



**FRESNO CHAMBER OF COMMERCE
GOVERNMENT AFFAIRS COUNCIL**

**MEETING AGENDA
FRIDAY, MARCH 13, 2015
12:00 P.M.**

**PRESIDING
RUTH EVANS, CHAIR
BRIAN DOMINGOS, VICE CHAIR**

I. Call to Order and Roll Call

II. Legislative Updates

III. Approval of Minutes for February 11th, 2015 meeting

IV. Issue Presentations

- | | | |
|----|---|--------|
| A. | Californians for Affordable & Reliable Energy (CARE) Project
Alison MacLeod, KP Public Affairs | ACTION |
|----|---|--------|

V. Legislative Items

- | | | |
|----|--|--------|
| A. | HR 692 (McClintock) Default Prevention Act | ACTION |
| B. | AB 1389 (Patterson) Fair Contracts for California Farmworkers | ACTION |
| C. | AB 842 (Patterson) Double Payments for Health Care Coverage Fix | ACTION |
| D. | AB 612 (Patterson) Minimum Franchise Tax Reduction New Businesses | ACTION |
| E. | AB 483 (Patterson) Professional Licenses: Initial Licensure Fees | ACTION |
| F. | AB 263 (Patterson) Hazardous Material Testing Methods | ACTION |
| G. | AB 335 (Patterson) Air Resources Board Minor Violation Program | ACTION |
| H. | SB 127 (Vidak) Streamline Environmental Review Process | ACTION |
| I. | SB 8 (Hertzberg) Taxation on Service Industry Businesses | ACTION |
| J. | SB 203 (Monning) Safety Warnings for Sugar Sweetened Beverages | ACTION |
| K. | SB 32 (Pavley) Global Warming Solutions Act of 2006: emissions limit | ACTION |
| L. | SB 350 (De Leon) Clean Energy and Pollution Reduction Act of 2015 | ACTION |
| M. | AB 67 (Gonzalez) Double Pay on the Holiday Act of 2015 | ACTION |

VI. Issue Tracking Update

VII. GAC Sacramento Advocacy

Chair's Report – Ruth Evans

Eggs & Issues, April 3rd

Golf Tournament, May 4th

Adjourn



**FRESNO CHAMBER OF COMMERCE
GOVERNMENT AFFAIRS COUNCIL
MEETING MINUTES**

**Presiding:
Ruth Evans, Chair
Brian Domingos, Vice Chair**

Committee:	Government Affairs Council
Chairperson:	Ruth Evans
Vice-Chair:	Brian Domingos
Meeting Date/Time:	February 11, 2015
Meeting Place:	Fresno Chamber of Commerce
Committee attendees:	Ruth Evans, Sieg Fischer, Bill Avakian, Lorraine Salazar, Al Smith, Larry Fortune, Ryan Jacobsen, Brian Domingos, Scott Miller, Debbie Hunsaker, Randy Dhindsa, Victoria Salisch, Austin Ewell
Committee absences:	Nick Amendola, Cam Maloy, Lydia Zabrycki, John Taylor
Staff:	Rachel Eslick

CALL TO ORDER

- Chair Ruth Evans called the meeting to order at 12:07 p.m.

APPROVAL OF MINUTES

Victoria Salisch made a motion to approve the January 14th, 2015 minutes. The motion was seconded by Randy Dhindsa and it passed unanimously.

ISSUE PRESENTATION

1. Trans Pacific Partnership

The Minarets High School Ag Team presented arguments for both sides of the Trans Pacific Partnership agreement, which is currently being negotiated. The Ag Team is preparing for State and possibly National competitions and used the GAC as an opportunity to practice and receive feedback.

Some of the points made for TPP were job creation and increased commerce via exports and imports to countries America doesn't currently have trade agreements with. Some of the arguments against TPP were fear of importing low quality or harmful fish and seafood and increased costs of pharmaceuticals. GAC members asked follow up questions and commended the students for a job well done on a complex issue.

2. Riverbend Sand & Gravel Project

Consultants Eric Johnson and John Buada presented the Riverbend Sand & Gravel Project, a 619 acre aggregate mine, located 1.5 miles east of Sanger along the Kings River in Fresno County. Buada went over the economic impact the 75-year project would have on the County: \$1.6 million in annual tax revenue, \$58 million in overall annual benefits, and 38 fulltime jobs.

The environmental concerns include truck traffic, air quality and noise. Mitigation efforts are being made with neighbors to reduce the noise and look of the project with screens to block visibility of the mining equipment. Staff reported on the outreach to opponents of the project and their general concerns about the number of mining operations in the area, proximity to the river, truck traffic, and historical artifact preservation. The project is scheduled to go in front of the Fresno County Planning Commission on February 26th, 2015.

Austin Ewell made a motion to support the project and Bill Avakian seconded it. The motion passed unanimously.

AB 52 (Gray) Public Accommodations: construction-related accessibility claims – SUPPORT

Would reduce damages assessed for ADA violations if the small business fixes the area of noncompliance within 180 days.

LEGISLATIVE ITEM

3. AB 156 (Perea) California Global Warming Solutions Act: investment plan

Raj Rakkar of Assemblyman Henry T. Perea's office presented his recently introduced bill, which would stipulate technical assistance be provided to disadvantaged communities in proposing projects for inclusion of the three-year investment plan. Smaller cities lack resources, technology and expertise to submit projects to the State, therefore missing out on money to improve their communities. This bill would make resources available so they don't get passed up simply because they're on an uneven playing field.

Debbie Hunsaker made a motion to support this bill and Austin Ewell seconded the motion. It passed unanimously.

ISSUE TRACKING UPDATE

Staff provided an up-to-date list of issues the GAC has taken positions on so far in 2015 at the local, state and federal levels. As elected leaders vote on the issues, their votes will be marked on the sheets. The tracking sheets will be included in every GAC packet to improve communication between the Chamber and the offices of our elected officials.

CHAIRS REPORT

Ruth Evans encouraged attendance at the Report Card Reception on February 12th and Eggs & Issues with District Attorney Lisa Smittcamp on April 3rd.

ADJOURNED

- Meeting adjourned at 1:32 p.m.

March 13, 2015

Californians for Affordable & Reliable Energy**Presenter** – Alison MacLeod of KP Public Affairs**Source** – KP Public Affairs

Summary – Californians for Affordable & Reliable Energy (CARE) seeks to limit the rising cost of energy, ensure proposed policies and those already in place are thoroughly analyzed for fiscal impact, and develop a responsible comprehensive energy plan that protects the state's economy. In order for businesses to grow, electricity, transportation and natural gas costs need to be manageable. California has already implemented numerous policies that are raising energy costs, such as the 33% renewable portfolio standard. Lawmakers are proposing more bills to increase standards, which will create another climate bureaucracy and add to the cost of doing business in California. CARE has five principals:

- Achievable goals
- Affordable laws and regulations
- Accountability for regulators
- Alignment with other jurisdictions
- Accommodation to meet changing economic, environmental and infrastructure challenges

Economic Impact – According to sources provided by CARE, electricity rates are projected to increase by 26-42% between 2012 and 2020, natural gas costs will increase 66-77% and transportation fuels will go up .49-1.83 per gallon. Proposed bills like SB 350 (De Leon) Golden State Standards, SB 32 (Pavley) Building for the Future, SB 189 (De Leon) Maximizing Jobs and Economic Growth, and SB 185 (De Leon) Investing with Values and Responsibility, will likely add to the swelling costs.

Background – AB 32 is the most notable climate change bill that is now impacting the average citizen. With the inclusion of transportation fuels under the cap and trade program in 2015, drivers are paying an extra hidden tax for gasoline and diesel.

Staff Recommendation – Join the coalition

LEGISLATIVE ITEMS

March 13, 2015

HR 692 (McClintock) Default Prevention Act**Source** – Office of Congressman Tom McClintock

Summary – Would guarantee the U.S. Government’s sovereign debt would be paid in full and on time, under any circumstances – even total political gridlock. If the debt limit is reached, the Treasury Secretary may continue to borrow above the limit for the sole purpose of paying principal and interest due on the debt, thereby guaranteeing the debt of the United States is honored.

Background – A similar bill was passed by the House in the last Congress, but was never taken up by the Senate. More than half of the nation’s debt is held by Americans, often in pension funds, retirement and savings funds.

Support – There are 43 co-sponsors of the bill.

Opposition – Unknown

Status – Introduced February 3, 2015. Currently in the House committee on ways and means.

Staff Recommendation – Support

LEGISLATIVE ITEMS

ITEM B

March 13, 2015

AB 1389 (Patterson) Fair Contracts for California Farmworkers
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Source – Patterson’s office and Leg Info

Summary – Would give farmworkers the right to approve or decline contracts and terms decided by the Agriculture Labor Relations Board (ALRB) by a majority vote before it takes effect or becomes enforceable. Would require the ALRB to nullify a union contract if the union abandons the workers for a period of three or more years.

Background – Thousands of the Central Valley’s highest-paid farmworkers have been fighting the ALRB since 2013 to prevent the imposition of a labor contract on their workforce, which was abandoned 20 years ago by the United Farm Workers Union (UFW). The workers have been shut out of ALRB hearings and don’t have the legal right to approve or decline a labor contract. Workers voted in 2013 to decertify the UFW, however, those votes were collected by the ALRB and have yet to be counted.

Support – Assemblywoman Shannon Grove is the principal co-author of the bill.

Opposition – Unknown

Status – Introduced Feb. 27, 2015.

Staff Recommendation – Support

March 13, 2015

AB 842 (Patterson) Double Payments for Health Care Coverage Fix

Source – Patterson’s office and Leg Info

Summary – Would fix a problem that causes contractors to pay double for health care coverage for Project Labor Agreement public works jobs by exempting employers who provide proof of ACA-compliant coverage. Under this bill, the employer would not have to pay into union trust funds for certain benefits, per the PLA.

Background – Today, employers can expect to pay over \$5,000 per employee under a group health policy, according to a recent study by Kaiser Family Foundation and National Small Business Association. If an employer had to pay that amount twice, \$5,000 would be wasted instead of being spent somewhere else or adding employees to the payroll. The justification in the past has been that non-union insurance plans were not “quality.” But under ACA, employers now have a clear standard of what is acceptable, and that government-approved plan should suffice so employers aren’t forced to pay twice for coverage.

Support – Associated Builders and Contractors are sponsoring this bill.

Opposition – None on file, but unions will not like this.

Status – Introduced Feb 26th, 2015

Staff Recommendation – Support

March 13, 2015

AB 612 (Patterson) Minimum Franchise Tax Reduction for New Businesses

Source – Patterson’s office and Leg Info

Summary – Would allow new businesses with gross receipts of \$5,000 or less to pay half the minimum franchise tax, \$400 instead of \$800, the first and second year of operation. The law would apply to newly-formed limited partnerships, limited liability partnerships and limited liability companies.

Background – Existing law imposes an \$800 minimum franchise tax on limited partnerships, LLPs and LLCs, regardless of whether or not the business is turning a profit. There is currently an exemption of the tax for the first year, but not for the second taxable year and beyond.

Fiscal Effect – Unknown

Support – None on file

Opposition – None on file

Status – Introduced on Feb. 24, 2015

Staff Recommendation – Support

LEGISLATIVE ITEMS

ITEM E

March 13, 2015

AB 483 (Patterson) Professional Licenses: Initial Licensure Fees

Source – Patterson’s office and Leg Info

Summary – Would allow licensees (architects, acupuncturists, dental hygienists, dentists, hearing aid dispensers, occupational therapists, physical therapists, physicians, surgeons, psychologists, veterinary technicians, veterinarians) to pay a pro-rated amount of their license issuance fee so they won’t be burdened by having to pay a full renewal fee, which is set to expire on their date of birth, before a full year has passed.

Background – The state currently sets certain licenses to expire based on their date of birth rather than when the license was first issued to the licensee. The policy was put into place to expedite license issuance, but it can overburden a licensee when they pay the complete issuance fee, then have to pay a renewal fee shortly thereafter if their birthdate passes. For example, a dental hygienist was issued a license in Patterson’s district. Right after receiving her license, she received a notice for the full renewal amount because it was expiring a few weeks later, due to her birthdate. This all happened a few months after she paid \$575 for the state exam and \$100 for her initial license. The Fresno Chamber supported a similar bill last year, AB 1758, which died in Senate Appropriations.

Support – None on file

Opposition – None on file

Status – Introduced Feb. 23, 2015. In Assembly Business and Professions Committee

Staff Recommendation – Support

LEGISLATIVE ITEMS

March 13, 2015

AB 263 (Patterson) Hazardous Material Testing Methods
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Source – Patterson’s office and Leg Info

Summary – Would direct the Department of Toxic Substances Control (DTSC) to update its regulations to incorporate newer test methods recognized as legitimate by the federal government and expand opportunities for businesses to use newer technologies when conducting hazardous material tests on items like construction materials, soil and grass. Businesses would not have to go through the arduous task of getting a new method approved by DTSC when they want to use a method allowed on the federal level but not explicitly on the state level.

Background – Currently, state language regarding permitted testing methods for the presence of hazardous materials in various items is nearly 20 years old, and state regulations are inconsistent with federal regulations. The approved federal testing guidelines offer cheaper and more environmentally friendly options. There is a way for businesses to get alternative testing methods approved by the state, but it’s a lengthy and arduous process.

Support – BSK Associates

Opposition – None on file

Status – Introduced Feb. 10, 2015. Assembly Environmental Safety and Toxic Materials Committee.

Staff Recommendation – Support

LEGISLATIVE ITEMS

ITEM G

March 13, 2015

AB 335 (Patterson) Air Resources Board Minor Violation Program

Source – Patterson’s office and Leg Info

Summary – Would aid businesses by reinstating the Air Resources Board’s (ARB) Minor Violation Program, in place from 1995-2005. It required the ARB, Air Pollution Control Districts and Air Quality Management Districts to issue a “notice to comply” to a business with a minor violation instead of immediately issuing a fine. The notice to comply, or warning, would not apply to issues that endanger health and human safety or cause environmental damage. Cures will also not be offered to repeat violators or intentional violations, including those committed to benefit the business financially. Common minor violations include late submissions of a report, failing to post a mandated sign or pay a required fee.

Background – The Air Resources Board’s Minor Violation Program provided relief to small businesses for ten years. It reportedly resulted in greater resource efficiency, faster compliance for minor violations, better working relationships between agencies and constituents, and no adverse effects on public health or the environment.

Support – None on file

Opposition – None on file

Status – Introduced Feb. 13, 2015. In Assembly Committee on Natural Resources.

Staff Recommendation – Support

LEGISLATIVE ITEMS

ITEM H

March 13, 2015

SB 127 (Vidak) Water Bond Environmental Review Process

Source – Vidak’s office, Leg Info

Summary – Would streamline the environmental review process for projects funded by the \$7 billion, voter-approved 2014 Water Bond. Under the bill, any challenges to an environmental impact report (EIR) under the California Environmental Quality Act (CEQA) should be resolved within 270 days of the report’s completion. Would require the state Judicial Council to adopt a rule of court to establish special procedures for these projects by July 1, 2016.

Background – Disadvantaged communities need access to Water Bond money sooner rather than later to provide residents with clean drinking water. Because misuse of CEQA is so prevalent, in the past, bills have been signed into law to streamline the process or provide CEQA exemption to block CEQA challenges for several major sport complexes, including the Majestic Realty and Farmer’s Field NFL stadiums and the Kings NBA arena.

Support – None on file

Opposition – None on file

Status – Introduced Jan. 20, 2015. In Senate Environmental Quality Committee.

Staff Recommendation – Support

March 13, 2015

SB 8 (Hertzberg) Taxation on Service Industry Businesses**Source** – Leg Info and Cal Chamber

Summary – Would create a sales tax on service industry businesses like auto repair shops, contractors, restaurants, accounting services, architects, engineers, designers, pest control operators, yoga studios, and more, to raise an estimated \$10 billion for education. Exemptions to this tax are healthcare and education. Tax would be measured by gross receipts. This bill would increase costs and place new legal burdens on businesses.

Background – This would be the first ever tax on service businesses. The author cites a shift in California economics from the 1950's and 60's of agriculture to information and services today. He believes this is a way to tap into the revenue being earned and using it to educate our youth. Opponents say pumping money into the education system won't necessarily result in better schools or student experience, citing \$10 billion raised by Prop 30. That initiative passed in 2012 and allegedly has not significantly helped schools.

Support – None on file**Opposition** – None on file**Status** – Senate Governance & Finance Committee**Staff Recommendation** – Oppose

March 13, 2015

SB 203 (Monning) Safety Warnings for Sugar Sweetened Beverages**Source** – Leg Info

Summary – Would increase the costs to businesses by mandating this warning on sealed beverages sweetened with sugar: CALIFORNIA STATE WARNING: drinking beverages with added sugar(s) contributes to obesity, diabetes and tooth decay. This law would apply to any sweetened nonalcoholic beverage that has added caloric sweeteners and contains 75 calories or more per 12 fluid ounces. Vending machines or soda fountains would be required to display a WARNING on the front of the machine. The State Department of Public Health would begin enforcing the law on July 1, 2016, with fines of \$50-\$500 per day. Receipts of penalties would pay for enforcement costs.

Background – A similar bill was proposed last year and failed. The author believes sugary drinks are to blame for diabetes, obesity and tooth-decay, and believes consumers should be better informed about what is in their beverages.

Support – None on file

Opposition – None on file, but in the past the beverage industry was strongly opposed

Status – Introduced Feb. 11, 2015. Senate Health Committee.

Staff Recommendation – Oppose

LEGISLATIVE ITEMS

ITEM K

March 13, 2015

SB 32 (Pavley) Global Warming Solutions Act of 2006: emissions limit

Source – Leg Info

Summary – Builds off of the Global Warming Solutions Act of 2006, which limits greenhouse gas emissions to 1990 levels by 2020. SB 32 would increase the emissions limit in 2050 to 80% below the 1990 levels and establish benchmark goals for 2030 and 2040.

Background – The Global Warming Solutions Act of 2006 aims to reduce greenhouse gas emissions significantly. Part of the program is for users to pay a carbon fee, known as cap and trade. Beginning in 2015, transportation fuels are included in the cap and trade program, which adds a tax to our gas and diesel. Funds are then allocated to implement emission-reduction programs, like High Speed Rail and Bus Rapid Transit.

Support – None on file but environmental groups traditionally support similar legislation

Opposition – Californians for Affordable and Reliable Energy (CARE)

Status – Introduced December 1, 2014. Senate Environmental Quality Committee.

Staff Recommendation – Oppose

LEGISLATIVE ITEMS

ITEM L

March 13, 2015

SB 350 (De Leon) Clean Energy and Pollution Reduction Act of 2015
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Source – Leg Info

Summary – Would set goals of 50% reduction in petroleum use, 50% utility power coming from renewable energy, and 50% increase in energy efficiency in existing buildings by 2030.

Background – This bill was one of four climate policy bills introduced by De Leon in February. It builds upon and extends previous bills, like California’s current renewable portfolio standard, which is 33%.

Support – Union support (IBEW) and Los Angeles Water and Power. Supporters say this bill would create jobs and benefit the environment and residents.

Opposition – Western State Petroleum Association and CARE. Opponents say jobs will be lost and rates/taxes will be raised to reach the proposed goals.

Status – Introduced Feb. 24, 2015. Senate Energy, Utilities, and Communications Committee.

Staff Recommendation – Oppose

LEGISLATIVE ITEMS

ITEM M

March 13, 2015

AB 67 (Gonzalez) Double Pay on the Holiday Act of 2015

Source – Leg Info and Cal Chamber

Summary – Would require employers to pay employees at least double for working on Christmas Day and Thanksgiving (December 25th and the fourth Thursday of November). AB 67 would increase costs and interfere with employers' religious beliefs by forcing all employers to recognize Christmas and Thanksgiving as family holidays. It would also place brick and mortar stores at a competitive disadvantage to online retailers.

Background – Previous legislation attempted to level the playing field between brick and mortar store and online retailers with the implementation of sales tax for online sales. This bill would give online retailers the upper hand because their costs go up significantly to do business on Christmas and Thanksgiving.

Support – None on file

Opposition – Cal Chamber

Status – Introduced on Dec. 17, 2014. Assembly Labor & Employment Committee

Staff Recommendation – Oppose

ISSUE TRACKING

CITY OF FRESNO

NO.	ISSUE	SUMMARY	GAC POSITION	STATUS	BAINES	BRAND	BRANDAU	CAPRIOG	OLIVIER	QUINTER	SORIA
1	Recharge Fresno	Implement water rate hike to fund water infrastructure projects	SUPPORT	Feb 26th vote	SUPPORT	SUPPORT	SUPPORT	SUPPORT	SUPPORT	OPPOSE	SUPPORT
2	Enterprise Oversight Act	Ensure transparency in major projects using rate payer dollars	SUPPORT	Feb 26th vote	SUPPORT	SUPPORT	SUPPORT	SUPPORT	SUPPORT	SUPPORT	SUPPORT

FRESNO COUNTY

NO.	ISSUE	SUMMARY	GAC POSITION	STATUS	BORGEAS	MENDES	PACHECO	PEREA	POOCHIGIAN
1	Recharge Fresno	Refrain from sending 30-40 protest ballots to water rate hike	SUPPORT	VOTED 1/27/15	SUPPORT	SUPPORT	OPPOSE	SUPPORT	OPPOSE
2	Riverbend Sand & Gravel Project	619-acre aggregate construction material mining project along the Kings River	SUPPORT						

STATE

NO.	BILLS	TITLE	SUMMARY	GAC POSITION	STATUS	PATTERSON	PEREA	BERRYHILL	CANNELLA	VIDAK
1	SB 5 (Vidak)	Transportation Fuel Exemption	Would eliminate the inclusion of transportation fuel in the cap and trade program	SUPPORT	Senate Environmental Quality					
2	AB 23 (Patterson)	Transportation Fuel Exemption	Would eliminate the inclusion of transportation fuel in the cap and trade program	SUPPORT	Assembly Natural Resources					
3	AB 54 (Olsen)	Construction Related Accessibility Claims	Would give small businesses 60 days to cure construction-related accessibility claims if the law changed within three years	SUPPORT	Assembly Judiciary					
4	SB 3 (Leno)	Minimum Wage Act	Would raise minimum wage	OPPOSE	Senate Labor and Industrial Relations					
5	AB 11 (Gonzalez)	Paid Sick Days for In Home Health Workers	Would extend paid sick leave to in home healthcare workers	OPPOSE	Assembly Labor and Employment					
6	AB 52 (Gray)	Public Accommodations: construction related accessibility claims	Would reduce damages assessed for ADA violations if area of noncompliance is fixed within 180 days	SUPPORT	Assembly Judiciary					
7	SB 67 (Galgiani)	Disability access: statutory damages	Would limit small businesses from statutory damage liability in ADA claims	SUPPORT	Senate Judiciary					
8	AB 156 (Perea)	Cal. Global Warming Solutions Act: investment plan	Would provide funding for small cities and communities to apply for projects to be included for consideration for cap & trade money	SUPPORT	Senate Rules					

FEDERAL

NO.	BILLS	TITLE	SUMMARY	GAC POSITION	STATUS	COSTA	MCCLINTOCK	NUNES	VALADAO	FEINSTEIN	BOXER
1	HR 30	40 Hour Work Week	Redefines full time as 40 hours per week instead of 30 hours per week for the Affordable Care Act	SUPPORT	PASSED HOUSE	SUPPORT	SUPPORT	SUPPORT	SUPPORT		
2		Fuel Tax	Would raise the federal fuel tax to fund the Highway Trust Fund	OPPOSE							
3		Trade Promotion Authority	Procedural authorization to allow Trans Pacific Partnership, which opens the export market for more commerce with countries	SUPPORT							