

2019 APRIL UPDATE



UCAN

united chamber advocacy network

MEET WITH LEGISLATORS

The last several weeks have been busy ones for the United Chamber Advocacy Network (UCAN), a coalition of local chambers of commerce united to advance their members' priorities before the California State Legislature.

On February 25, over 60 local chamber leaders presented UCAN's 2019 State Policy Agenda to state legislators - Assemblymembers Frank Bigelow, Ken Cooley and Kevin Kiley and Senator Jim Nielsen - and assembled at the offices of the California Dental Association, overlooking the State Capitol Building in downtown Sacramento.

CHAMBER MEMBERS' TOP CONCERNS

71%	Taxes
40%	Regulatory/environmental compliance
34%	HR/Labor compliance
33%	Overall business climate
29%	Affordable housing
28%	Wage mandates/ minimum wage
25%	Dynamex decision



With recent gains by Democrats in both the Assembly and the Senate, it is increasingly important for business oriented interests like UCAN to engage with relatively pro-business Moderate Democrats. To gain greater insights into the "Mod Dem" caucus, UCAN invited Sacramento political consultant David Townsend to speak to the assembled business leaders. Townsend has advised the Mod Dem Caucus for several years and informed the UCAN chamber leaders that many of the new legislators must establish relationships with their constituents in the local districts and, as a result, local chambers of commerce have a unique opportunity to amplify the voice of small business in the legislature.

"Many of my small/medium sized business clients have used independent contractors for years and are now faced with the possibility of either stopping using ICs or having to hire them as full time employees. This WILL have a detrimental effect on many of my clients."

UCAN Chamber
Member



2019 POLICY POSITIONS

UCAN chamber leaders are still prioritizing their legislative agenda however UCAN has taken an "oppose unless amended" position on Assembly Bill 5 by Assemblymember Lorena Gonzalez, which essentially codifies the court's narrow definition of independent contractor. Gonzalez is currently meeting with individual groups that are seeking specific "carve outs" within the legislation including physicians, insurance brokers and others.

UCAN's primary concern is for impacts to small business operations that utilize independent contractors as part of their daily business operations. UCAN's stated priority is to include language "that allows small businesses, start-ups, and non-profits with the ability to contract for work directly associated with primary business activity, allowing flexibility to manage workforce in good times and bad."

Dynamex - Independent Contractor Status

AB 5 (Gonzalez) Oppose unless amended
Would codify much of Dynamex State Supreme Court decision

AB 71 (Melendez) Support
Would codify pre-existing standards under Borello

SB 238 (Grove) Support
Potentially clarifies portions of Borello and Dynamex

Taxes

SB 200 (Monning) Oppose
Water tax to fund drinking water improvement in select CA communities

SB 669 (Caballero) Support
Establishes CA Safe Drinking Water Fund using surplus funds

SB 522 (Hertzberg) Oppose
Seeks to implement sales tax on services

Regulations

AB 312 (Cooley) Support
Requires each agency to review regulations and identify duplicative and/or outdated

AB 196 (Gonzalez) Oppose
Expands family leave program to 100% wage replacement, under \$100K a year

AB 555 (Gonzalez) Oppose
Expands existing 3-day sick leave to 5 days for all employers w/o phase in or reforms

Business Climate

AB 906 (Cooley) Support
Requires GO-BIZ to develop statewide economic development strategy