



**MEETING AGENDA**

**Monday June 15, 2020**

Realtor House, 26529 Jefferson Ave, Murrieta

**Presiding: Adam Ruiz, Chair**

**2020 Strategic Initiatives**

*Budget & Tax Reform / Job Creation and Retention / Healthcare / Infrastructure & the Environment/ Public Safety*

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

**Chair Report**

**Approval of Minutes**

**Action**

**2020 Legislative Report #6**

**Action**

1. [AB 398 \(Chu\) COVID-19 Local Government and School Recovery and Relief Act.](#)
2. [AB 2013 \(Irwin\) Property taxation: new construction: damaged or destroyed property.](#)
3. [AB 2075 \(Kiley\) Worker status: independent contractors: hiring entity liability.](#)
4. [AB 2501 \(Limón\) COVID-19: homeowner, tenant, and consumer relief.](#)
5. [AB 2999 \(Low\) Employees: bereavement leave.](#)
6. [AB 3075 \(Gonzalez\) Wages: enforcement.](#)
7. [AB 3216 \(Kalra\) Employee leave: authorization.](#)
8. [AB 3260 \(Wicks\) Tenancy: security deposit](#)
9. [SB 977 \(Monning\) Health care system consolidation: Attorney General approval and enforcement.](#)
10. [SB 972, as amended, Skinner. Corporation taxes: disclosure.](#)

**Lunch sponsor**

**Your Kitchen**

**Thank you**

**Speaker and Chamber Announcements**

**Information**

**Adjourn – Next Meeting July 20**

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 Commerce  
 Southwest Healthcare Systems

Temecula Valley Hospital  
 Economic Development Coalition  
 The Murrieta Temecula Group  
 Southern California Edison  
 The Gas Company  
 California Apartment Association  
 Western Municipal Water District



Lake Elsinore Chamber of Commerce  
Menifee Valley Chamber of Commerce  
Murrieta/Wildomar Chamber of Commerce  
Temecula Valley Chamber of Commerce

Meeting Minutes

Monday, May 18, 2020

2020 Chair: Adam Ruiz

Legislative Consultant: Gene Wunderlich

SWCLC May meeting held via Zoom. Action items voted as indicated below:

| 2020 Legislative Report #5   | Action         |
|--|----------------|
| 1. <a href="#"><u>AB 1107 (Chu) Unemployment benefits: temporary additional benefits.</u></a>  | <b>OPPOSE</b>  |
| 2. <a href="#"><u>AB 1551 (Arambula) Property assessments: requirements and disclosures.</u></a>   | <b>SUPPORT</b> |
| 3. <a href="#"><u>AB-2457 (Melendez) Worker status: penalties and enforcement.</u></a>   | <b>SUPPORT</b> |
| 4. <a href="#"><u>AB 2737 (C Garcia) Community emissions reduction programs.</u></a>   | <b>OPPOSE</b>  |
| 5. <a href="#"><u>AB-2826 (Low) Gender neutral retail departments.</u></a>   | <b>OPPOSE</b>  |
| 6. <a href="#"><u>AB-3054 (Salas) California Environmental Quality Act: judicial challenge: litigation transparency: identification of contributors.</u></a> | <b>SUPPORT</b> |
| 7. <a href="#"><u>SB-893 (Caballero) Workers' compensation: hospital employees.</u></a>  | <b>OPPOSE</b>  |
| 8. <a href="#"><u>SB-900 (Hill) Department of Industrial Relations: worker status: employees and independent contractors.</u></a>                            | <b>SUPPORT</b> |
| 9. <a href="#"><u>SB 1378 (Borgeas) California Environmental Quality Act: judicial challenge: litigation transparency: identification of contributor</u></a> | <b>SUPPORT</b> |
| 10. <a href="#"><u>SB 950 (Jackson) California Environmental Quality Act: Housing And Land Use</u></a>   | <b>OPPOSE</b>  |

A brief discussion on the possibility of holding a meeting in person in June. Facility is not ready yet. Awaiting the release of qualified ballot propositions for dispersal to members to evaluate, report and recommend positions by the SWCLC.

AB 398, as amended, Chu. ~~School accountability: local control and accountability plans: visual and performing arts.~~ COVID-19 Local Government and School Recovery and Relief Act.

Recommended action: **OPPOSE** as amended in Senate 5/27/2020

Presentation: Gene Wunderlich

### Summary:

AB 398 punishes certain employers for providing jobs by imposing a headcount tax of \$275 per employee. AB 398 will discourage hiring and job growth while California suffers Depression Era unemployment levels. This bill has been identified as a **JOB KILLER** by the CalChamber.

### Description:

*Existing law* imposes various taxes, including taxes on the privilege of engaging in certain activities. The Fee Collection Procedures Law, the violation of which is a crime, provides procedures for the collection of certain fees and surcharges. Existing law establishes the California Department of Tax and Fee Administration in the Government Operations Agency to administer various statutory taxes and fees, as provided. Existing law provides that the Controller shall superintend the fiscal concerns of the state.

*This bill* would, on and after January 1, 2021, but before January 1, 2026, impose a tax on a large business, defined as an entity that has more than 500 employees that perform any part of their duties within the state, at the rate of \$275 per employee.

*The bill* would require the California Department of Tax and Fee Administration to administer the tax and collect the tax pursuant to the Fee Collection Procedures Law. The bill would require the department to deposit all tax revenues, penalties, and interest collected pursuant to these provisions, less refunds and costs of administration, into the COVID-19 Local Government and School Recovery and Relief Fund, which the bill would establish. The bill would continuously appropriate the fund to the Controller for allocation and distribution to counties, cities, and K-12 school districts, as specified.

*This bill* would include a change in state statute that would result in a taxpayer paying a higher tax within the meaning of Section 3 of Article XIII A of the California Constitution, and thus would require for passage the approval of  $\frac{2}{3}$  of the membership of each house of the Legislature.

*By expanding the scope of the Fee Collection Procedures Law, the violation of which is a crime, the bill would impose a state-mandated local program.*

### Arguments in opposition:

**AB 398** would institute a tax of \$275 per employee for “an entity, including, but not limited to, a limited liability company, corporation, or limited liability partnership, that has more than 500 employees that perform any part of their duties within the state.”

**Hyperbole is unnecessary** to describe the devastating business climate that currently exists. Employers who have weathered the COVID-19 storm are struggling to survive while other businesses have been forced to close their doors. Unemployment rates are soaring and **AB 398** will strongly disincentivize employers to hire beyond 499 employees since employee 500 will trigger \$137,500 in additional taxes. During times of economic prosperity **AB 398** would be a **JOB KILLER**. During this time of economic crisis, **AB 398** is catastrophic.

### Support: (Verified 6/11/2020)

None on file

**Opposition: (Verified 6/11/2020)**

CalChamber

**Status:** Senate Rules – awaiting referral

**Senate Floor votes:**

**Assembly floor votes:**

| Legislative Item #2 | Action |
|---------------------|--------|
|---------------------|--------|

AB 2013, as amended, Irwin. Property taxation: new construction: ~~definition.~~ *damaged or destroyed property.*

**Recommended action: SUPPORT**

**Presentation: Gene Wunderlich**

**Summary:**

Related to the property tax, provides disaster relief parity between property owners following a Governor-declared disaster by establishing the same comparability definition for replacement property for owners who rebuild onsite and owners who purchase another property.

Provides greatly needed assistance to victims of natural disasters who choose to reconstruct destroyed homes and business structures on the original site of the disaster, by exempting this reconstruction from being assessed at a higher tax rate.

**Description:**

**The California Constitution** generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, “full cash value” is defined as the assessor’s valuation of real property as shown on the 1975–76 tax bill under “full cash value” or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. Existing law defines “newly constructed” and “new construction” to mean any addition to real property since the last lien date and any alteration of land or of any improvement since the last lien date that constitutes a major rehabilitation thereof or that converts the property to a different use. Existing law, where real property has been damaged or destroyed by misfortune or calamity, excludes from the definition of “newly constructed” and “new construction” any timely reconstruction of the real property, or portion thereof, where the property after reconstruction is substantially equivalent to the property prior to damage or destruction.

***Existing law**, pursuant to the authorization of the California Constitution, authorizes the transfer of the base year value of property that is substantially damaged or destroyed by a disaster, as declared by the Governor, to comparable replacement property within the same county that is acquired or newly constructed within 5 years after the disaster, as provided.*

***This bill** would authorize the owner of property substantially damaged or destroyed by a disaster, as declared by the Governor, to apply the base year value of that property to replacement property reconstructed on the*

same site of the damaged or destroyed property within 5 years after the disaster if the reconstructed property is comparable to the substantially damaged or destroyed property, determined as provided.

**The bill** would specify that property is substantially damaged or destroyed for these purposes if the improvements sustain physical damage amounting to more than 50% of the improvements' full cash value immediately prior to the disaster.

**The bill** would provide that person who owns substantially damaged or destroyed property that receives property tax relief under these provisions is not eligible to transfer the base year value of that property to a comparable replacement property, as described above. Under the bill, the adjusted base year value of the original property substantially damaged or destroyed would apply to the reconstructed property if the full cash value of the reconstructed property does not exceed 120% of the full cash value of the original property immediately prior to its substantial damage or destruction. If the full cash value of the reconstructed property exceeds 120% of the full cash value of the original property, the bill would require that the base year value of the reconstructed property be the sum of the full cash value that exceeds 120% of the full cash value of the original property plus the adjusted base year value of the original property.

**The bill** would apply these provisions to real property damaged or destroyed by misfortune or calamity on or after January 1, 2017.

### **Argument in support**

According to the Author: Victims suffering the loss of homes or businesses due to fire, mudslide, flood or other calamity should be treated consistently and fairly by California's property tax laws. For disaster victims who choose to purchase a replacement dwelling or build within the county where the calamity occurred, existing law provides for the transfer of property tax liability if the size, function and value of the replacement is comparable up to 120%.

This same standard of 120% does not currently exist for those property owners who wish to rebuild on their original site. Without this safe harbor, disaster victims risk triggering a reassessment and are discouraged from rebuilding their homes and businesses with energy efficiency upgrades and fire hardened materials. AB 2013 corrects the inequity in current law by adding Revenue and Taxation Code Section 70.5. Any improvement over 120% of value of the destroyed improvements would be assessable as new construction. By creating this parity with existing taxpayer protections, AB 2013 will help support those who may have lost everything and are struggling to rebuild their lives.

### **Support: (Verified 5/12/2020)**

California Apartment Association  
California Assessors' Association  
California Chamber of Commerce  
Howard Jarvis Taxpayers Association

### **Opposition: (Verified 5/12/2020)**

None on file

**Status:** Senate, awaiting assignment

**Assembly floor votes:** YES – Cervantes, Medina, Waldron

AB 2075, as amended, Kiley. ~~Veterans: Veterans' Homes.~~ *Worker status: independent contractors: hiring entity liability.*

*(Principal coauthor: Assembly Member Melendez)  
(Coauthors: Assembly Members Brough, Fong, Lackey, and Mathis)  
(Coauthors: Senators Dahle and Morrell)*

**Recommended action: SUPPORT**

**Presentation: Gene Wunderlich**

**Summary:**

Delays implementation of AB 5 until January 1, 2021 for purposes of liability or injunctive relief. A more expansive bill, AB 1928 (Kiley, Melendez), SUPPORTED by the SWCLC in January never made it to committee. AB 1928 was for outright repeal. This bill simply acknowledges that during the response to CV-19, some companies, delivery companies, and others have utilized independent contractors as a work around. This bill would allow them to continue to apply the Borello test as a way to establish liability.

**Description:**

*Existing law* requires a 3-part test, commonly known as the "ABC" test, to determine if workers are employees or independent contractors for purposes of the Labor Code, the Unemployment Insurance Code, and the wage orders of the Industrial Welfare Commission. Under the ABC test, a person providing labor or services for remuneration is considered an employee rather than an independent contractor unless the hiring entity demonstrates that the person is free from the control and direction of the hiring entity in connection with the performance of the work, the person performs work that is outside the usual course of the hiring entity's business, and the person is customarily engaged in an independently established trade, occupation, or business. Existing law charges the Labor Commissioner with the enforcement of labor laws, including worker classification.

*Existing law* exempts specified occupations and business relationships from the application of the ABC test described above. Existing law, instead, provides that these exempt relationships are governed by the multifactor test previously established in the case of *S. G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989) 48 Cal.3d 341.

*This bill* would, until January 1, 2021, prohibit the application of the ABC test to determine the liability of a hiring entity for damages, injunctive relief, or civil penalties based upon the classification of workers as independent contractors, and instead would require that employer liability to be based upon the multifactor test set forth in the case of *Borello*. The bill would provide that its provisions apply retroactively, as specified.

**Support: (Verified 6/12/2020)**

None on file

**Opposition: (Verified 6/12/2020)**

None on file

**Status:** Awaiting referral

[AB 2501, as amended, Limón. COVID-19: homeowner, tenant, and consumer relief.](#)

Recommended action: **OPPOSE**

Presentation: Gene Wunderlich

**Summary:**

New Onerous Burdens on Lenders. Jeopardizes credit availability for consumer loans in future years. Imposes onerous obligations on financial lenders to carry home, mobile home, and auto loans for extended periods of time without receiving payments from borrowers.

This bill provides temporary loan forbearance and other types of consumer and borrower relief during the COVID-19 emergency and for an additional 180 days thereafter (emergency period). This bill affects mortgages, vehicle-secured credit obligations, PACE assessments and deferred deposit transactions.

**Background:**

**Existing law** prescribes various requirements to be satisfied before the exercise of a power of sale under a mortgage or deed of trust. In this regard, existing law requires that a notice of default and a notice of sale be recorded and that specified periods of time elapse between the recording and the sale. Existing law establishes certain requirements in connection with foreclosures on mortgages and deeds of trust, including restrictions on the actions mortgage servicers while a borrower is attempting to secure a loan modification or has submitted a loan modification application. Existing law also imposes requirements on loans secured by liens on motor vehicles.

**This bill** would enact the COVID-19 Homeowner, Tenant, and Consumer Relief Law of 2020. The bill, with respect to residential mortgage loans, would prohibit a mortgage servicer, mortgagee, trustee, beneficiary, or authorized agent, as defined, from taking specified actions during the COVID-19 emergency and the 180-day period following the emergency. The bill would prohibit the above persons from commencing or continuing any judicial foreclosure action, recording a notice of default, or taking any action to evict a person following a foreclosure. The bill would also require the above persons to stay all foreclosure proceedings and time limits in a judicial or nonjudicial foreclosure on a property. The bill would not apply these provisions to a mortgage secured by a dwelling that any of the above persons has determined, after exercising reasonable diligence, is vacant or abandoned.

**The bill**, with respect to residential mortgage loans, would authorize a borrower experiencing a financial hardship during the COVID-19 emergency-or the 180 days thereafter, to seek request forbearance from any mortgage obligation by submitting a request to the borrower's mortgage servicer. The bill would require the mortgage servicer to provide the forbearance requested for 180 days and to extend that timeframe if the borrower affirms that they continue to experience hardship. The bill would prohibit a mortgage servicer from misleading or making misrepresentations to a borrower about forbearance and repayment options.

**The bill** would require a borrower receiving a forbearance with respect to a mortgage secured by a dwelling that has a tenant, regardless of whether the borrower also lives in the dwelling, to provide the tenant with rent relief for not less than the forbearance period. The bill would require a mortgage servicer, during the COVID-19 emergency, to automatically grant a delinquent borrower on a mortgage obligation a 180-day forbearance, subject to extension. The bill would require a mortgage servicer, upon placing a mortgage obligation in forbearance, to provide the borrower written notification of the forbearance terms, treatment of payments, and other options available to the borrower at the end of the forbearance period.

**The bill** would prohibit a mortgage servicer from assessing, accruing, or applying fees, penalties, or additional interest to the borrower's account beyond specified scheduled or calculated amounts. The bill would require the mortgage servicer, if the borrower in forbearance makes payments to an impound account, to pay or advance the disbursements on or before relevant deadlines to avoid a penalty and would authorize the mortgage servicer to collect any resulting shortage or deficiency on that account for the borrower after the forbearance period ends. The bill would also require the mortgage servicer to evaluate the borrower's ability to return to making regular mortgage payments, and to take various steps to allow for modification of the borrower's loan. The bill would require a mortgage servicer that claims investor guidelines or applicable law prohibit implementation of postforbearance reinstatement to notify the Commissioner of Business Oversight, as specified, and to present documentation, in accordance with procedures developed by the commissioner, subject to judicial review. The bill would require the mortgage servicer, if the borrower is unable to return to making regular mortgage payments, to evaluate all loan modification options, and, if the borrower qualifies, to implement the option with no penalties, late fees, or additional interest beyond specified scheduled amounts. The bill would also require a mortgage servicer, if a borrower does not qualify for modification, to evaluate the borrower for all available nonhome retention loss mitigation options before considering any foreclosure acts. The bill would require any notices or agreements to be provided in specified languages.

**The bill** would provide that a mortgage servicer that violates any of the above requirements forfeits their rights to commence a foreclosure on a borrower that is harmed by the violation, subject to the right to cure a violation and reinstate their rights. The bill would also make a violation of the above provisions an unfair and deceptive business practice, as well as a violation of other specified laws. The bill would authorize a borrower, if a trustee's deed upon sale has not been recorded, to bring an action for injunctive relief, and would establish various other legal remedies, including treble damages and attorney's fees and costs.

**The bill**, with respect to multifamily mortgage loans, would authorize a borrower to submit a request for forbearance to the borrower's mortgage servicers, affirming that the multifamily borrower is experiencing hardship during the COVID-19 emergency. The bill would require a mortgage servicer, upon request from a multifamily borrower, to request documentation of the financial hardship, provide the forbearance for not less than 180 days, subject to extension. The bill would require a multifamily borrower, during the forbearance term, to provide rent relief to tenants living in the property secured by the mortgage and would prohibit eviction for a tenant's nonpayment of rent or application or accrual of fees or other penalties on renters for nonpayment of rent. The bill would require a multifamily borrower to bring a loan placed in forbearance under these provisions current within a specified timeframe.

**This bill**, with respect to vehicle-secured credit obligations, would prohibit a servicer of vehicle-secured credit from taking any action to repossess a mobilehome or motor vehicle that secures a loan during the COVID-19 emergency and for the 180-day period thereafter. The bill would authorize a consumer experiencing a financial hardship during the COVID-19 emergency to request forbearance from any vehicle-secured credit obligation, regardless of delinquency status, obligation by submitting a request to the servicer of vehicle-secured credit, affirming that the borrower consumer is experiencing hardship. The bill would require a servicer of vehicle-secured credit to provide the forbearance requested for a period of 90 days, and to extend the forbearance period upon request, if the borrower consumer affirms that they continue to experience hardship. The bill would authorize a servicer of vehicle-secured credit to assess, accrue, or apply to a consumer's account a rate of interest of up to 7% per annum, but would prohibit a servicer of vehicle-secured credit from assessing, accruing, or applying additional fees, penalties, or other interest to a borrower's consumer's account beyond the amounts scheduled or calculated, as specified.

**The bill** would require the holder of a vehicle-secured credit obligation to evaluate a consumer's ability return to making regular payments before the completion of a forbearance period, and if the consumer is able to return to making regular payments, modify the consumer's vehicle-secured credit obligation to extend the term, modify the obligation, notify the borrower, and take other specified actions, including proceeding with a written notice of intent to repossess the vehicle only after the expiration of the COVID-19 emergency and the 180-day period thereafter. ~~The bill would also provide that a deficiency judgment shall not lie after the sale or disposition of a mobilehome or motor vehicle for failure by a consumer to make a payment after the sale or other disposition of a mobilehome or motor vehicle for failure by a consumer to make a payment that was due during the COVID-19 emergency or the 180-day period following the emergency unless the servicer of the~~

~~vehicle-secured credit obligation has complied with these provisions.~~ *The bill would provide that a repossession of a mobilehome or motor vehicle by a servicer of a vehicle-secured credit obligation that has failed to comply with all of these provisions constitutes an acceptance of the collateral in full satisfaction of the vehicle-secured credit obligation.*

### **Argument in support:**

According to the author: The COVID-19 pandemic has severely shocked our state economy. Since the Governor declared a statewide emergency on March 4, 2020, over 4.5 million California workers have filed for unemployment claims, which is 2.4 million more workers compared to the peak of the Great Recession. The Governor's budget proposed for FY2020-21 assumes that the state's unemployment rate will surpass 24.5%, rivaling the peak levels seen nationwide in 1933 during the Great Depression. California is not only experiencing a public health emergency; we are also experiencing an economic emergency. During an emergency, the state has a heightened responsibility to mitigate the immediate threat to the public health, safety, and welfare.

This bill seeks to address the immediate threat to the financial well-being and health of California families. The bill would provide a temporary reprieve from payment obligations related to mortgages, car loans, PACE assessment contracts, and payday loans. This bill does not cancel or forgive any scheduled payment obligation; rather, it provides a way for borrowers to defer payment to a later date when the immediate dislocation of society has subsided. This bill would give California families a chance to weather the current storm without losing their homes and vehicles or ruining their financial well-being.

Organizations representing consumers and low-income Californians write in support of the bill. The letters generally acknowledge the unprecedented economic shock caused by COVID-19, express concern about the fragile financial positions of many California families, and argue that the bold provisions of AB 2501 are an appropriate response. Many of the letters acknowledge that some provisions of AB 2501 need further refinement and that the organizations are ready engage in stakeholder discussions.

### **Argument in opposition:**

A broad range of financial services providers and business interests related to real estate and car sales write in opposition to the bill. In general, opponents raise concerns that various provisions of the bill will lead to a contraction of credit or similar unintended consequences. Many of the letters focus on one of the following four products covered by the bill: mortgages, automobile financing, PACE assessment contracts, and payday loans. Mortgages

**A coalition of mortgage servicers** writes that AB 2501 suffers from fundamental flaws, including that: The measure:

- struggles from a broad scope and a lack of definitions that may distract from efforts to focus on those truly in need of financial assistance;
- fails to acknowledge that mortgage servicers are intermediaries that must adhere to contractual obligations and investor guidelines;
- raises legal and constitutional issues, such as takings and impairment of contracts;
- introduces the potential for preemption for federally chartered institutions;
- imposes punitive penalties that are unevenly applied throughout the measure; and,
- upends a national approach deployed through the CARES Act and federal agencies.

Opponents of the mortgage provisions expressed concerns about the overall effects of the bill on mortgage financing, stating that the bill could increase interest rates and restrict access to credit. Other groups stated that a disruption in the mortgage financing system would have a negative effect on home sales.

**Automobile Financing** A coalition of auto lenders writes in opposition to the bill, expressing concern about the effect of the bill on the market for automobile financing. The letters state concerns related to the length of the forbearance period being tied to the uncertain length of the emergency. Lenders express concern that the

bill does not contain eligibility criteria for which consumers can access the forbearance program, such as income qualifiers. Lenders also express concern about losing access to the loan collateral created by the moratorium on repossessions during the emergency period and 180 days thereafter. If enacted as drafted today, opponents express concern about the viability of automobile financing markets and the subsequent effect on vehicle sales.

**A coalition of PACE program administrators** write in opposition to the bill, arguing that it is unnecessary to address PACE contracts in the bill because the Governor issued a temporarily waiver of interest and penalties on past-due local tax payments. The coalition also states that the bill could cause local governments to default on municipal bonds or debt obligations tied to PACE financings if many property owners enter forbearance. The program administrators also argue that moving a missed payment to the end of the scheduled PACE contract term would require a property owner to make a payment after the useful life of the properties improvements financed by PACE has expired.

**Payday loans** The California Financial Service Providers Association (CFSP), the trade association for payday lenders, writes in opposition to the bill. CFSP states that the provisions related to cutting fees and extending repayment terms would cause its member companies to “cease offering deferred deposit transactions in California as the requirements set forth under AB 2501 would result in operational losses.” As the Assembly Banking Committee analysis notes, this bill contains some redundancies or possible conflicts with federal policy. This bill will likely need to be further amended to complement federal policy.

**Support: (Verified 6/12/2020)**

California Low-income Consumer Coalition Consumer Federation of California Consumer Reports Consumers for Auto Reliability & Safety Greenlining Institute Housing and Economic Rights Advocates National Housing Law Project New Economics for Women Public Law Center

**Opposition: (Verified 5/12/2020)**

Alliance for Automotive Innovation American Bankers Association American Financial Services Association Bank Policy Institute California Association of Realtors California Bankers Association California Business Properties Association California Business Roundtable California Chamber of Commerce California Community Banking Network California Credit Union League California Financial Service Providers Association California Financial Services Association California Land Title Association California Manufactured Housing Institute California Mortgage Association California Mortgage Bankers Association California New Car Dealers Association Check into Cash INC. Community Choice Financial Credit Union National Association Curo Financial Technologies Corp FortiFi Financial Housing Policy Council Mortgage Bankers Association PACE Funding Group PACENation Purpose Financial Renew Financial Renovate America Securities Industry and Financial Markets Association United Trustees Association Wheels Financial Group, LLC D/b/a Loanmart Ygrene Energy Fund

**Status:** Assembly Appropriations

| Legislative Item #5 | Action |
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**[AB 2999, as amended, Low. Employees: bereavement leave.](#)**

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

**Summary:**

Burdensome New Bereavement Leave Mandate. **Imposes a significant new burden on employers of every size by mandating that they provide employees up to ten (10) days of bereavement leave upon the death of a spouse, child, parent, sibling, grandparent, grandchild, or domestic partner, regardless of how long the employee has worked for the employer.** The bill further opens up **new avenues for litigation** against California

employers by establishing a brand new private right of action (in addition to liability under PAGA and administrative enforcement through the Division of Labor Standards Enforcement).

**Description:**

**Existing law** provides employees with the right to take time off work without discharge or discrimination for a variety of reasons, including taking time off to appear in school on behalf of a child or to assist a family member who is the victim of domestic abuse or sexual assault.

**This bill** would enact the Bereavement Leave Act of 2020. The bill would require an employer to grant an employee up to 10 business days of unpaid bereavement leave upon the death of a spouse, child, parent, sibling, grandparent, grandchild, or domestic partner, in accordance with certain procedures, and subject to certain exclusions. The bill would prohibit an employer from interfering with or restraining the exercise or attempt to exercise the employee's right to take this leave.

**This bill** would authorize an employee who has been discharged, disciplined, or discriminated against for exercising their right to bereavement leave to file a complaint with the Division of Labor Standards Enforcement or bring a civil action against their employer for reinstatement, specified damages, and attorney's fees. The provisions of the bill would not apply to an employee who is covered by a valid collective bargaining agreement that provides for bereavement leave and other specified working conditions.

**Argument in support:**

The California Labor Federation, in support, argues that "[w]orkers in California have no right to bereavement leave, paid or unpaid, when a close family member dies, and without adequate time to grieve the loss of a loved one, employees return to work grief-stricken and unable to concentrate. Their grief can manifest in emotional, mental, and physical ways. Employees should not have to force themselves to be at full productivity as they cope with the loss of a loved one." The California Employment Lawyers Association (CELA) argues that this bill "fills a critical gap in current family leave laws. While the federal Family Medical Leave Act and the California Family Rights Act provide employees with job-protected leave in order to care for an ailing family member, the protected leave immediately ends upon the death of the family."

**Argument in opposition:**

In opposition, a coalition of employer organizations, including the California Chamber of Commerce, assert "California has numerous protected, overlapping leaves, which already burden employers. There are numerous additional proposals this year, including proposed budget trailer bill language, to further expand these leave mandates. The continued mandates placed on California employers to provide employees with numerous rights to protected leaves of absences is simply overwhelming.

By making a 10-day bereavement leave mandatory in every situation, AB 2999 removes the flexibility employers need to balance bereavement leave requests with other pressing leave requests. Coordinating overlapping leave requests can be especially challenging for small businesses with limited staff."

**Support: (Verified 6/12/2020)**

California Employment Lawyers Association California Labor Federation California Teachers Association Consumer Attorneys of California Equal Rights Advocates Legal Aid At Work

**Opposition: (Verified 5/12/2020)**

Acclamation Insurance Management Services Allied Managed Care Associated Builders and Contractors Northern California Chapter Auto Care Association California Association of Health Facilities California Association of Joint Powers Authorities California Association of Sheet Metal & Air Conditioning Contractors National Association California Bankers Association California Beer and Beverage Distributors California Chamber of Commerce California Farm Bureau Federation California Food Producers California Grocers Association California Hospital Association California Landscape Contractor's Association California Landscape Contractors Association California Manufacturers and Technology Association California Professional Association of Specialty Contractors California Restaurant Association California Retailers Association California Special Districts Association Cawa - Representing the Automotive Parts Industry Civil Justice Association of California Coalition of Small & Disabled Veteran Business Csac Excess Insurance Authority Family Business Association of California Family Winemakers of California Flasher Barricade Association League

**Status:** Assembly Appropriations

| Legislative Item #6 | Action |
|---------------------|--------|
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[AB 3075, as amended, Gonzalez. Wages: enforcement.](#)

**Recommended action:** **OPPOSE**

**Presentation:** Gene Wunderlich

**Summary:**

Requires that articles of incorporation include an attestation that the filer is not affiliated with an employer that has an outstanding judgment issued by the Division of Labor Standards Enforcement or a court of law for violation of any wage order or provision of the Labor Code. Allows interference with corporate formation based on arbitrary, unclear and unfair standards.

The bill would also result in chaotic and inconsistent enforcement of wage and hour laws by local jurisdictions by authorizing them to impose their own wage payment requirements as long as they are "at least as stringent" as state law requirements.

**Description:**

**Existing law** provides for the formation and governance of various business entities, including, but not limited to, limited liability companies, limited liability partnerships, and corporations. Existing law requires a business entity to file specified documents disclosing information regarding the entity with the Secretary of State, including, but not limited to, the articles of incorporation.

**Existing law** requires articles of incorporation to contain certain information, including specified statements regarding the purpose for, and activities of, the corporation.

**This bill** would require the articles of incorporation to also contain a statement signed by the filers, under penalty of perjury, that the filer is not an owner, director, officer, managing agent, or any other person acting on behalf of an employer, as defined, that has an outstanding judgment issued by the Division of Labor Standards Enforcement or a court of law for violation of any wage order or provision of the Labor Code. Because this bill would expand the crime of perjury, it would impose a state-mandated local program.

**Under existing law**, the Labor Commissioner enforces statutory wage requirements, including minimum wage amounts. Existing law specifies that nothing in these statutory provisions precludes a local jurisdiction from enforcing local labor standards that are more stringent than the state standards.

**This bill** would, instead, provide that nothing in the statutory provisions precludes a local jurisdiction from enforcing local labor standards that are at least as stringent as the state standards.

**Arguments in support:**

According to the author: Workers often face an uphill battle recovering their hard-earned wages even after winning wage judgments ordering their employers to pay. We have seen how business owners leave their

company or transfer assets after they are caught in order to avoid payment. This fraudulent transfer leaves the worker with a judgment against a corporation with no assets, making the judgment worthless. If a worker cannot collect their unpaid wages, they struggle to pay rent or put food on the table. Even amid the COVID-19 pandemic, many workers who were laid off still have not been paid what they were owed. We must hold employers who fail to pay their workers accountable. These lawbreaking employers should not be able to use loopholes, or even worse use this pandemic, to avoid paying hard working individuals the wages they are owed.

### **Arguments in opposition:**

As a preliminary matter, there is no requirement that the “outstanding judgment” have any relationship to the corporation at hand. The requirement would apply if any specified individual had an “outstanding judgment,” presumably even a prior judgment that was completely unrelated to the current corporation and in the person’s individual capacity.

More importantly, AB 3075 does not provide that the “outstanding judgment” must be a final judgment for which all time to appeal has lapsed. Therefore, a corporation may be penalized with respect to an “outstanding judgment” that is not final and is currently under appeal, either within DLSE or in superior court. Interfering with the corporation’s ability to file articles of incorporation under such circumstances would be a violation of due process and unlawful.

AB 3075 also purports to authorize local jurisdictions to “enforce labor standards requirements regarding the payment of wages that are at least as stringent as those” in the Labor Code.

While it is unclear what additional regulation is being proposed to be authorized at the local level, this would appear to open the door to local enforcement of an unknown and potentially unlimited number of “wage” standards that meet or exceed the requirements of state law. This would appear to include things like the time for payment of wages, overtime standards, penalties for violations of wage standards, and a plethora of other issues currently covered by state law.

### **Support: (Verified 6/12/2020)**

California State Council of Service Employees International Union (SEIU California) (CoSponsor) 9 to 5 Bet Tzedek Legal Services California Partnership for Working Families Center on Policy Initiatives Central Coast Alliance United for A Sustainable Economy Clean Carwash Campaign East Bay Alliance for A Sustainable Economy Garment Worker Center Instituto De Educacion Popular Del Sur De California (IDEPSCA) Kiwa (Koreatown Immigrant Workers Alliance) Los Angeles Alliance for A New Economy Los Angeles Black Worker Center Los Angeles Worker Center Network National Day Laborer Organizing Network (NDLON) National Domestic Workers Alliance Pilipino Association of Workers and Immigrants Santa Clara Pilipino Workers Center Prevention Institute San Jose/silicon Valley NAACP Siren: Services Immigrant Rights and Education Network Somos Mayfair Southern California Coalition for Occupational Safety & Health The Restaurant Opportunities Center of Los Angeles Vietnamese American Roundtable Warehouse Worker Resource Center Working Partnerships USA

### **Opposition: (Verified 6/12/2020)**

Acclamation Insurance Management Services Allied Managed Care Associated General Contractors of California Auto Care Association California Association for Health Services At Home California Chamber of Commerce California Land Title Association California Manufacturers and Technology Association California Retailers Association California Trucking Association CAWA - Representing the Automotive Parts Industry Coalition of Small and Disabled Veteran Businesses Flasher Barricade Association National Federation of Independent Business (NFIB) Official Police Garages of Los Angeles Western Car Wash Association Western Growers Association

**Status:** Assembly Appropriations

AB 3216, as amended, Kalra. Employee leave: authorization.

*Introduced by Assembly Members Kalra and Gonzalez*

*(Principal coauthor: Assembly Member Bonta)*

*(Principal coauthor: Senator Durazo)*

*(Coauthors: Assembly Members Carrillo, Chiu, Jones-Sawyer, McCarty, Reyes, Robert Rivas, Mark Stone, Ting, and Wicks)*

**Recommended action: OPPOSE**

**Presentation: Gene Wunderlich**

**Summary:**

New COVID-19 Employment Leave Mandate. Provides for unlimited job protected leave for all employees of employers of any size for family and medical leave due to COVID-19. This new mandate is in addition to numerous COVID-19 leave requirements recently enacted at the federal, state and local levels, and will further burden California employers at a time they can least afford it.

**Description:**

**Existing law**, the Moore-Brown-Roberti Family Rights Act, or California Family Rights Act (CFRA), makes it an unlawful employment practice for an employer, as defined, to refuse to grant a request by an eligible employee to take up to 12 workweeks of unpaid protected leave during any 12-month period for family care and medical leave, as specified. Existing law makes this leave available to an employee with more than 12 months of service with the employer and at least 1,250 hours of service with the employer within the last 12 months. Existing law also specifies that it is not an unlawful employment practice for an employer to refuse to grant a request for family care and medical leave by an employee if the employee employs fewer than 50 employees within 75 miles of the worksite where that employee is employed.

**This bill** would ~~also~~ make it an unlawful employment practice for any employer to refuse to grant a request by an employee to take up to 12 workweeks of ~~unpaid protected family care and medical~~ leave during any 12-month period due to a qualifying exigency related to the covered ~~active duty or call to covered active duty of an employee's spouse, domestic partner, child, or parent in the Armed Forces of the United States.~~ **public health emergency or state of emergency, as those terms are defined.** The bill would further make it an unlawful employment practice for any employer to refuse to grant leave to care for a ~~child or a parent, grandparent, grandchild, sibling, spouse, or domestic partner~~ **child, spouse, or parent** for whom the employee is responsible for providing care if the family member school or place of care has been closed, or the care provider of the family member is unavailable, due to a state of emergency, as defined. **The bill would provide that the leave granted under these provisions would run concurrently with leave authorized under the federal Family Medical Leave Act (FMLA).** The bill would revise various definitions and would make related and conforming changes to these provisions.

**Existing law**, the Healthy Workplaces, Healthy Families Act of 2014, entitles an employee who works in California for the same employer for 30 or more days within a year from the commencement of employment to paid sick days. Under existing law, an employee accrues paid sick days at a rate of not less than 1 hour per every 30 hours worked, subject to certain use, accrual, and yearly carryover limitations. Existing law authorizes an employer to use a different accrual method from that described above, provided that the accrual is on a regular basis so that the employee has no less than 24 hours of accrued sick leave or paid time off by the 120th calendar day of employment or each calendar year or in each 12-month period. Under existing law, an employer is not required to provide additional paid sick leave if the employer has a paid leave policy or paid time off policy and makes available an amount of leave to employees under the same conditions and the policy satisfies the accrual, carryover, and use requirements described above.

**The bill** would also provide for **paid emergency leave**, as defined, if a ~~state of~~ **public health** emergency is declared by the Governor pursuant to the California Emergency Services Act. The bill would require an employer in these cases to provide each employee with at least ~~80~~ **56** hours or ~~40~~ **7 work days** of **paid sick leave**, or for part time workers an amount that is equivalent to the amount of time they regularly work or are scheduled to work within a 10 day period, **regardless of hours worked or tenure with the employer**, to use for **any purpose relating to a state of emergency**, as provided. The bill would require this paid sick leave to be made available immediately, in accordance with certain procedures. The bill would also entitle a provider of in-home supportive services to paid sick days under these circumstances.

**Existing law**, the Healthy Workplaces, Health Families Act of 2014, requires an employer to provide paid sick leave, upon the oral or written request of an employee, for specified purposes, including the care or treatment of an existing health condition of an employee or the employee's family member.

**This bill** would also require sick leave to be paid for an employee who is subject to a federal, state, or local public health order related to a public health emergency, to care for a family member subject to an order, including if the child or family member's school or place of care has been closed, and in specified other circumstances related to a state of emergency.

**Existing law** governs employment relations, defines the contract of employment, and establishes the obligations of employers to their employees.

**This bill** would **require an employer**, as defined, **to offer its laid-off employees specified information about job positions that become available for which the laid-off employees are qualified, and to offer positions to those laid-off employees based on a preference system**, in accordance with specified timelines and procedures. The bill would authorize an employee to enforce violations of these provisions by filing an action with the Division of Labor Standards or bringing a civil action, as specified, and would authorize various remedies, including hiring and reinstatement rights and awarding of back pay.

**Existing law** defines an "employee" for purposes of the act as not including, among others, an employee covered by a valid collective bargaining agreement meeting specified conditions. Existing law also excludes from the definition of "employee" an employee in the construction industry covered by a valid collective bargaining agreement meeting specified conditions, an individual employed by an air carrier as a flight deck or cabin crew member subject to certain federal labor provisions, and an employee of the state, city, county, city, and county, district, or any other public entity who is a recipient of a retirement allowance and employed without reinstatement into the employee's retirement system, as specified.

**This bill** would **revise the above definition of "employee"** to provide that, except for paid sick leave related to a state of emergency, as specified, an "employee" does not include the above-described persons.

### **Arguments in support:**

The California Work and Family Coalition, a sponsor of the bill, argues "[p]ublic health experts' guidance on **how to slow the spread of the novel coronavirus** has been clear: if you are sick, stay home and do not go to work. Yet current California law only guarantees up to 3 paid sick days per year, and over 12 million California workers are left out of the emergency paid sick day provisions in the Federal Families First Coronavirus Response Act. As a result, far too many Californians – disproportionately people of color, immigrants, and women – providing critical 1 California Department of Forestry and Fire Protection, Top 20 Most Destructive California Wildfires (2019), [https://www.fire.ca.gov/media/5511/top20\\_destruction.pdf](https://www.fire.ca.gov/media/5511/top20_destruction.pdf). Services during this time are facing the impossible choice between working while sick or losing the income they rely on to feed themselves and their families and keep a roof over their head. Workers who begin to feel symptoms must have the ability to stay home and self-quarantine with sufficient sick time remaining in case their condition worsens, requiring treatment and/or quarantine. Workers also must be able to take paid sick leave to care for an ill family member or for a child whose school or place of care has been closed. If workers cannot take leave to care for sick family, they risk bringing their family member's illness to work.

During a public health emergency, it is critical that all workers have access to a full two weeks of paid sick leave, regardless of accrual." The California Labor Federation, in support, argues "[o]ne of the most critical

aspects of the bill is the addition of right to recall and retention provisions. Industries such as hotels, airport hospitality, event centers, and building services have laid off one-third or more of their employees in the past two months. Many workers have had these jobs for decades and rely on them for income, health coverage, and other benefits. The lack of recall or retention rights give scofflaw employers the ability to rehire workers at lower pay rates without any seniority. They can hide discrimination against older workers or workplace activists that may have raised issues in the past.”

The California State Council of Services Employees International Union (SEIU California), in support, argues “[t]he COVID-19 pandemic has highlighted the need to expand our state leave laws in order to protect the health, safety, and economic well-being of all workers in this state. Because of strict eligibility requirements and limited definition of family, too many Californians have been unable to access paid leave during this public health emergency. Amending the California Family Rights Act (CFRA) to include all workers, regardless of employer size, would ensure that all workers can take the time off they need to care for themselves or their loved ones without fear of losing their jobs. Expanding the definition of family member would ensure that our laws reflect California’s diverse families who need to care for each other during this pandemic and after.”

### **Arguments in opposition:**

A coalition of employer organizations, including the California Chamber of Commerce, oppose the bill on the grounds that it “imposes staggering, significant and unprecedented new requirements on businesses of all sizes in California during a time of crisis when they can least afford it.” The Chamber further asserts “[w]e certainly agree that the short- and long-term health of all Californians should be everyone’s priority and businesses throughout California are doing everything they can to protect their employees while still providing essential services and goods.

Many businesses and their owners are themselves casualties of the necessary economic shutdown. They cannot be expected to shoulder a new employer-financed social safety net, with expensive new mandates, at precisely the moment when small businesses are shuttering, employee hours are cut, and uncertainty about the future is the new normal.”

With regard to the paid sick leave provisions, the Chamber argues “the new emergency paid sick leave mandated by AB 3216 is completely and 100% employer funded. Requiring an employer who is suffering economic catastrophe (and is likely closed down) during a state of emergency to provide significant paid sick leave is simply not realistic or feasible. And finally, states of emergency regularly last for significant periods of time, long past the time of a pressing emergency. For example, the emergencies declared on November 8, 2018 and October 27, 2019 due to wildfires and extreme weather conditions in Ventura and other counties remain in effect today, long after the fire season has ended.”

With regard to the unpaid leave provisions, the Chamber argues “the Families First Coronavirus Protection Act (FFCRA), which went into effect on April 1, already provides for various forms of job-protected and paid leave for employees impacted by COVID-19. . . . [T]he federal law recognizes the new burden created by this mandate, and therefore provides employers with a tax credit to offset all of their costs. Given the prompt action by the federal government, additional state-only protect leaves, such as that proposed in AB 3216, with their related costs and litigation risks are unnecessary and duplicative.”

The Chamber further argues the “‘right of recall’ provisions of AB 3216 raise significant legal and constitutional concerns. “Any law that substantially impairs pre-existing contractual obligations violates the contract clauses of both the federal and California constitutions. The statutory right of recall contained in AB 3216 is legally suspect and would likely be struck down as violating the contracts clause. In addition, several aspects of the proposal may be preempted by federal law, including federal labor law. Similar proposals have already been proposed, and in some cases, enacted at the local level in recent weeks and are likely to be the subject of protracted litigation over these same issues.”

### **Support: (Verified 6/12/2020)**

9to5 California Access Women’s Health Justice Association of California Caregiver Resource Centers California Child Care Resource and Referral Network California Employment Lawyers Association California Labor Federation AB 3216 Page 17 California Pan - Ethnic Health Network California Partnership for Working Families California State Council of Service Employees

International Union (seiu California) California Teachers Association California Wic Association California Women's Law Center California Work & Family Coalition Center on Policy Initiatives Central Coast Alliance United for A Sustainable Economy Child Care Law Center Clergy and Laity United for Economic Justice Community Bridges Consumer Attorneys of California Ebase Equal Rights Advocates Family Violence Appellate Project First 5 California Food Empowerment Project Friends Committee on Legislation of California Garment Worker Center Human Impact Partners Jewish Center for Justice Kiwa (koreatown Immigrant Workers Alliance) Latino Coalition for A Healthy California Legal Aid At Work Los Angeles Alliance for A New Economy Los Angeles Caregiver Resource Center Lutheran Office of Public Policy - California Naral Pro-choice California National Association of Social Workers, California Chapter National Council of Jewish Women-California National Employment Law Project North Bay Jobs With Justice North Bay Labor Council One Redwood City Orange County Equality Coalition Paid Leave for The US (PL+US) People Organized for Westside Renewal Physicians for Social Responsibility - Los Angeles Positive Discipline Community Resources Public Law Center Southern California Coalition for Occupational Safety & Health Stronger California Advocates Network Techequity Collaborative The Restaurant Opportunities Center of Los Angeles United Steelworkers Local 675 Warehouse Worker Resource Center Work Equity Action Fund AB 3216 Page 18 Working Partnerships USA Worksafe

**Opposition: (Verified 5/12/2020)**

Acclamation Insurance Management Services Agricultural Council of California Allied Managed Care American Pistachio Growers Associated Builders and Contractors Northern California Chapter Associated General Contractors Auto Care Association California Agricultural Aircraft Association California Apple Commission California Association of Boutique and Breakfast Inns California Association of Health Facilities California Association of Joint Powers Authorities (CAJPA) California Association of School Business Officials (CASBO) California Beer and Beverage Distributors California Blueberry Association California Blueberry Commission California Chamber of Commerce California Citrus Mutual California Cotton Ginners & Growers Association California Employment Law Council California Farm Bureau Federation California Food Producers California Fresh Fruit Association California Grocers Association California Hospital Association California Hotel & Lodging Association California Manufacturers and Technology Association California Professional Association of Specialty Contractors (CALPASC) California Restaurant Association California Retailers Association California Rice Commission California Special Districts Association California Tomato Growers Association California Trucking Association Cawa - Representing the Automotive Parts Industry Coalition of Small and Disabled Veteran Businesses Csac Excess Insurance Authority Family Business Association of California Family Winemakers of California Far West Equipment Dealers Association Flasher Barricade Association Grower-shipper Association of Central California Hospitality Santa Barbara Hotel Association of Los Angeles Leading Age California League of California Cities Long Beach Hospitality Alliance National Federation of Independent Business (NFIB) Official Police Garage Association of Los Angeles Olive Growers Council of California Society for Human Resource Management United Ag Western Agricultural Processors Association Western Car Wash Association Western Electrical Contractors Association Western Growers Association Western Plant Health Association

**Status:** Assembly Floor process

| Legislative Item #8 | Action |
|---------------------|--------|
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[AB 3260, as amended, Wicks. Tenancy: security deposit](#)

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

**Summary:**

This author-sponsored bill would require landlords to provide their tenants with a choice of three alternatives when paying a security deposit. Tenants could choose to: (1) pay their security deposit in full, as they do today; (2) pay their deposit in monthly installments; or (3) obtain insurance coverage or a surety bond in lieu of a security deposit. Under the latter option, the insurance or bond provider would be selected by the landlord.

Would add significant risks to landlords and negatively impact tenant by requiring landlords to allow new tenants to pay a security deposit over a 6-month period or obtain a security deposit insurance policy.

**Description:**

**Existing law** regulates the terms and conditions of residential tenancies and authorizes a landlord to demand security at the beginning of a tenancy to be used to reimburse the landlord for costs associated with processing a new tenant, as an advance payment of rent, or for specified other purpose, including compensating a landlord for a tenant’s default in the payment of rent.

**This bill** would require a landlord to authorize a tenant, as an alternative to paying the full amount of a security deposit before taking possession of the premises, to satisfy security by both obtaining and maintaining rental security insurance coverage or a surety bond or paying the amount of the security in monthly installments, subject to specified requirements.

**Arguments in support:**

California YIMBY argues that this bill will benefit tenants displaced by COVID-19: California, as you know, suffers from an immense housing crisis, revealed to all in painful clarity by COVID-19. AB 3260 helps tenants deal with some of the complexities of the current crisis by giving them options for paying their security deposits. These options will make it easier for tenants to find a place to call home.

Rhino, a provider of security deposit insurance, contends that this bill would benefit renters by providing them more housing choice: Saving money on upfront move-in costs will allow renters to be better equipped to pay monthly rents and find stable housing. Research and observation has shown that in many cases, individuals and families are forced to stay in rental homes they do not want to move out of, often accepting higher rents because they are unable to put down security deposits for new units before receiving their existing one back.

**Arguments in opposition:**

Southern California Rental Housing Association predicts that allowing security deposits to be paid in installments will ultimately harm tenants, writing: This will only negatively impact the very community it is intended to benefit. It will compel many owners to impose more stringent credit requirements in order to compensate for the increased risk. Today, most owners do not charge the maximum amount allowed under the law. They require a lower deposit than the generally applicable 2-month limit. AB 3260 will change that practice.

**Support: (Verified 6/12/2020)**

California YIMBY

Rhino

**Opposition: (Verified 6/12/2020)**

California Apartment Association  
Southern California Rental Housing Association

Apartment Association of Orange County  
Apartment Association, California Southern Cities

California Association of Realtors  
California Chamber of Commerce  
East Bay Rental Housing Association

**Status:** Assembly Floor process

[SB 977, as amended, Monning. Health care system consolidation: Attorney General approval and enforcement.](#)

Recommended action: **OPPOSE**

Presentation: Gene Wunderlich

**Summary:**

Requires a health care system, which is an entity or entities that includes or owns **two or more hospitals within multiple counties or three or more hospitals in one county**, to provide written notice to, and obtain the written consent of, the Attorney General prior to an affiliation or acquisition between the health care system and a health care facility or provider.

Makes it unlawful conduct for a health system with substantial market power to engage in specified anticompetitive activities. Establishes the Health Policy Advisory Board to evaluate and analyze health care markets and produce an annual report.

**Description:**

**Existing law** requires any nonprofit corporation that operates or controls a health facility or other facility that provides similar health care to provide written notice to, and to obtain the written consent of, the Attorney General prior to entering into any agreement or transaction to sell, transfer, lease, exchange, option, convey, or otherwise dispose of the asset, or to transfer control, responsibility, or governance of the asset or operation, to a for-profit corporation or entity, to a mutual benefit corporation or entity, or to a nonprofit corporation, as specified. Existing law authorizes the Attorney General to determine what information is required to be contained in the notice.

**This bill** would require a health care system, as defined, *private equity group, or hedge fund* to provide written notice to, and obtain the written consent of, the Attorney General prior to an affiliation or acquisition between the health care system and a health care facility or provider, as those terms are *defined, when the transaction value is over \$500,000*.

**The bill** would **require the Attorney General to deny consent** to an affiliation or acquisition between a health care *system, private equity group, hedge fund*, and a health care facility, provider, or both, **unless** the health care *system, private equity group, or hedge fund* demonstrates that the affiliation or acquisition will result in a substantial likelihood of clinical integration, a substantial likelihood of increasing the availability and access of services to an underserved population, or both.

**The bill** would authorize a health care *system, private equity group, or hedge fund* located in a rural area, as defined, to request a waiver of this prohibition. The bill would authorize the Attorney General to **deny consent** to an affiliation or acquisition between a health care *system, private equity group, or hedge fund* and a health care facility, provider, or both, if there is a **substantial likelihood of anticompetitive effects that outweigh the benefits of a substantial likelihood of clinical integration, a substantial likelihood of an increase in services to an underserved population, or both**.

**This bill** would require a health care system that is acquiring or affiliating with a provider, group of providers, or health care facility for a transactional value of \$500,000 or less to provide written notice to the Attorney General and would require the Attorney General to provide one of 2 specified notices within 30 days, either not objecting to the transaction or raising concerns, as specified.

**This bill** would require the Attorney General, beginning July 1, 2021, to **establish the Health Policy Advisory Board**, composed of specified appointed members, for the purpose of evaluating and analyzing health care markets in California and providing recommendations to the Attorney General's office. The bill would authorize the board to review a written notification submitted by a health care system, as described above, and provide the Attorney General with written information with regard to whether to grant or deny consent to the affiliation or acquisition.

**Existing law** authorizes the Attorney General to bring an action, seeking civil penalties, against any person who engages, has engaged, or proposes to engage in unfair competition. Existing law authorizes the Attorney General to bring the civil action in a court of competent jurisdiction.

**This bill** would make it unlawful for one or more health care systems, either independently or dependently, to use their market power to, among other things, cause anticompetitive effects, as described, and would authorize the Attorney General to bring a civil action for a violation of this unlawful conduct. The bill would require a court to impose **civil fines** for these violations, calculated either as **\$1,000,000 or as twice the gross gain** to the health care system or gross loss to any other party multiplied by 2, whichever is greater. The bill would require the fines to be deposited into the Attorney General antitrust account within the General Fund. The bill would require a court to impose monetary relief for the state in the amount of 3 times the total damage sustained, as specified.

### **Arguments in support:**

The AG writes that the **COVID-19 pandemic** has created enormous **financial strain on hospitals and physician practices statewide**, making these providers more **susceptible** to affiliation and acquisition attempts by large healthcare systems, private equity groups, and hedge funds. This type of predatory practice, if left unchecked, will result in large healthcare systems continuing to grow and utilize abusive market practices to drive up prices and reduce access for patients.

This bill would ensure proper oversight of large healthcare systems and strengthen patient access to affordable, quality healthcare. Even before the COVID-19 pandemic, anticompetitive behavior in the healthcare market was a growing concern, particularly as a result of large, dominant healthcare systems that own multiple hospitals and other providers such as physician practices or outpatient surgical centers. The bill would substantially strengthen the state's oversight over the formation and practices of large healthcare systems, helping to ensure access to affordable healthcare during a time when Californians need it the most.

The California Labor Federation writes that while there is express antitrust law in California law, much of the statute dates back more than a century and much of the evolution of the law rests in case law. This bill is an effort to drag antitrust law into the 21st Century, using what the AG has learned in the process of recent litigation and merger oversight activity and what a resurgence of academic literature has demonstrated. This bill takes a comprehensive, reasonable, and flexible approach to addressing health care industry consolidation. It expands oversight over new mergers and acquisitions, including "vertical" integration of physician groups and hospitals.

The bill also addresses the problem of already highly consolidated markets in parts of the state by **increasing the ability of the AG to prevent anti-competitive and anti-trust practices of providers with market power**, without breaking up existing systems. **Consolidation drives up prices for all Californians** without improving our health outcomes or the quality of care. Providers argue that consolidation is necessary for efficiency and for improving quality. However, a 2020 study published in the New England Journal of Medicine found that hospital consolidation resulted in modestly worse patient experiences and no significant improvements in readmission or mortality rates.

The COVID-19 pandemic has also exposed another consequence of unchecked consolidation – a shortage of hospital beds, especially in rural areas. The economic toll resulting from the pandemic will likely fuel consolidation trends **as physician practices face massive losses or bankruptcy and become targets for acquisition by large systems**. Health Access California writes that in the world of anti-trust, it is often said that is hard to un-ring the bell once a transaction has occurred. Considerable consolidation of hospitals, health systems and physician organizations has already occurred in California. This bill takes steps to curb anticompetitive practices that some health systems have allegedly engaged in as a result of their market power.

## **Arguments in opposition:**

The California Hospital Association (CHA) writes that this bill would strain access to the health care system by **creating an extreme and burdensome process for transactions like mergers and affiliation**. This, at a time when hospitals are already fighting to be there for their communities, **would result in hospital closures and the loss of health care services throughout California**. Although financial distress is a common reason for hospitals to merge or affiliate, these arrangements also occur for myriad other reasons such as **financial efficiency, expanded access to services, clinical integration, better coordinated patient care, and bolstered support for nurses and physicians**.

**Under existing law, the AG has broad authority to review all sales and significant asset transfers of not-for-profit hospitals**. The AG may place conditions on these transactions or deny them all together. Additionally, the AG enforces The Cartwright Act, which describes and prohibits an array of anticompetitive activity. This bill would create a presumption that these transactions are anticompetitive, placing the burden of proof on the purchaser without due process and effectively creating a “guilty until proven innocent” system.

Sales, affiliations, and mergers are complex and expensive investments that require thousands of hours of work from legal, financial, operational, and clinical experts. Because of this substantive investment of time and resources, **purchasers need some degree of certainty surrounding the process before undertaking such a risk**. **The bill gives arbitrary and absolute discretion to the AG** to determine whether criteria are met, without clear definitions or parameters.

Sutter Health writes that this approach to the review of healthcare affiliations is **inconsistent with generally accepted legal and economic principles of antitrust merger analysis and years of judicial precedent**. The vast majority of mergers, acquisitions and comparable affiliations do not involve competitors and thus are unlikely to substantially lessen competition in the form of higher prices or inferior quality of or access to care. Sutter Health also writes that the proposed “substantial likelihood” standard is speculative and uncertain, given the difficulty of quantifying likely cost and quality effects before a transaction closes.

This bill provides payers and large provider groups that do not own a hospital an unfair competitive advantage by excluding them from this process. This bill does not require a showing of significant market share in a properly defined relevant market, but instead permits a finding of “market power” based simply on a finding of “substantial anticompetitive effect.” The California Medical Association (CMA) believes this bill is broadly written to seemingly trigger review and presumptive denial of any lease, loan, grant, service agreement, or contract change a physician or medical group has, attaching new and uncertain process to the list of financial and administrative hurdles doctors are already facing. CMA writes that the process created seems to favor larger systems that can afford the legal counsel to hopefully get them necessary approvals for such agreements.

## **Support: (Verified 5/12/2020)**

Attorney General Becerra  
(sponsor)

California Labor Federation  
Health Access California

Western Center on Law and  
Poverty

## **Opposition: (Verified 5/12/2020)**

California Chamber of Commerce  
California Medical Association

California Hospital Association  
Scripps Health Sutter Health

United Hospital Association

**Status:** Senate Appropriations

**SB 972, as amended, Skinner. Corporation taxes: disclosure.****Recommended action: OPPOSE****Presentation: Gene Wunderlich****Summary:**

Corporate Shaming Tax Disclosure. Pierces the traditional shield of taxpayer confidentiality that has been respected by generations of political and government leaders by requiring the FTB to disclose all taxpayers identities and tax credits if their gross receipts of \$5,000,000,000 or more.

SB 972, would require the Franchise Tax Board to violate taxpayers' right to confidentiality by producing annual reports on corporate taxpayers with gross receipts of \$5 billion or more. The mandated reports would include the name and tax liability of each taxpayer, the taxable year for which the return was filed, total gross receipts for that taxable year, and the amount of credits claimed for the taxable year. The legislation authorizes the state to post this information on the State Controller's public website.

**Description:**

**The Corporation Tax Law** imposes a corporate franchise tax according to or measured by net income computed at a specified rate upon the basis of the net income for that taxable year, or a corporation income tax at a specified rate upon net income derived from sources within this state for that taxable year, on every corporation, except as provided. Existing law provides that it is a misdemeanor for the Franchise Tax Board or specified state employees to disclose or make known any information in a return, report, or document filed under income tax laws, but authorizes the Franchise Tax Board to disclose this information to specified agencies for specified purposes. Existing law makes any unwarranted disclosure or use of the information by those agencies a misdemeanor.

**This bill** would, on or before April 1, 2021, and on and before each April 1 thereafter, authorize and require that the Franchise Tax Board provide to the *Controller* a list of all taxpayers subject to tax under the Corporation Tax Law, with gross receipts of \$5,000,000,000 or more, as measured by gross receipts, less returns and allowances, for the taxable year reported on a return in the previous calendar year. The bill would require the list to include the name and tax liability of each taxpayer, the taxable year for which the return is filed, the total gross receipts for that taxable year, and the amount of credits claimed for that taxable year. The bill would require the *Controller* to post the information provided by the Franchise Tax Board on its internet website by May 1, 2021, and each May 1 thereafter, in a list that includes specified information.

**Arguments in support:**

According to the author, "With California facing a \$54 billion deficit as a result of the COVID-19 pandemic, expenditures the state makes or forgoes merit thorough scrutiny to ensure that the budget enacted meets its intended goal. One area that policymakers and the public have little ability to assess is the over \$70 billion a year California gives in tax credits, deductions, exclusions, exemptions, or other tax benefits. California does not collect or make available data on the state tax breaks that a particular corporation takes or the amount of state taxes an individual corporation pays. In contrast, Florida, Indiana, Iowa, Maine, Maryland, Minnesota, Mississippi, Nebraska, Oklahoma, and Washington all require companies to disclose varying levels of information on the state specific tax credits taken by those companies and the amount of taxes the companies pay to the state.

Federally, all publicly traded companies must annually disclose to the Securities Exchange Commission data on the amount of federal taxes paid by the corporation, federal tax deductions taken, CEO and median employee pay, and other info. This publicly available data provides policymakers and the public the ability to evaluate the benefits of various tax policies that can guide future policy recommendations, and ensure

appropriate oversight. By creating a database of corporations with \$5 Billion or more in gross receipts and requiring those corporations to disclose any state tax subsidies taken and the amount of state taxes paid, SB 972 provides a tool that policymakers and the public can access. SB 972 does not eliminate any tax benefit and does not raise any taxes, it simply provides transparency and access to information on how California spends its taxpayers' dollars

### **Arguments in opposition:**

SB 972 presents a clear tradeoff in tax policy: are taxpayer privacy protections more important than publicly disclosing information that will help determine whether individual corporations are paying their fair share of California corporate taxes? While taxpayer privacy is the cornerstone of a self-assessed income tax system, the Legislature currently possesses only aggregate information when evaluating whether its current corporate taxation system is adequate, or whether the state's corporate tax credits are effective. However, tax return information is highly sensitive, and publicly disclosing it could be used to embarrass or shame certain firms.

The Securities and Exchange Act requires companies with more than \$10 million in assets whose securities are held by more than 500 owners to file annual and other periodic reports for the benefit of its shareholders and the investing public. These reports are available to the public through the Securities and Exchange Commission's (SEC's) EDGAR database. The Act generally regulates "publicly-traded" firms whose ownership shares are offered for public sale; however, privately-held companies are not generally subject to the Act having foregone access to public equity markets in exchange for keeping its sensitive information private.

SB 972 requires FTB to disclose and an unspecified office to publish currently confidential taxpayer information regardless of whether the firm is publicly-traded. However, neither SEC filings nor FIN 48, a regulation enacted by the Financial Accounting Standards Board for firms to advise investors and the public of uncertain tax positions, contain information specific to each state about the firm's tax expenditures claimed. The Committee may wish to consider whether SB 972's scope is appropriate.

### **Support: (Verified 6/12/2020)**

SEIU California (sponsor),  
Alameda Labor Council;  
American Civil Liberties Union of  
California;  
California Alliance for Retired  
American,;

California Association of  
Professional Scientists;  
California Federation of Teachers;  
California Professional Firefighters;  
California Teachers Association;

Evolve California, UDW/AFSCME  
Local 3930;  
United Food and Commercial  
Workers – Western States Council.

### **Opposition: (Verified 6/12/2020)**

Biocom;  
Calaveras County Taxpayers  
Association;  
California Business Properties  
Association;  
California Business Roundtable;  
California Chamber of Commerce;  
California Life Sciences  
Association;  
California Manufacturers &  
Technology Association;  
California Retailers Association;

California Taxpayers Association;  
CompTIA;  
Council on State Taxation;  
Family Business Association of  
California;  
Kern County Taxpayers  
Association;  
Orange County Taxpayers  
Association;  
San Gabriel Valley Economic  
Partnership;

Santa Maria Valley Chamber of  
Commerce;  
Silicon Valley Leadership Group;  
Solano County Taxpayers  
Association;  
Sutter County Taxpayers  
Association;  
TechNet;  
Western States Petroleum  
Association.

**Status:** Senate Appropriations

## Qualified Statewide Ballot Measures

### **REFERENDUM TO OVERTURN A 2018 LAW THAT REPLACED MONEY BAIL SYSTEM WITH A SYSTEM BASED ON PUBLIC SAFETY RISK.**

Summary Date: 09/10/18 | Final Random Sample: [01/16/2019 \(PDF\)](#) | Signatures Required: 365,880 | Proponent(s): Thomas W. Hiltachk

If this petition is signed by the required number of registered voters and timely filed, a referendum will be placed on the next statewide ballot requiring a majority of voters to approve a 2018 state law before it can take effect. The 2018 law replaces the money bail system with a system for pretrial release from jail based on a determination of public safety or flight risk, and limits pretrial detention for most misdemeanors. ([18-0009](#))

## Eligible Statewide Initiative Measures

Eligible initiative measures will become qualified for the ballot on the 131st day prior to the next Statewide General Election unless withdrawn by the proponents prior to its qualification by the Secretary of State.

### **1840. (17-0044, Amdt.#1)**

**RESTRICTS PAROLE FOR NON-VIOLENT OFFENDERS. AUTHORIZES FELONY SENTENCES FOR CERTAIN OFFENSES CURRENTLY TREATED AS MISDEMEANORS. INITIATIVE STATUTE.**

Summary Date: 01/04/18

Final Random Sample: [07/25/18 \(PDF\)](#)

ELIGIBLE: 07/09/18

Signatures Required: 365,880

Proponents: Nina Salarno Besselman c/o Charles H. Bell, Jr. (916) 442-7757 cbell@bmhlaw.com

Imposes restrictions on parole program for non-violent offenders who have completed the full term for their primary offense. Expands list of offenses that disqualify an inmate from this parole program. Changes standards and requirements governing parole decisions under this program. Authorizes felony charges for specified theft crimes currently chargeable only as misdemeanors, including some theft crimes where the value is between \$250 and \$950. Requires persons convicted of specified misdemeanors to submit to collection of DNA samples for state database. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Increased state and local correctional costs likely in the tens of millions of dollars annually, primarily related to increases in penalties for certain theft-related crimes and the changes to the nonviolent offender release consideration process. Increased state and local court-related costs of around a few million dollars annually related to processing probation revocations and additional felony theft filings. Increased state and local law enforcement costs not likely to exceed a couple million dollars annually related to collecting and processing DNA samples from additional offenders.** ([17-0044.](#))

### **1851. (17-0055, Amdt.#1)**

**REQUIRES CERTAIN COMMERCIAL AND INDUSTRIAL REAL PROPERTY TO BE TAXED BASED ON FAIR-MARKET VALUE. DEDICATES PORTION OF ANY INCREASED REVENUE TO EDUCATION AND LOCAL SERVICES. INITIATIVE CONSTITUTIONAL AMENDMENT.**

Summary Date: 02/20/18

Final Random Sample: [10/15/18 \(PDF\)](#)

ELIGIBLE: 10/16/18

Signatures Required: 585,407

Proponents: Anthony Thigpenn, Helen Hutchison, Benjamin McBride

Taxes certain commercial and industrial real property based on fair-market value—rather than, under current law, the purchase price with limited inflation. Exempts agricultural property and certain small businesses. Dedicating portion of any increased revenue to local services and to supplement, not replace, state's minimum-funding guarantee to schools. Provides tax exemption for \$500,000 worth of tangible personal property used for business and all personal property used for certain small businesses. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Net increase in annual property tax revenues of \$6.5 billion to \$10.5 billion in most years, depending on the strength of real estate markets. After paying for county administrative costs and backfilling state income tax losses related to the measure, the remaining \$6 billion to \$10 billion would be allocated to schools (40 percent) and other local governments (60 percent).** ([17-0055.](#))

**1862. (19-0001)**

**EXPANDS LOCAL GOVERNMENTS' AUTHORITY TO ENACT RENT CONTROL ON RESIDENTIAL PROPERTY. INITIATIVE STATUTE.**

*Summary Date:* 06/25/19

*Final Random Sample:* [02/03/2020 \(PDF\)](#)

*ELIGIBLE:* 02/03/2020

*Signatures Required:* 623,212

Proponent(s): Michael Weinstein, Cynthia Davis, Jesse Brooks, Rene Christian Moya, Susan Hunter.

Amends state law to allow local governments to establish rent control on residential properties over 15 years old. Allows rent increases on rent-controlled properties of up to 15 percent over three years from previous tenant's rent above any increase allowed by local ordinance. Exempts individuals who own no more than two homes from new rent-control policies. In accordance with California law, provides that rent-control policies may not violate landlords' right to a fair financial return on their property. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Potential reduction in state and local revenues of tens of millions of dollars per year in the long term. Depending on actions by local communities, revenue losses could be less or more. (19-0001.)**

**1864. (19-0003)**

**CHANGES REQUIREMENTS FOR TRANSFERRING PROPERTY TAX BASE TO REPLACEMENT PROPERTY. EXPANDS BUSINESS PROPERTY REASSESSMENT. INITIATIVE CONSTITUTIONAL AMENDMENT.**

*Summary Date:* 09/06/19

*Final Random Sample:* [04/22/2020 \(PDF\)](#)

*ELIGIBLE:* 04/22/2020

*Signatures Required:* 997,139

Proponent(s): Alexander E. Creel

Removes the following requirements to transfer property tax base to replacement residence for homeowners over 55 or severely disabled: that replacement property be of equal or lesser value; that replacement property be in eligible county; and that transfer occur only once. Allows three such transfers. Removes location and replacement-value requirements for transfers of contaminated or disaster-destroyed property. Adjusts replacement property's tax base, based on market value. Limits tax benefits for certain transfers between family members. Expands circumstances requiring business property reassessment. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Local governments could gain tens of millions of dollars of property tax revenue per year, likely growing over time to a few hundred million dollars per year. Schools could receive similar property tax revenue gains. Other local and state revenues each could increase by tens of millions of dollars per year. County property tax administration costs likely would increase by tens of millions of dollars per year. (19-0003.)**

**1870. (19-0008A1)**

**INCREASES FUNDING FOR PUBLIC SCHOOLS, COMMUNITY COLLEGES, AND LOCAL GOVERNMENT SERVICES BY CHANGING TAX ASSESSMENT OF COMMERCIAL AND INDUSTRIAL PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT.**

*Summary Date:* 10/17/19

*Final Random Sample:* [5/29/2020\(PDF\)](#)

*Signatures Required:* 997,139

Proponent(s): Anthony Thigpenn, Benjamin McBride, Carol Moon Goldberg

Increases funding for K-12 public schools, community colleges, and local governments by requiring that commercial and industrial real property be taxed based on current market value. Exempts from this change: residential properties; agricultural properties; and owners of commercial and industrial properties with combined value of \$3 million or less. Increased education funding will supplement existing school funding guarantees. Exempts small businesses from personal property tax; for other businesses, exempts \$500,000 worth of personal property. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Net increase in annual property tax revenues of \$7.5 billion to \$12 billion in most years, depending on the strength of real estate markets. After backfilling state income tax losses related to the measure and paying for county administrative costs, the remaining \$6.5 billion to \$11.5 billion would be allocated to schools (40 percent) and other local governments (60 percent). (19-0008A1.)**

**1883. (19-0026A1)**

**CHANGES EMPLOYMENT CLASSIFICATION RULES FOR APP-BASED TRANSPORTATION AND DELIVERY DRIVERS. INITIATIVE STATUTE.**

Summary Date: 01/02/20

Final Random Sample: [5/22/2020 \(PDF\)](#)

ELIGIBLE: 05/22/20

Signatures Required: 623,212

Proponent(s): Davis White, Brian McGuigan, Keith Yandell

[Official Top Funders List](#)

Establishes different criteria for determining whether app-based transportation (rideshare) and delivery drivers are “employees” or “independent contractors.” Independent contractors are not entitled to certain state-law protections afforded employees—including minimum wage, overtime, unemployment insurance, and workers’ compensation. Instead, companies with independent contractor drivers will be required to provide specified alternative benefits, including: minimum compensation and healthcare subsidies based on engaged driving time, vehicle insurance, safety training, and sexual harassment policies. Restricts local regulation of app-based drivers; criminalizes impersonation of such drivers; requires background checks. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Increase in state personal income tax revenue of an unknown amount.** ([19-0026A1](#))

## **Initiatives and Referenda Pending Signature Verification**

1877. (19-0018A1)

ADJUSTS LIMITATIONS IN MEDICAL NEGLIGENCE CASES. INITIATIVE STATUTE. - ([Random Sample Count 6/10/2020 \(PDF\)](#))

1879. (19-0021A1)

AMENDS CONSUMER PRIVACY LAWS. INITIATIVE STATUTE. - ([Random Sample Count 6/8/2020 \(PDF\)](#))

1880. (19-0022A1)

AUTHORIZES BONDS TO CONTINUE FUNDING STEM CELL AND OTHER MEDICAL RESEARCH. INITIATIVE STATUTE. - ([Random Sample Count 6/10/2020 \(PDF\)](#))

1882. (19-0025A1)

AUTHORIZES STATE REGULATION OF KIDNEY DIALYSIS CLINICS. ESTABLISHES MINIMUM STAFFING AND OTHER REQUIREMENTS. INITIATIVE STATUTE. - ([Random Sample Count 6/10/2020 \(PDF\)](#))

## **Initiatives and Referenda Cleared for Circulation**

1878. (19-0020A1)

REQUIRES ENACTMENT OF MEASURES TO REDUCE THE USE OF NON-ORGANIC FUNGICIDES, HERBICIDES, INSECTICIDES, AND FUMIGANTS. INITIATIVE STATUTE.

1881. (19-0024A1)

REQUIRES ARREST FOR SPECIFIED OFFENSES AND, IF CONVICTED, DETENTION OR INTERVENTION PROGRAMS. INITIATIVE STATUTE.

1884. (19-0027A1)

DECRIMINALIZES PSILOCYBIN MUSHROOMS. AUTHORIZES DISMISSAL OF PRIOR PSILOCYBIN-RELATED CONVICTIONS. INITIATIVE STATUTE.

1885. (19-0028A1)

REQUIRES STATE REGULATIONS TO REDUCE PLASTIC WASTE, TAX PRODUCERS OF SINGLE-USE PLASTICS, AND FUND RECYCLING AND ENVIRONMENTAL PROGRAMS. INITIATIVE STATUTE.

1886. (19-0029A1)

AUTHORIZES NEW TYPES OF GAMBLING. INITIATIVE CONSTITUTIONAL AND STATUTORY AMENDMENT.

1887. (19-0030A1)

AUTHORIZES STATE REGULATION OF KIDNEY DIALYSIS CLINICS. INITIATIVE STATUTE.

**1888. (19-0031)**

**PROHIBITS SALE OR REGISTRATION OF GAS-ONLY AND DIESEL-ONLY PASSENGER VEHICLES AND LIGHT TRUCKS MANUFACTURED AFTER 2020. INITIATIVE STATUTE.**

**1889. (19-0032)**

**REPLACES ALL MEMBERS OF CALIFORNIA AIR RESOURCES BOARD AND REALLOCATES ITS FUNDING IF CERTAIN AIR QUALITY STANDARDS ARE NOT MET. INITIATIVE STATUTE.**

**1890. (19-0033)**

**ALLOWS FOR JURY TRIALS IN CHILD-CUSTODY AND DEPENDENT-CHILD DETERMINATIONS. INITIATIVE STATUTE.**

## **Initiatives and Referenda Withdrawn or Failed to Qualify**

**1867. (19-0006A1)**

**REQUIRES MONETARY BAIL. INITIATIVE CONSTITUTIONAL AMENDMENT.**

**1871. (19-0009)**

**AUTHORIZES ELECTRONIC SIGNATURE GATHERING FOR INITIATIVE, REFERENDUM, AND RECALL PETITIONS. INITIATIVE STATUTE.**

**1872. (19-00010)**

**EXPANDS LEGALIZATION OF CANNABIS AND HEMP. INITIATIVE STATUTE.**

**1873. (19-0011)**

**EXPANDS LEGALIZATION OF CANNABIS AND HEMP. INITIATIVE STATUTE.**

**1874. (19-0012)**

**REPLACES STATE SENATE AND ASSEMBLY WITH SINGLE-HOUSE LEGISLATURE; INCREASES NUMBER OF LEGISLATORS. INITIATIVE CONSTITUTIONAL AMENDMENT.**

**1875. (19-0013)**

**REQUIRES RANKED-CHOICE VOTING SYSTEM FOR FEDERAL AND STATE ELECTIONS. RESTRUCTURES STATE SENATE TO MULTI-MEMBER DISTRICTS. INITIATIVE CONSTITUTIONAL AMENDMENT.**

**1876. (19-0016)**

**DECRIMINALIZES PSILOCYBIN MUSHROOMS. INITIATIVE STATUTE.**



**2020 Meeting Schedule  
w/ Guest speakers**

- ~~1/27 Open — Capt. Tony Conrad, Murrieta PD~~
- ~~2/24 Open — Jennings Immel, U.S. Chamber of Commerce~~
- ~~3/16 Open — Anne Mayer, Executive Director, RCTC~~
- ~~4/20 Open — Paul Nolte, SBDC~~
- ~~5/18 Open~~
- 6/15 Open
- 7/20 Open
- 8/17 Open
- 9/21 Open
- 10/19 Open
- 11/16 Closed
- 12/16 Dark