

UCAN - Making a difference for business, local chambers in the State Legislature

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In December, five local chamber organizations in the Sacramento region partnered to form UCAN – the United Chamber Advocacy Network and set to work developing a policy agenda to advance in the state Legislature on behalf of their shared membership.

A combined membership survey found that chamber members' top priorities were Taxes, Regulations, HR Policy, Legal Liability and the state's overall business climate. As a result, the UCAN Steering Committee – comprised of the CEO and one volunteer leader from each chamber – developed and published the 2018 UCAN State Policy Agenda that called for the following:

- Reduce our tax burden
- Remove regulatory barriers
- Encourage Employment
- Diminish Legal Liability and
- Improve California' Business Climate

Then, on February 28, over 60 volunteer leaders from the UCAN chambers presented the UCAN Policy Agenda to local legislators - representing the Assembly and Senate and Republicans and Democrats - Assemblymembers Frank Bigelow, Ken Cooley, Jim Cooper and Kevin Kiley and State Senators Ted Gaines and Jim Nielson – all of whom expressed enthusiastic support for UCAN and its stated objectives.

Since then, the UCAN Steering Committee has been working with its lobbyist, Dave Butler of Advocacy and Management Group in Sacramento, to identify and advance positions on specific legislation consistent with the UCAN Policy Agenda. Below, you can find a list of support and oppose bills that include bill number, author, bill topic, the most recent vote and the bill's status.

The UCAN Steering Committee chose to identify a number of bills that it could support, mostly in the areas of business climate and tax policy. The steering committee voted to oppose a host of bills that fell mostly in the area of tax policy, HR policy and business climate.

Several bills authored by Assemblymember Shannon Quirk-Silva (D-Fullerton) would benefit small business, including AB 2463 which would establish the Office of Small Business within GO-BIZ, the Governor's Office of Business and Economic Development.

Another bill, AB 2946, authored by Assemblymember Ken Cooley (D-Rancho Cordova) and sponsored by Greater Sacramento, Inc., would direct GO-BIZ to commission a statewide economic development strategy – which California currently does not have – based on core industries and regional economies. In addition, the study would look at California's competitiveness relative to economic assets and overall business climate, including tax and regulatory policy. UCAN led an effort to develop a coalition letter in support of the bill that included the California Chamber of Commerce, the California Business Roundtable, the California Manufacturing and Technology Association and others.

UCAN also supported an individual budget proposal, at the request of Assemblymember Jim Cooper (D-Elk Grove). Asm. Cooper was seeking guidance from business groups to direct how a \$20 million budget allocation in the Governor's budget should be spent to benefit small business. UCAN joined other business and economic development groups to recommend the funds be directed to existing entities that provide coaching and technical support to small business, including federal Small Business Development Centers. UCAN was the only advocate that called for more funding, enabling the state to draw down its full matching funds from the federal government. In the end, the allocation was increased to \$23 million.

Three UCAN support bills, AB 2016 and AB 1922 by Assemblymember Vince Fong (R-Bakersfield) and AB 2482 by Assemblymember Randy Voepel (R-Santee) were viewed to be common sense reforms that have been long sought by the business community. AB 2016 called for additional “right to cure” provisions, allowing businesses the ability to fix complaints before being sued and AB 1922 called for increases in the homeowners interest deduction and renters tax credit as well as a reduction in the business franchise tax. Both were defeated in committee on party line votes. AB 2482 would have allowed much needed work week flexibility for employees and employers, but it too was defeated on a party line vote in the Assembly Labor and Employment Committee.

The UCAN oppose bills include three that never made it out of committee – thanks to united opposition from the business community: AB 1745 by Assemblymember Phil Ting (D-San Francisco) would have prohibited the DMV from licensing new vehicles with combustible engines after 2040; AB 3001 by Assemblymember Rob Bonta (D-Oakland) sought to require all new buildings be “zero emission” by 2024 and SB 993 by Senator Bob Hertzberg (D-Van Nuys) would establish a tax on services in addition to the current sales tax on goods. SB 993 will likely emerge again in the 2019-20 legislative session as the next Governor is expected to consider comprehensive tax reform in partnership with the Legislature.

UCAN was able to help encourage the business community to unite in opposition to AB 3087, authored by Assemblymember Ash Kalra (D-San Jose) and sponsored by organized labor, which sought to establish a politically appointed commission to fix prices on a full spectrum of health care services and procedures. The bill was approved by the Assembly Health Committee but failed to pass out of the Appropriations Committee. The issue will likely return in the 2019-20 session as the state’s progressive interests continue to pursue some form of “single payer” health care system.

AB 2946, also authored by Assemblymember Kalra and sponsored by trial attorneys, would have allowed employees three years to file a complaint against an employer, up from the current six months. This bill was passed out of policy committee and Appropriations but was defeated on the Assembly floor (19-30), having failed to achieve 41 votes to pass. UCAN legislators Kevin Kiley and Frank Bigelow voted no and Ken Cooley and Jim Cooper did not vote.

The “second half” of the legislative session began June 1 after the “house of origin deadline.” Bills generated in and approved by the Assembly now move onto the Senate and through the committee process, while Senate bills will now progress through the Assembly. The deadline for bills to be approved by the policy committee in the second house is July 6, after which the Legislature adjourns for a month long recess.

Two bills in particular to watch in June include AB 3080 by Assemblymember Lorena Gonzalez Fletcher which would prohibit arbitration and employee settlement agreements; and SB 1300 by Senator Hanna Beth Jackson which would eliminate the requirement of standing when filing a lawsuit.

As a result of UCAN’s engagement in the legislative process, UCAN chambers have been invited to join a coalition led by the Association of California Water Agencies (ACWA) to author letters to the editor in local newspapers opposing a proposed “water tax” included in SB 623 (Monning) and assist with a signature gathering effort, led by Assemblymember Cooper, to place a measure on the November ballot that would reclassify several crimes that were reduced by the recent Proposition 47 and 57.

Lastly, at the suggestion of local legislative staff, UCAN developed its own logo that was designed by Hostetler Bakkie Design, a member of the Rancho Cordova Chamber of Commerce.

To view the 2018 UCAN Policy Agenda, a current bill tracking document and to view support and oppose letters, please visit www.amgroup.us/ucan.

UCAN Support Bills

Bill (author)	Topic	Vote	Location
AB 767 (Quirk-Silva)	Master Business License	Asm 78-0	Sen, B&P
AB 2463 (Quirk-Silva)	Small biz center in GoBIZ	Asm 78-0	Sen, tbd
AB 2596 (Cooley)	Statewide ED Strategy	Asm 78-0	Sen, tbd
AB 1743(O'Connell)	\$500M for CTE/CMTA	Asm 78-0	Sen, tbd
AB 2016 (Fong)	PAGA reform, rite 2 cure	Labor/Emp 2-5	DEAD
AB 2420 (Quirk-Silva)	Add soft skills training	Asm 73-0-5	Sen, L/IR 6.13
AB 2482 (Voepel)	Allow work week flexibility	Labor/Emp	DEAD
AB 1922 (Fong)	Comprehensive tax reform	Rev/Tax 2-6-2	DEAD
SB 1417 (Canella)	Reduce min. franchise tax	Approps, held	DEAD
Budget (Cooper)	\$23M to SBDC, etc.	Budget, pass	Conf.

UCAN Oppose Bills

Bill (author)	Topic	Vote	Location
AB 1745 (Ting)	Prohibit gas engines	pulled	DEAD
AB 3001 (Bonta)	Zero emission bldgs.	pulled	DEAD
SB 623 (Monning)	Water tax, cleanups		Asm, tbd
AB 1902 (Levine)	Living wage, state contracts	Appr held	DEAD
AB 2069 (Bonta)	Med MJ as protected	Appr held	DEAD
AB 2946 (Kalra)	Ext. complaint 6mo/3yrs	Asm 19-30	FAIL
AB 3087 (Kalra)	Health care price fixing	Appr held	DEAD
SB 1298 (Skinner)	Limit info re: felons	Appr held	DEAD
SB 993 (Hertzberg)	Tax on services	Held in comm	2019
ACA 11 (Caballero)	¼ cent tax for afford hsg	No hg	

Bills to watch moving forward

Bill (author)	Topic	Vote	Location
AB 3080 (Gonz-Fletcher)	Ban arbitration, settlements	Asm 47-25	Sen
SB 623 (Monning)	Water tax, cleanups/ACWA	Sen 39-0	Asm, tbd
SB 937 (Wiener)	Lactation accommodation	Sen 24-6	Asm, tbd
SB 1300 (Jackson)	Remove standing requirement	Sen 22-11	Asm, tbd
ACA 11 (Caballero)	¼ cent sales tax for aff hsg		
ACA 22 (McCarty)	10% surcharge on corp inc +\$1M		

Bills to watch in 2019

AB 3087 (Kalra)	Health care price fixing/UCAN	Appr held	DEAD
SB 993 (Hertzberg)	Tax on services	Held in comm	DEAD

Bold = UCAN priority bills