

# MAKING CALIFORNIA // 2020 Legislative Agenda

We are living in unprecedented times and California manufacturers understand and feel the magnitude of the public health crisis and the significant impact it is having on our once-booming economy. Manufacturers have risen to these challenges and have partnered with the Newsom Administration to become an essential part of the COVID-19 economic recovery process. As we look to the future, securing the public health, getting people back to work and stabilizing California's economic recovery should be the state's primary objective.

Our 2020 Making CA Agenda is comprised of legislative "MAKERS" and "BREAKERS" -- proposals that drive our legislative priorities during 2019-2020 -- and are listed below.

**MANUFACTURING "MAKERS"** are proposals that directly improve our industry's competitiveness and increase our production capacity. Conversely, **MANUFACTURING "BREAKERS"** are proposals that would result in significant negative impacts on the manufacturing sector, including increases in operational costs, job reductions, and/or reductions in our ability to remain competitive in the national and global economy.

## MAKERS



### **AB 1035 (James Ramos) *Temporary Protection for Small Companies During the Pandemic.***

Provides liability protection to small businesses who diligently follow government health and safety guidelines while partnering with the state to combat the COVID-19 public health emergency.

**Status: Bill stalled in Senate Judiciary Committee**



### **AB 3101 (Blanca Rubio) *California New Market Tax Credit.***

Designs a streamlined process for low-risk investments that will incentivize manufacturing and boost community development that leads to better career opportunities and skills attainment for area residents.

**Status: Bill held in Assembly Appropriations Committee on Suspense**



### **AB 3307 (Eduardo Garcia) *California Manufacturing Emergency Preparedness Act of 2020.***

Develops a finance program to incentivize the expansion and repurposing of manufacturing and logistic capacity to improve California's disaster preparedness and support state emergency response and recovery efforts.

## BREAKERS



### **AB 196 (Lorena Gonzalez) *Workers' Compensation COVID-19 Presumption.***

Represents a broad, fundamental shift in the state's workers compensation system by creating a permanent conclusive presumption for unsubstantiated COVID-19 claims that will unfairly increase costs for manufacturers.



### **AB 398 (Kansen Chu) *Statewide Tax on Jobs.***

Imposes a five-year tax of \$275 per employee on large employers beginning January 1, 2021 to fund COVID-19 related recovery efforts.

**Status: Bill stalled in Senate Governance and Finance Committee**



### **AB 1066 (Lorena Gonzalez) *Unemployment Insurance Eligibility.***

Extends benefits to workers on strike thereby overreaching beyond the intended purpose of unemployment insurance and making the fund susceptible to shortages during times of heightened need.

**This version of the bill stalled on the Senate Floor. It was subsequently amended into another subject matter.**



**AB 3216 (Ash Kalra) *Mandatory Leave Policies.***

Proposes broad expansions of existing mandatory leave programs that will be unmanageable and costly to all manufacturers, especially those whose operations have been severely impacted by the pandemic-induced recession.

**Status: Bill substantially amended so CMTA has removed its opposition**



**SB 54 (Ben Allen) / AB 1080 (Lorena Gonzalez) *Packaging and Products***

Delegates broad authority to Cal Recycle to impose new mandates on hundreds of thousands of consumer packaging and products at their discretion and absent clear direction from, or subsequent review by, the Legislature.



**SB 749 (Maria Elena Durazo) *Public Records Act: Trade Secrets.***

Transforms private employers' proprietary information into a public record whenever they enter into an agreement with a state or local agency, disrupting a range of incentive programs and local development agreements.



**SB 1383 (Hanna Beth Jackson) *CA Family Rights Act Expansion.***

Imposes new protected leave requirements on small businesses under the threat of civil litigation and increases the burden on all employers to provide expanded amounts of leave, irrespective of the financial constraints of the pandemic-induced recession.