D	Redevlopment	S/O	To Sen	N	Y	Y/N	Y/N	Y/N	Y/N	Y/N	V
4	AB 777	Muratschchi	D	Space Flight	S	CHAPT	Y	Y	Y	Y	Y	Y	Y	Y
4	AB 2030	Campos	D	Time off	O	DC								
4	AB 2420	Nazarian	D	Fracking	O	FC								
4	AB 1132	Mitchell	D	Fracking	O	FAIL	N	NV						
4	AB 1961	Eggman	D	Sustainable farmland	O	HELD								
4	AB 2416	Stone	D	Liens	O	To Sen			N	N	N	N	N	
4	AB 2448	Jones	R	Flex time	S	DC								
4	AB 2095	Wagner	R	Itemized statements	S	FC								
5	AB 1522	Gonzalez	D	Sick Days	O	To Sen								
5	AB 2372	Ammiano	D	Split tax roll	O/AA	To Sen			NV	NV	N	NV	NV	
5	AB 2604	Brown	D	Workers comp	O	DC								
5	SB 1188	Jackson	D	legal remedies	O	To Assy	N	Y						
5	SB 1270	Pavley	D	Surface mining	O	HELD								
5	SB 1351	Hill	D	Payment Cards	O	FC								
5	SB 1372	DeSaulnier	D	Tax Rates	O	FAIL								
5	SB 1446	DeSaulnier	D	Health Care	S	To Assy	Y	Y	Y	Y	Y	Y	Y	Y
6	AB 2153	Gray	D	Postsecondary ed	O/A	Died			Y	Y	Y	Y	Y	

7	AB 52	Gatto	D	CEQA Tribes	O/A	To Sen	Y	Y	Y	Y	Y	Y	Y	Y
7	AB 2235	Buchanan	D	School funds	S				Y	Y	Y	Y		
7	RCWD			Septic Systems	O									
7	BDCP			Bay Delta Project	S									
8	AB 52	Gatto	D	AB 52	COP									
8	AB 1522	Gonzalez	D	paid sick days.	O									
8	AB 1560	Quirk-Silva	D	California Competes Tax Credi	S		Y	Y	Y	Y	Y	Y	Y	Y
8	AB 1792	Gomez	D	reports on employers	O									
8	AB 1897	Hernandez	D	Labor contracting	O									
8	AB 2416	Stone	D	Liens: laborers and employees	O									
8	SB 812	DeLeon	D	Hazardous waste	O		N	Y	N	N	N	N	N	V/UB
8	SB 850	Block	D	baccalaureate degree pilot program	S		Y	Y	Y	Y	Y	Y	Y	Y
8	SB 1139	Hueso	D	Renewables Portfolio	O		N	Y						
9		Wine Country Zone			O									

**Southwest California Legislative Council
2014 Bill Tracker Final**

Bill #	Author	Party	Intent	Position	Senate		Assembly				Gov	SWCLC
					Anderson	Roth	Melendez	Waldron	Jones	Linder	Brown	W/L
AB 777	Muratshchi	D	Space Flight	S	Y	Y	Y	Y	Y	Y	Y	W
AB 1513	Fox	D	Squatters	S	Y	Y	Y	Y	Y	Y	Y	W
AB 1521	Fox	D	VLF	S	Y	Y	Y	Y	Y	Y	V	L
AB 1560	Quirk-Silva	D	California Competes Tax Credit	S	Y	Y	Y	Y	Y	Y	Y	W
AB 1698	Wagner	R	Fraudulent Deeds	S	Y	Y	Y	Y	Y	Y	Y	W
AB 1764	Olsen	R	Education	S	Y	Y	Y	Y	Y	Y	Y	W
AB 1839	Gatto	D	Film Credits	S	Y	Y	Y	Y	Y	Y	Y	W
AB 2493	Bloom	D	Redevelopment	S/A-O	N	Y	Y/N	Y/N	Y/N	Y/N	V	W
AB 2723	Medina	D	Regulations	S	Y	Y	Y	Y	Y	Y	V	L
SB 69	Roth	D	VLF	S	Y	Y	Y	Y	Y	Y	V/UR	
SB 850	Block	D	Baccalaureate degree pilot program	S	Y	Y	Y	Y	Y	Y	Y	W
SB 1200	Padilla	D	Education	S	Y	Y	Y	Y	Y	Y	Y	W
SB 1446	DeSaulnier	D	Health Care	S	Y	Y	Y	Y	Y	Y	Y	W
AB 52	Gatto	D	CEQA Tribes	O/A-S	Y	Y	Y	Y	Y	Y	Y	W
SB 812	DeLeon	D	Hazardous waste	O	N	Y	N	N	N	N	V/UR	
AB 1522	Gonzalez	D	Paid Sick Days	O	NV	NV	N	N	N	N	Y	L
AB 1634	Skinner	D	OSHA Violations	O	N	Y	N	N	N	N	Y	L
AB 1792	Gomez	D	Reports	O	N	Y	N	N	N	N	Y	L
AB 1897	Hernandez	D	Labor	O	N	NV	N	N	N	N	Y	L
AB 2617	Weber	D	Civil Rights	O	N	NV	N	N	N	N	Y	L
					19/19/1	13/4/3	20/20	20/20	20/20	20/20	60%	12/8
					100%	76%	100%	100%	100%	100%	60%	60%



BIA Update	Information
-------------------	--------------------

Nathan A. Miller



March 20, 2014

The Honorable Richard Roth
State of California
State Capitol
Sacramento, California 95814

RE: SB 69 (Roth) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Position: SUPPORT

The *Southwest California Legislative Council* is an advocacy coalition of the *Temecula Valley, Murrieta, Wildomar, Menifee and Lake Elsinore Valley Chambers of Commerce* representing more than 2,800 employers dedicated to promoting job growth, economic expansion, and preserving the overall global competitiveness of California.

The *SWCLC* strongly **SUPPORTS SB 69 (Roth)**. SB 69 would reinstate allocations of motor vehicle license fees to recently incorporated cities and cities which annexed inhabited areas, consistent with the allocation formula which those communities relied upon when making the decision to incorporate or annex the affected territory.

In 2011 SB 89 (Chapter 35 of the Statutes of 2011) the state budget diverted \$153 million in vehicle license fees from cities' general funds into a grant program for local law enforcement without providing reasonable opportunity for input from the affected agencies and the public. Every city lost money, but the shift hit especially hard at the state's newest cities: Eastvale, Jurupa Valley, Menifee and Wildomar, all cities within the Southwest California region. The state had provided newly incorporated cities with additional vehicle license fee money for five years to help fund the transition to cityhood, but that financing abruptly vanished with the passage of SB 89.

During their incorporation process, these cities were promised, and had relied upon, these moneys to fund their transition to cityhood. Given the current economic climate, and facing significant property tax revenue shortfalls, these cities are faced with extreme hardship due to the broken promises of the State of California. For example, the City of Jurupa Valley is faced with two unacceptable alternatives; insolvency coupled with disincorporation, or a reduction in law enforcement that endangers both law enforcement officers and the general public. The City of Wildomar lost more than 20% of their anticipated (promised) operating budget.

For these reasons, the *Southwest California Legislative Council* strongly **SUPPORTS SB 69** and encourages your AYE vote as this measure comes before you for consideration.

Respectfully,

Alex Braicovich, Chair
alex@crmail.com

Gene Wunderlich, Legislative Liaison
gad@swcaladvocacy.com

cc:

Senator Richard Roth
Senator Joel Anderson
California Chamber of Commerce

916.327.2187
916.447.9008
916.325.1272

951.676.1030



March 19, 2014

The Honorable Lorena Gonzalez

California State Assembly
State Capitol, Room 5144
Sacramento, CA 95814

SUBJECT: AB 1522 (GONZALEZ) EMPLOYMENT: PAID SICK DAYS

Position: OPPOSE unless Amended

The *Southwest California Legislative Council* is an advocacy coalition of the *Temecula Valley, Murrieta, Wildomar, Menifee Valley and Lake Elsinore Valley Chambers of Commerce* representing more than 2,800 employers dedicated to promoting job growth, economic expansion, and preserving the overall global competitiveness of California.

The *SWCLC* must respectfully **OPPOSE UNLESS AMENDED AB 1522**. As introduced, AB 1522 would add to the already growing number of costs for California businesses by requiring both small and large employers to provide their employees with mandatory, protected, paid sick leave.

AB 1522 Mandated Paid Sick Leave on all Employers Will Reduce Jobs:

AB 1522 mandates that **all** employers, except those with collective bargaining agreements, provide any employee who has worked in California for seven days with paid sick leave, the accrual rate at one hour for every thirty hours worked. After the 90th day of employment, employees would be allowed to utilize their paid sick leave to care for themselves or a family member. Pursuant to **AB 1522**, any unused sick leave accrued in the preceding year could be carried over to the next year, which is a *significant* change in existing law. While many employers voluntarily offer sick leave for full-time employees, expanding this to all employees including temporary, seasonal, and part-time employees will create a huge burden on employers.

The Employment Policies Institute recently published a limited study on the affects of Connecticut's Paid Sick Leave law that went into place in 2012 and only applies to larger employers and non-exempt service workers. Although the survey was admittedly limited in the number of businesses evaluated, the results indicate the new law has had a negative impact on growth and jobs. Of the 156 businesses that responded to the survey, 31 of the businesses had reduced other employee benefits to balance the cost of the paid sick leave; 12 had reduced employee hours; 6 had reduced employee wages; 19 companies had raised their prices; 6 companies had laid off employees; and 16 companies stated that they would limit their expansion in the state. Thirty-eight of the businesses surveyed also indicated that they would hire fewer employees as a direct result of the new law, while others stated they planned to offer fewer raises.

Similar results were reported in the February 2011 Institute for Women's Policy Research on the effect of the paid sick leave program in San Francisco. Specifically, out of the employees surveyed, 15.2% of the employees surveyed were laid off or had their hours reduced after the program was implemented; 14.1% of the employees

surveyed received fewer bonuses or had their benefits reduced; and 21.7% of the employees had increased work demands. Out of the industries surveyed, businesses with 24 employees or less were the most negatively impacted by the paid sick leave program. Moreover, the report provides that “low-wage workers were more likely than higher-wage workers to report that their employers took action to reduce costs in implementing” the paid sick leave in San Francisco.

In July 2014, employers in California will already be facing a significant cost increase due to the \$1.00 increase in minimum wage that will take effect. This \$1.00 increase is in addition to the other cumulative costs employers are already facing including increased taxes under Proposition 30, increased worker's compensation rates, loss of federal unemployment insurance credit, increased energy costs, and increased costs associated with the implementation of the Affordable Healthcare Act. California employers cannot absorb all of these costs and be forced to provide paid sick leave as well, without cutting other costs such as labor. Accordingly, **AB 1522** will impact jobs as well as future growth.

AB 1522 Creates a Private Right of Action for Employees and Unions:

In addition to the increased business expenses and potential loss of jobs/growth **AB 1522** will create, **AB 1522** will also dramatically increase an employer's risk for legal fees and costs. **AB 1522** allows an employee, the Labor Commissioner, the Attorney General, or "*an entity a member of which is aggrieved*" to file a private right of action against the employer and obtain back wages, liquidated damages, withheld sick days, treble damages for withheld sick days, attorney's fees, reinstatement, and injunctive relief. Under this provision, a union may file a lawsuit against an employer on behalf of an employee, thereby significantly expanding the scope and threat of civil litigation against small and large employers.

The author has indicated the bill will be amended to remove the private right of action. While certainly we appreciate this anticipated amendment, it unfortunately will not resolve our additional concerns with the bill as set forth in this letter.

AB 1522 Jeopardizes an Employee's Exempt Status:

AB 1522 mandates that an employer provide one hour of paid sick leave for every thirty hours worked. With regard to exempt, salaried employees, employers do not track the hours they work. In fact, doing so jeopardizes their exempt status. Accordingly, to the extent **AB 1522** requires an employer to document an exempt employee's hours worked, it will force an employer into deciding whether to comply with the paid sick leave requirement and face potential litigation for exempt vs. non-exempt classification, or ignore the paid sick leave requirement and face potential litigation for failing to satisfy this mandate.

The author has indicated a willingness to amend the bill to address this issue, which we certainly appreciate.

AB 1522 Creates an Unfair Rebuttable Presumption Against the Employer:

Under **AB 1522** it will be presumed that an employer retaliated against an employee if the employer takes any corrective action within 90 days of an employee's complaint or opposition to an employer's practice or policy regarding mandated paid sick leave. Pursuant to this provision, an employee who takes paid sick leave, returns to work the following day, is caught stealing and then immediately terminated, will be protected under this automatic rebuttable presumption. The burden will fall on the employer to prove its actions were valid, instead of the burden falling on the employee.

AB 1522 Imposes Unfair Penalties Through The Labor Commissioner Process:

AB 1522 provides that after a Labor Commissioner hearing, an employee may obtain payment of any sick days unlawfully withheld as well as backpay, reinstatement, \$250 or three times the amount of paid sick leave withheld (whichever is greater), and a \$50 daily penalty for each day that a violation occurred. While an employee should be made whole for any withheld sick leave due, the layering of additional penalties, such as

treble damages, is simply an unjustified windfall. This is especially the case for employers who make an unintentional accounting error and are not seeking to harm or withhold sick leave from the employee.

AB 1522 Gives Local Counties and Cities the Authority to Adopt More Stringent Requirements:

AB 1522 specifically states that the mandated sick leave does not preempt any local regulation or law that provides for a greater accrual of sick leave, thereby authorizing the adoption of such local laws and regulations. This provision will create inconsistency and confusion for California employers who operate in different jurisdictions. Employers are already suffering from such confusion with the state minimum wage versus local living wage requirements and do not need to add additional requirements that conflict.

AB 1522 Will Impose a Huge Cost on All Employers That Currently Offer Paid Sick Leave:

AB 1522 requires that all employers must offer paid sick leave at the same accrual rate as proposed, i.e. one hour for every thirty hours worked and allows employees to take leave for the same purposes and under the same conditions as set forth in the bill. This mandate will create a huge cost for employers that currently offer paid sick leave to their employees. Specifically, many employers allow employees to accrue sick leave per pay period or per month, not according to the number of hours worked. Accordingly, such employers will have to completely change their existing policies in order to mirror the accrual rate proposed under **AB 1522**. This will create a significant cost to all employers.

Additionally, **AB 1522** mandates that accrued sick leave carry over from year to year. Currently, employers do not have to carry over accrued sick leave year to year, imposing a new burden on all employers, including those that already offer paid sick leave.

AB 1522 Mandates Unlimited Paid Sick Leave for Certain Conditions:

AB 1522 specifies that an employer shall provide paid sick days to an employee for the diagnosis, care, or treatment of an existing health condition or health condition of a family member; preventative care; or to an employee who is a victim of domestic abuse. Given that this proposed mandate is in a separate section of the Labor Code, and without reference to the provision that an employer may limit the use of paid sick days to only three days per year, it appears it is an additional requirement that employers must provide, even if the employee does not have any unused accrued sick leave available. This unlimited mandate to offer paid sick leave for these conditions will simply overwhelm employers.

New Posting Requirement on Employers with Additional Penalties:

Under **AB 1522**, employers would also be required to post information regarding employees' right to paid sick leave, thereby adding onto the already numerous and burdensome posting requirements in California. Current law already requires employers to post over 15 different notices. At some point, the posting of such information becomes just another added expense to employers with the risk of litigation for failing to do so, without any corresponding benefit to employees who are overwhelmed with all of the required postings. Notably, **AB 1522** imposes a \$100 daily penalty for failing to post information regarding this bill and its requirements.

New Notice Requirement with Additional Penalties:

In addition to the posting requirement, **AB 1522** requires an employer to provide a notice regarding paid sick leave to each employee in English, Spanish, and Chinese, and any other language that at least 5 percent of the employees speak. An employer is required to provide a notice in these various languages, despite the fact that they may only have English speaking employees or Spanish speaking employees. Moreover, failure to comply with this notice requirement subjects the employer to a \$100 daily penalty.

California Already Has a Myriad of Protective Leaves that May be Compensated:

The number and length of protected leaves of absences that California already requires employers to provide its employees is extensive, including California Family Rights Act (12 workweeks), pregnancy disability leave (4 months); domestic violence, stalking, harassment leave, and bone marrow/organ donor leave. This is in addition to federal leave laws, such as the Family Medical Leave Act (12 workweeks). California also has the Paid Family Leave program, which allows an employee to obtain a partial wage replacement for up to six weeks to care for an immediate family member, which was just expanded last year to also include a grandparent, grandchild, sibling, or parent-in-law. These existing leaves already create a burden on employers. Adding to this list with such a broad expansion as **AB 1522** proposes, will be overwhelming.

California Should Incentivize Paid Sick Leave, Not Mandate:

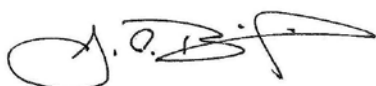
Given the cumulative costs and existing protected leave of absences California employers are already struggling with, California should refrain from implementing new mandates such as **AB 1522**. Rather, California should incentivize employers to offer these additional benefits by reducing costs in other areas.

One area in which California can reduce costs on employers so that they have the capacity to offer paid sick leave is daily overtime. California is only one of three states that mandate both daily and weekly overtime, creating a huge cost to employers. If this cost were reduced by conforming to federal law and only mandating weekly overtime, employers would more likely have the ability to offer paid sick leave as well as provide a more flexible schedule for working families.

Another option to balance burden on employers to provide paid sick leave is to provide them with a tax credit for the amount expended each year on paid sick leave for employees. Just recently, the State Controller released a statement indicating that California’s revenue for February 2014 was approximately \$1 billion higher than the Governor projected. A portion of this unexpected revenue could be utilized for a tax credit for those employers who provide and pay an employee for sick leave, as proposed under **AB 1522**.

For these and other reasons, we respectfully **OPPOSE AB 1522, UNLESS** it is **AMENDED** to offset the cost and burden this new mandate will create, with either an exemption from daily overtime or a tax credit.

Respectfully,



Alex Braicovich, Chair

alex@crmail.com



Gene Wunderlich, Legislative Liaison

gad@swcaladvocacy.com

Cc:

Assemblymember Lorena Gonzalez
Assembly Committee on Labor & Employment
Assemblymember Roger Hernandez (Chair)
Assemblymember Mike Morrell (Vice Chair)
Assemblymember Melissa Melendez
Assemblymember Marie Waldron
Assemblymember Brian Jones
California Chamber of Commerce

916.319.2180
916.319.2191
916.319.2148
916.319.2140
916.319.2167 951.894.5053
916.319.2175 760.480.7516
916 319 2171 619.441.2327
916.325.1272



September 17, 2014

The Honorable Jeff Stone

Riverside County, 3rd District Supervisor
Riverside County
Riverside, CA 92501

Wine Country: General Plan Amendment 1143, Change of Zone No. 7846, Tentative Tract Map No. 26795, and Conditional Use Permit No. 3707

Position: Oppose

The *Southwest California Legislative Council* is an advocacy coalition of the *Temecula Valley, Murrieta, Wildomar, Menifee Valley and Lake Elsinore Valley Chambers of Commerce* representing more than 2,800 local employers dedicated to promoting job growth, economic expansion, and preserving the overall global competitiveness of Southwest California.

The *Temecula Valley Wine Country* is a unique area of our region that attracts tourism dollars and provides a significant number of direct and indirect jobs to our local economy. As an architect of the **Wine Country 20/20 Plan**, you are more aware than most of the opportunities and challenges the Wine Country presents for the future of our region. Given that our local wine country footprint is among the smallest viticulture regions in the state, preservation of the limited land available for this critical industry resource should be paramount to the planning process.

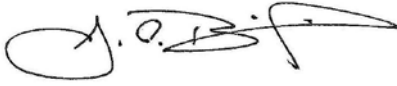
Therefore the **SWCLC** was quite surprised when informed that you were supportive of an application to approve a general plan amendment that would remove 319 of those precious acres from citrus/vineyard designation and convert them to residential lots with a density average of 12,000 square feet - a use wholly incompatible with the current General Plan.

We are concerned that approval of this Conditional Use Permit would mark the end of the Temecula Valley Wine Country as we know it. If you allow one winery to convert 60% of their vineyard land to residential housing, you have just opened the door to any others that would like to follow the same path of short term gain at the expense of long range vision. Soon the already limited acreage of our Wine Country would be smothered with tract homes and the Temecula wine industry would be no more.

The **SWCLC** has been very supportive of you and the 20/20 plan through the often contentious process because we believe the Wine Country is a critical component of our local economic engine driving job growth, economic prosperity and tourism attraction. **This proposed amendment is entirely inconsistent with the vision and intent of the Wine Country 20/20 Plan.** We encourage you to rethink your position, preserve the zoning of the 20/20 Plan, and support the long and arduous plan that you pioneered.

We thank you for your consideration.

Respectfully,



Alex Braicovich, Chair
alexbr@crrmail.com



Gene Wunderlich, Legislative Advocate
gad@swcaladvocacy.com

GENERAL PLAN AMENDMENT NO. 1143, CHANGE OF ZONE NO. 7845, TENTATIVE TRACT MAP NO. 36795, AND CONDITIONAL USE PERMIT NO. 3707 (FTA 2014-04) – EA42718 – Applicant: Louidar, LLC - Third/Third Supervisorial District – Rancho California Zoning Area – Southwest Area Plan: Agriculture: Agriculture (AG:AG) (10 Acre Minimum) – 409.2 Gross Acres – Location: Northerly of Rancho California Road, westerly of Calle Contento, and easterly of La Serena Way - Zoning: Citrus Vineyard (C/V) and Citrus Vineyard – 10 Acre Minimum (C/V-10) – **REQUEST: The General Plan Amendment proposes to amend the existing General Plan Land Use Designation of Agriculture (AG) to the proposed designation of Medium Density Residential (MDR) as well as amend the policies of the Southwest Area Plan to add a new overlay to the Temecula Valley Wine Country Policy Area. The Change of Zone proposes to change the zoning on 318.8 acres of the site from Citrus Vineyard (C/V) to Planned Residential (R-4), and to change the zoning on the remaining 90.4 acres from Citrus Vineyard - 10 Acre Minimum (C/V-10) to Wine Country - Winery (WC-W). The Tentative Tract Map is a Schedule A subdivision of 318.8 gross acres into 489 residential lots with an average lot size of 12,000 square feet, 73 landscape lots (including parks and basins) and construction of La Serena Way including a roundabout at La Serena Way and Rancho California. The Conditional Use Permit proposes a 90.4 acre winery complex that will include a hotel, Spa, Winery, Tasting Room, restaurant, wedding pavilion (including a chapel for weddings only), retail uses, detached cottages and villas, event center, and amphitheater. – APN(s): 943-040-011, 943-060-010, 943-060-011, 943-110-009, 943-120-014, 943-120-024, 943-120-025, 943-120-026, 943-120-027, 943-120-028, 943-120-029, 943-120-030, 943-120-031, 943-120-032, 943-120-033**

