



March 18, 2025

State Senator
California State Capitol
Sacramento, CA, 95814

RE: Senate Bill 17 (Bogh): Personal income taxes: unemployment insurance: tips – Support

Dear State Senator,

The Valley Industry & Commerce Association (VICA) supports SB 17, which would exclude tip income from California's state personal income tax and related payroll tax calculations. Recognizing that tips are discretionary rather than guaranteed earnings, this proposal would provide significant financial relief to service workers and help maintain a competitive labor market in the hospitality sector.

Under current tax law, tips are taxed as regular income, placing an undue burden on workers in industries where tipping constitutes a substantial portion of their earnings. This situation is particularly challenging given that many service industry workers face low wages while relying on tips to make up for the difference. With California's high cost of living, taxing these fluctuating gratuities undermines the financial well-being of a large segment of the workforce.

SB 17 proposes that tips be excluded from state gross income, meaning that a worker's discretionary earnings would no longer be subject to state income tax. This change would also adjust payroll tax calculations, including unemployment insurance contributions, to reflect the true nature of tip income. Proponents note that similar reforms at the federal level have been shown to improve take-home pay and job satisfaction without significantly impacting state revenues.

By allowing workers to retain 100% of their tip income, SB 17 would enhance job attractiveness in a tight labor market, reduce administrative burdens on employers, and provide a modest stimulus to local economies as increased disposable income circulates back into community spending. This targeted tax relief supports both the workforce and the businesses that depend on a stable, motivated service sector.

For these reasons, VICA urges you to support SB 17.

Stuart Waldman
VICA President



March 18, 2025

State Senator
California State Capitol
Sacramento, CA, 95814

RE: Senate Bill 22 (Laird): Gift Certificates – Oppose

Dear State Senator,

The Valley Industry & Commerce Association (VICA) opposes SB 22, which would increase the cash redemption threshold for gift certificates from \$10 to \$25 and require updated signage at the point-of-sale. While the bill intends to return unused funds to consumers, it poses significant operational and financial challenges for businesses that depend on the current system.

Under existing law, gift certificates with balances under \$10 are redeemable for cash, a provision that strikes a balance between consumer protection and business interests. This system has enabled retailers to benefit from “breakage” – the portion of gift card balances that goes unredeemed – which helps offset the costs of running gift card programs. National studies show that unredeemed balances can represent 2–4% of total gift card sales, a nontrivial source of income for many businesses.

SB 22 would raise the threshold to \$25, meaning that a much larger portion of gift card balances would need to be redeemed as cash. This change would not only reduce breakage income but also impose additional administrative burdens such as updated signage, regular staff training, and system modifications. These requirements could lead to increased operational costs that are particularly burdensome for small and medium-sized businesses.

The proposed increase could lead to reduced profitability in the gift card sector, forcing retailers to either raise prices or scale back promotions to recoup lost revenue. Given the slim margins many businesses operate with, such changes could have a cascading effect on retail pricing and overall consumer spending. The intended benefit to consumers must be weighed against the broader economic impact on the business community.

For these reasons, VICA urges you to oppose SB 22.

Stuart Waldman
VICA President



March 18, 2025

State Senator
California State Capitol
Sacramento, CA, 95814

RE: Senate Bill 84 (Niello): Disability Access – SUPPORT

Dear State Senator,

The Valley Industry & Commerce Association (VICA) supports SB 84, which offers a pre-litigation “notice and cure” period for small businesses facing construction-related accessibility claims. By providing a 120-day window to remedy violations before litigation is allowed, this bill helps protect businesses from potentially ruinous lawsuits while still ensuring that necessary accessibility improvements are made.

Under existing law, even minor technical violations of accessibility standards can result in costly lawsuits and settlements, with some cases costing small businesses thousands of dollars in damages and legal fees. This aggressive litigation environment disproportionately affects small establishments that may lack the resources to fight prolonged legal battles, often resulting in financial hardship or business closure.

SB 84 introduces a structured process whereby a business must receive a formal notice of the violation and is then given 120 days to correct the issue without being exposed to statutory damage awards or attorney fees. This proactive approach has been shown to reduce litigation costs by up to 25% and provides a clear, manageable timeline for compliance, thereby encouraging voluntary and timely corrections.

The bill is designed to balance the rights of individuals with disabilities and the operational realities of small business owners. By minimizing the threat of immediate, punitive legal action, SB 84 allows businesses to focus on making the necessary accessibility improvements without the looming fear of financial ruin. In doing so, it fosters an environment where accessibility enhancements can be made cooperatively rather than adversarial.

For these reasons, VICA urges you to support SB 84.

Stuart Waldman
VICA President



March 18, 2025

State Senator
California State Capitol
Sacramento, CA, 95814

RE: Senate Bill 222 (Wiener): Climate Disasters: Civil Actions – OPPOSE

Dear State Senator,

The Valley Industry & Commerce Association (VICA) opposes SB 222, which would expand civil liability for climate-related disasters by allowing lawsuits against companies deemed responsible for exacerbating climate change impacts. This bill targets fossil fuel companies by holding them accountable for a wide range of climate disasters—from wildfires to floods—through a broad interpretation of causation and liability.

Under current legal frameworks, the responsibility for natural disasters is managed through insurance, state regulation, and targeted environmental laws. California's approach to climate change focuses on systematic measures like emissions regulations and renewable energy investments rather than retroactively assigning liability through litigation. The current system has allowed businesses to plan and invest with a clearer understanding of their risks.

SB 222 would establish a new cause of action that enables private parties, including insurers and even the state's FAIR Plan, to sue companies for damages that exceed \$10,000 if their actions contributed to a climate disaster. This approach, which imposes strict and joint liability, raises serious concerns about the ability to fairly determine causation in events that are global and multifactorial. The broad language in SB 222 could open the door to a flood of lawsuits with unpredictable financial consequences for energy producers.

The economic implications of such expansive liability are severe. Increased litigation risks would likely be passed on to consumers in the form of higher energy prices, reduced investment in California's energy sector, and overall market instability. Given that energy prices are already among the highest in the nation, and that businesses depend on stable energy costs, this bill could have a chilling effect on both investment and economic growth.

For these reasons, VICA urges you to oppose SB 222.

Stuart Waldman
VICA President



March 18, 2025

State Senator
California State Capitol
Sacramento, CA, 95814

RE: Senate Bill 442 (Smallwood-Cuevas): Grocery Retail Store and Retail Drug Establishment Employees: Self-Service Checkout – OPPOSE

Dear State Senator,

The Valley Industry & Commerce Association (VICA) opposes SB 442, which would mandate that grocery and retail drug establishments maintain staffed checkout lanes whenever self-service checkouts are offered. This requirement is expected to drive up labor costs and complicated operations in an industry already characterized by razor-thin margins.

Currently, retailers enjoy the flexibility to balance self-checkout and traditional staffed lanes. This discretionary approach allows businesses to respond dynamically to labor market conditions, ensuring that cost efficiencies achieved through automation can coexist with high-quality customer service.

Under existing laws, many retailers have successfully integrated self-checkout technology to reduce expenses by up to 40% in certain operations. This strategy is vital in an industry where profit margins often range between 1–3%, making any additional staffing requirement potentially crippling.

SB 442 would impose a rigid structure by mandating a staffed lane alongside each self-checkout, a 60-day notice period before implementation, and enhanced safety training. Additionally, the bill sets steep daily penalties of up to \$10,000 for non-compliance, which could quickly escalate into a significant financial burden, especially for smaller retailers.

The bill's prescriptive nature not only undermines the benefits of automation but also diminishes the competitive edge of local businesses. Retailers would be forced to divert resources from other critical areas such as technology investment and customer service improvements.

For these reasons, VICA urges you to oppose SB 442.

Stuart Waldman
VICA President



March 18, 2025

State Senator
California State Capitol
Sacramento, CA, 95814

RE: Senate Bill 458 (Niello): Initiative and Referendum Measures: Title and Summary – SUPPORT

Dear State Senator,

The Valley Industry & Commerce Association (VICA) supports SB 458, which would improve California's initiative and referendum process by transferring the responsibility for drafting ballot titles and summaries to the nonpartisan Legislative Analyst's Office (LAO). This reform is crucial to ensure that voters receive clear, accurate, and impartial information about proposals that have significant economic impacts.

Under current law, the Attorney General—an elected, partisan official—is responsible for drafting ballot language. This practice has led to instances where politically influenced phrasing may misrepresent the intent or fiscal impact of initiatives, causing confusion among voters and business leaders alike.

Research and past experiences have shown that partisan language in ballot summaries can skew public perception, particularly on measures affecting taxes, regulations, and economic policies. This undermines public trust and creates an unpredictable environment for businesses that rely on stable legislative frameworks.

SB 458 would assign the task of drafting ballot summaries to the LAO, whose expertise and nonpartisan approach have earned widespread respect. This change promises to deliver fact-based, clear summaries that focus on fiscal realities rather than political rhetoric.

Moreover, this reform would likely reduce the frequency of legal challenges to ballot language and build confidence in the initiative process. With clearer communication, both voters and business stakeholders would be better informed when evaluating the economic and regulatory impacts of proposed measures.

For these reasons, VICA urges you to support SB 458.

Stuart Waldman
VICA President



March 18, 2025

State Senator
California State Capitol
Sacramento, CA, 95814

RE: Senate Constitutional Amendment 3 (Niello): Elections: Initiatives and Referenda – SUPPORT

Dear State Senator,

The Valley Industry & Commerce Association (VICA) supports SCA 3, a constitutional amendment that would permanently transfer the duty of drafting initiative and referendum titles and summaries from the Attorney General to the nonpartisan Legislative Analyst's Office (LAO). This change is essential to safeguard the integrity and clarity of the ballot process for proposals affecting California's economy.

Presently, the Attorney General—due to the partisan nature of the office—has at times produced ballot language that reflects political bias. This practice has raised concerns about the fairness of the initiative process and the true fiscal implications of proposed measures.

The shift proposed by SCA 3 would embed the responsibility in the state Constitution, ensuring that the LAO's rigorous, impartial analysis remains the standard for drafting ballot information. This constitutional change would lock in nonpartisanship, thereby reducing potential future manipulation of ballot language for political ends.

The amendment is expected to foster a more transparent initiative process, enabling voters to clearly understand proposals that could impact business operations, tax policies, and regulatory frameworks. Consistency in ballot information promotes better public discourse and ultimately leads to more stable economic decision-making.

Furthermore, a permanent, nonpartisan framework would reassure investors and business leaders that future legislative measures will be communicated clearly and reliably, strengthening overall confidence in California's governance.

For these reasons, VICA urges you to support SCA 3.

Stuart Waldman
VICA President



March 18, 2025

Assemblymember
California State Capitol
Sacramento, CA 95814

RE: Assembly Bill 239 (Harabedian-Irwin): State-Led County of Los Angeles Disaster Housing Task Force – SUPPORT

Dear Assemblymember,

The Valley Industry & Commerce Association (VICA) supports AB 239, which would establish a state-led disaster housing task force for the County of Los Angeles. This initiative aims to coordinate a rapid and effective response to housing emergencies following natural disasters, ensuring that affected communities receive timely support.

Currently, disaster response efforts in Los Angeles are fragmented, with multiple agencies handling different aspects of emergency housing and recovery. This lack of centralized coordination often leads to delays and inefficiencies, leaving vulnerable populations without adequate shelter while straining local resources.

AB 239 proposes the creation of a unified task force under state leadership to streamline disaster housing efforts in the county. The task force would integrate resources from state, county, and local agencies to provide a cohesive strategy for rapid rehousing and long-term recovery, reducing duplication and confusion in disaster response.

By establishing a dedicated team focused on disaster housing, the bill will significantly improve the speed and efficiency of post-disaster recovery efforts. The task force is expected to develop standardized protocols, allocate resources more effectively, and ensure that affected residents are quickly provided with safe, temporary, and permanent housing solutions.

Enhanced coordination through AB 239 would not only protect the well-being of residents but also stabilize the local economy by reducing the disruption to businesses that depend on a functioning community. Efficient disaster response minimizes economic losses and supports quicker recovery for both residents and commercial enterprises.

For these reasons, VICA urges you to support AB 239.

Stuart Waldman
VICA President



March 18, 2025

Assemblymember
California State Capitol
Sacramento, CA 95814

RE: Assembly Bill 246 (Bryan): Residential Rent: County of Los Angeles - OPPOSE

Dear Assemblymember,

The Valley Industry & Commerce Association (VICA) opposes AB 246, which would impose new restrictions on residential rent in the County of Los Angeles. This proposal is designed to regulate rent increases and lease terms, but its provisions risk undermining the rental market's economic stability and reducing incentives for property investment.

Under current law, local governments maintain a balanced approach to regulating rents, allowing market dynamics to drive investment and ensuring that affordable housing initiatives do not inadvertently penalize property owners. This flexible framework has helped sustain a robust rental sector while encouraging responsible improvements in housing affordability.

AB 246 would mandate tighter controls on rent increases and impose additional administrative burdens on landlords. Proponents claim that these measures will protect tenants from rapid rent hikes; however, they may also discourage investment in rental properties and lead to unintended reductions in available housing units.

If enacted, the bill would shift the cost burden to property owners and developers, potentially causing them to curtail maintenance or delay new projects. The increased regulation could reduce the overall supply of rental housing, further exacerbating affordability challenges rather than resolving them.

Moreover, tighter rent controls in a market as dynamic as Los Angeles could stifle innovation in property management and limit opportunities for small investors who contribute to a diverse housing market. A more restrictive environment might also prompt owners to convert rental units to other uses, reducing the stock of affordable housing over time.

For these reasons, VICA urges you to oppose AB 246.

A handwritten signature in black ink, appearing to read 'Stuart Waldman', is positioned above the typed name.

Stuart Waldman
VICA President



March 18, 2025

Assemblymember
California State Capitol
Sacramento, CA 95814

SUBJECT: Assembly Bill 301 (Schiavo-Rivas): Planning & Zoning: Housing Development Projects: Post entitlement phase permits: state departments - SUPPORT

Dear Assemblymember,

The Valley Industry & Commerce Association (VICA) supports AB 301, which seeks to streamline the post-entitlement phase of housing development projects by refining permit processes managed by state departments. This proposal is aimed at reducing delays and regulatory uncertainty, thereby accelerating the development of new housing projects.

Under current zoning and planning regulations, developers often face prolonged permit approval periods after receiving entitlements. This lengthy process adds to project costs and can deter investment in housing developments, which are critical for addressing California's housing shortage and stimulating local economies.

AB 301 would reform the permitting process by establishing clear, consistent guidelines for the post-entitlement phase. It aims to coordinate the efforts of state departments to review and approve permits more efficiently, reducing the administrative backlog that often slows down new housing construction.

The anticipated changes under AB 301 include reduced waiting times for permit approval and more predictable timelines for developers, enabling better planning and budgeting. Faster permitting processes are expected to foster an environment where investment in housing is more attractive, ultimately leading to an increase in the construction of new units.

In addition to accelerating housing development, the streamlined process will provide greater certainty for the business community. A more efficient permit system minimizes risks associated with project delays and cost overruns, which is essential for maintaining investor confidence and supporting economic growth in our region.

For these reasons, VICA urges you to support AB 301.

Stuart Waldman
VICA President



March 18, 2025

Assemblymember
California State Capitol
Sacramento, CA 95814

**SUBJECT: Assembly Bill 306 (Schultz-Rivas): Building Regulations: State Building Standards
- SUPPORT**

Dear Assemblymember,

The Valley Industry & Commerce Association (VICA) supports Assembly Bill 306 (Schultz-Rivas), which aims to temporarily restrict local governments from modifying state building standards for residential units. This legislation is a crucial step toward addressing California's housing crisis by ensuring consistency in building regulations, thereby expediting the construction of much-needed housing.

California faces a significant housing shortfall, with an estimated need for 3.5 million additional homes by 2025 to meet demand. However, housing production has lagged, averaging fewer than 80,000 new homes annually over the past decade, far below the projected need of 180,000 additional homes per year. This disparity has led to escalating home prices, with the median home price in California exceeding \$800,000, more than double the national average. Renters are similarly burdened, with over 55% of California renters spending a significant portion of their income on housing costs.

Currently, local governments in California have the authority to amend state building standards, leading to a patchwork of regulations that can delay housing projects and increase construction costs. These inconsistencies often deter developers and exacerbate the state's housing shortage.

AB 306 proposes a moratorium, effective from June 1, 2025, to June 1, 2031, during which cities and counties would be prohibited from altering established building standards. This uniformity is expected to streamline approval processes and reduce barriers to housing development.

By standardizing building regulations across the state, AB 306 will facilitate faster construction of residential units, contributing to alleviating the housing deficit. This approach not only benefits developers but also prospective homeowners and renters by potentially lowering housing costs through reduced administrative hurdles and economies of scale in construction.

For these reasons, we urge your support for AB 306.

Stuart Waldman
VICA President



March 18, 2025

Assemblymember
California State Capitol
Sacramento, CA 95814

RE: Assembly Bill 481 (Blanca Rubio): Healing Arts: Clinical Laboratories: Personnel – SUPPORT

Dear Assemblymember,

The Valley Industry & Commerce Association (VICA) supports Assembly Bill 481 (Rubio), which seeks to address the ongoing workforce shortage in clinical laboratories by authorizing trained personnel to assist with essential testing under licensed supervision. AB 481 offers a practical and responsible solution to help address the long waiting times for medical results, delays in treatment, and increased burden on healthcare providers without compromising quality and safety.

Under current law, unlicensed individuals are prohibited from assisting in moderate- or high-complexity laboratory tests even under the direct supervision of a licensed professional. According to the California Department of Health and Human Services, the state is already facing a shortfall of over 24,000 clinical laboratory scientists by 2025, and these restrictions further limit the abilities of laboratories to function efficiently.

The impact is significant – delayed results can lead to worsened health outcomes, increased hospital stays, and higher costs for patients and providers. Meanwhile, the demand for laboratory services continues to rise due to an aging population, testing requirements, and workforce attrition.

AB 481 provides a necessary update to California's regulations by allowing qualified personnel to assist with specimen handling, reagent preparation, sample processing, and other essential pre- and post-test tasks – functions that do not require independent decision-making but are crucial to laboratory efficiency. These changes are fully compliant with federal CLIA standards, maintaining strong regulatory oversight while giving labs the flexibility they need to operate effectively.

By increasing laboratory capacity, AB 481 will reduce testing delays, improve patient outcomes, and help hospitals, clinics, and private labs operate more efficiently, providing an immediate solution to a growing problem and bringing stability to California's healthcare infrastructure without adding unnecessary costs or regulatory burdens.

For these reasons, VICA urges your support for AB 481.

Stuart Waldman
VICA President



March 18, 2025

Assemblymember
California State Capitol
Sacramento, CA 95814

SUBJECT: Assembly Bill 566 (Lowenthal): California Consumer Privacy Act of 2018: Opt-Out Preference Signal - OPPOSE

Dear Assemblymember,

The Valley Industry & Commerce Association (VICA) opposes AB 566 (Lowenthal), which requires an opt-out preference signal under the California Consumer Privacy Act of 2018. The bill aims to give consumers a clear way to opt out of data collection practices, but it imposes additional compliance and technology burdens on businesses operating in California.

Currently, businesses comply with the CCPA by providing consumers with various privacy notices and mechanisms to control their data. These systems, while sometimes complex, have been integrated into business operations over the past several years. The current framework offers flexibility in how companies present opt-out options to users.

AB 566 would mandate a standardized opt-out preference signal across all digital platforms, significantly altering the way businesses collect, store, and process consumer data. Although intended to simplify privacy choices for consumers, this one-size-fits-all approach could lead to costly system overhauls and disrupt existing practices.

If implemented, the bill would require companies to invest heavily in new software and interfaces to comply with the uniform opt-out requirement. Small and medium-sized enterprises, which often operate on limited budgets, may find these new costs particularly challenging, potentially stifling innovation and competitiveness in the digital marketplace.

Furthermore, the mandated opt-out signal could create confusion among consumers by overriding more nuanced privacy controls that companies have tailored to different segments of their user base. This rigidity may lead to unintended data gaps or misinterpretations, ultimately affecting both customer service and business operations.

For these reasons, VICA urges you to oppose AB 566.

Stuart Waldman
VICA President



March 18, 2025

Assemblymember
California State Capitol
Sacramento, CA 95814

RE: Assembly Bill 856 (Chen): Sales & Use Tax: Exemptions: Manufacturing - SUPPORT

Dear Assemblymember,

The Valley Industry & Commerce Association (VICA) supports Assembly Bill 856 (Chen), which seeks to extend the partial sales and use tax exemption for manufacturing and research and development equipment purchases in California.

Since its inception on July 1, 2014, the partial exemption has played a pivotal role in bolstering California's manufacturing sector by reducing the financial burden associated with capital investments in machinery and equipment. By extending this exemption until January 1, 2036, AB 856 will provide continued incentives for manufacturers to invest in advanced technologies, enhance production capabilities, and maintain California's competitive edge in the global market.

California's sales tax rates are among the highest in the nation, with the base state rate at 6%, and combined local and district rates reaching up to 10.75% in certain areas. This substantial tax burden can deter investment and expansion within the state. By extending the existing partial exemption, AB 856 will alleviate some of these financial pressures, encouraging businesses to invest in the state's economy and workforce.

Moreover, the manufacturing industry is a cornerstone of California's economy, providing high-quality jobs and fostering innovation. Extending the tax exemption aligns with the state's goals of promoting economic growth, technological advancement, and job creation. It also positions California to attract and retain businesses that might otherwise seek more tax-friendly environments.

VICA strongly supports AB 856 and urges the Legislature to pass this important measure. Extending the partial sales and use tax exemption for manufacturing and research and development equipment is a strategic investment in California's economic future, ensuring that our state remains a leader in innovation and industrial growth.

Stuart Waldman
VICA President