



2015 POLICY REVIEW



Driving San Diego Business

Chamber Public Policy – Local Review 2015

Summary

The Chamber took positions on 26 local initiatives, 59 state bills and regulatory proposals, and 17 federal bills and regulatory proposals this year. The review is divided into three sections – Local, State, and Federal. Each review is separated into sections based on Public Policy Committee issue areas.

The Chamber took a position on 26 local initiatives this year.

Defense, Veterans & Military Affairs

Quick Look

Positions Taken – 0
Opposed – 0 initiatives
Supported – 2 initiatives

Veteran Hiring

*As an effort led by the Chamber’s Defense, Veterans and Military Affairs Committee, the Chamber established the **Hire a Veteran Honor Roll**, which is a recognition system to encourage the increased hiring of veterans throughout the San Diego region. To be awarded Honor Roll member status, a Chamber member business must hire a veteran and employ them for a minimum of 90 days and submit an application to Chamber Public Policy staff.*

Veteran Philanthropy

*Supported **The Dress Code**, which was a large community effort to assist women through the military transition process by providing female veterans with the professional attire needed to begin civilian employment with confidence. Pink Dress Code bins were positioned throughout the San Diego area where supporters could drop off new or gently used professional clothing, shoes, jewelry, and handbags. The event culminated in thousands of items donated and a day of hair and make-up, interview preparation and skill building workshops for veterans with local businesses participating.*

Energy & Water

Quick Look

Positions Taken – 4
Opposed – 1 initiative
Supported – 3 initiatives

Renewable Energy

*Supported the **City of San Diego (City) Solar Energy Systems Ordinance** with the recommendation that the City use the same streamlined process created for larger solar systems up to 20kW.*

*This recommendation was incorporated by City staff and was reflected in the final ordinance. The City of San Diego's proposed Solar Energy Systems Ordinance implements Assembly Bill 2188 and the State's "Million Solar Roofs" vision. It allows solar energy systems in all base zones, and provides design flexibility. The City will continue to allow exemptions from regulations that require undergrounding or screening of mechanical and utility equipment. Efforts to streamline processes such as permitting for residential solar energy systems makes it easier for homeowners to invest in solar panels, removing barriers to the industry and providing more renewable energy to the grid. **The City Councilmembers voted to approve the ordinance on August 4, 2015 and it is currently effective in noncoastal zones.** The ordinance is expected to be considered by the Coastal Commission in early 2016 prior to being effective in the coastal zone.*

*Supported and was an advocate for the **City of San Diego's Climate Action Plan**, which allows for flexibility in how to achieve the legally binding state goals for greenhouse gas emission reductions. The Climate Action Plan can be implemented in a deliberate fashion that considers costs, both fiscal and economic, as well as take advantage of new technology and best practices as they come about. **The City Councilmembers voted unanimously to authorize the Climate Action Plan on December 17, 2015.***

Waste Initiative

*Opposed the **City of Encinitas Consideration of a Ban on Expanded Polystyrene**. The cost for restaurants to switch to other alternative food containers would be significant and would have disproportionate impact on small-scale, independent restaurants in an industry that typically provides narrow profit margins. A ban on expanded polystyrene would increase costs for restaurant operators on top of the recent minimum wage increases, the health care coverage mandate, and increasing supply costs. With expanded polystyrene being a recyclable material accepted in Encinitas curbside bins, efforts should focus on public awareness of recyclability and anti-litter efforts. The proposed ban has been placed on indefinite hold by the Encinitas Mayor and Council.*

Water Rates

*Supported the **City of San Diego Public Utilities Cost of Service Study**, which invests in water reliability while working within the legally-required "Cost of Service" methodology that ensures ratepayers are not paying more than the cost of providing the service. The resulting rate increases will fund and allow important infrastructure projects, including Pure Water, to move forward. The City rates for a typical household were below the San Diego County average and the increases are consistent with the trends of recent years across the state. **The City Councilmembers voted unanimously to accept the Cost of Service Study and adjust rates to fund these infrastructure investments on November 17, 2015.***

Healthcare

Quick Look

Positions Taken – 0
Opposed – 0 initiatives
Supported – 0 initiatives

Mental Health Reform

Organized a **Behavioral Health Working** Group to develop a policy platform for use going forward in addressing the mental health reform policies being developed at the federal level. Further, identified opportunities for growth, improvement or policy change at the local level.

Infrastructure, Housing & Land Use

Quick Look

Positions Taken – 14
Opposed – 1 initiative
Supported – 13 initiatives

Housing/Homelessness

Supported **efforts to alleviate homelessness**. The Chamber hosted a homeless roundtable with leaders from across the region. Chamber members had the opportunity to discuss homelessness and how it affects businesses and the community. The panel included: Councilmember Todd Gloria; Bahija Hamraz, Clean & Safe Executive Director, Downtown San Diego Partnership; Sgt. Michael Stirk, Homeless Outreach Team, San Diego Police Department; Officer Surwilo, San Diego Police Department, Ocean Beach Community; Representatives from Councilmember Lorie Zapf's office. The Chamber participated in forums hosted by the Downtown San Diego Partnership, the Housing Commission, and the Mayor's office on this top policy priority.

The Chamber updated its **Housing Action Plan**. In order to keep with the region's projected population growth, 220,000 new housing units must be developed by 2030. The Chamber is advocating for transit oriented development, expanding the Section 8 voucher program, increasing funding for veteran housing assistance and focusing on addressing homelessness in our region. The Chamber Housing Action Plan was presented to the City of San Diego's Smart Growth and Land Use Committee for consideration.

Infrastructure

Supported the **City of San Diego's Infrastructure Guidelines**, which outlines the Chamber's priorities with respect to any effort to address the City's infrastructure situation. Developing and managing infrastructure, such as roads and bridges which is a core competency of municipal government, and is important to growing commerce in our region.

Supported **Councilmember Kersey's REBUILDSD Infrastructure Charter Amendment** that could appear on the June 2016 Ballot. This proposal would commit future funding for neighborhood infrastructure projects, including streets, sidewalks, storm drains,

parks, and more. The charter amendment was approved by the San Diego City Council Committee on Infrastructure on December 9, 2015 and will go to the City Council in 2016.

Land Use

Supported **Discovery Point LLC's Request for RFP Process from the Port of San Diego**. Discovery Point intends on creating an iconic waterfront landmark through the construction of a 400-foot sky wheel and an optional three-level, 420-space parking garage topped with a 30,000-square-foot pavilion. The pavilion would display exhibits from local museums and institutions that showcase San Diego's history and accomplishments, such as the Museum of Man and the Air and Space Museum, making it appealing to both tourists and residents. The concept was presented to Port Commissioners in February of 2015.

Opposed the **One Paseo project referendum**, which would have overturned the master planned mixed-use development project in Carmel Valley. The project is consistent with the Chamber's Housing Action Plan's commitment to density and walkability, and workforce housing, as it makes valuable use of a vacant site by providing housing, public green space, new bike lanes and enhanced pedestrian connectivity, as well as diverse shopping and dining options in a previously underserved area. The project has been since reduced in size after negotiations with opposing community groups and will go back to the City Council this year.

Supported the **10th Avenue Marine Terminal Redevelopment Plan**, which would modernize the terminal to increase efficiency and accommodate growth in cargo business. The Unified Port of San Diego's redevelopment plan for the 10th Avenue Marine Terminal would maximize San Diego's competitive advantages over other west coast ports, helping ensure economic prosperity to benefit the region into the future. The environmental impact report is underway and a draft is anticipated early this year.

Supported **County Supervisor Ron Roberts' Aerial Tramway (Gondola) Proposal** in concept, which would travel up Sixth Avenue to Balboa Park adjacent to the Organ pavilion. This two-mile route is intended to provide tourists with a unique way to traverse downtown, but also to provide residents with innovative commuting options. The gondola system would enhance transportation options in the densest urban core while enhancing the community's character and adding a new landmark attraction. SANDAG is currently exploring the feasibility of this proposal.

Testified and supported the **East Harbor Island Subarea Port Master Plan Amendment**, which would modify an existing allowance for a 500-room hotel in a manner that would allow for the development of up to three hotels with a combined total of up to 500 rooms. The existing Port Master Plan allows for one 500-room luxury hotel. The hotel projects contemplated by the amendment will also create economic benefits for the region through the creation of short term construction jobs and long term hospitality jobs. The Master Plan Amendment was not passed by the Coastal Commission,

resulting in the Port Commission authorizing staff to initiate litigation with the Coastal Commission.

Supported the San Diego County Regional Airport Authority's **Airport Development Plan**, which will result in infrastructure enhancements that will further optimize the airport's operation. The new developments are critical to ensure that San Diego International Airport continue to provide San Diego travelers with world-class service and facilities. The Plan was approved in concept by the San Diego Regional Airport Authority Board and will consider specific alternatives at a later date.

Supported the **Time Warner Cable "Convoy Hub" Communications Switching Station**, which is seeking city approval to demolish an existing commercial structure in order to construct a 6,238 square-foot Communications Switching Station designed to host equipment required for their internet, data, video and telephone services in the area. Time Warner Cable's Switching Facility is necessary to strengthen telecommunication infrastructure and connectivity by housing the necessary equipment to facilitate their internet, data and communication services. The project's categorical exemption is tentatively scheduled for hearing in early 2016, and following that decision, it will proceed before a hearing officer followed by the Planning Commission.

Supported the **Lilac Hills Ranch Master Planned Community Project**, which consists of 608 acres in the Valley Center and Bonsall Community Plan areas, approximately 10 miles north of the City of Escondido. The Lilac Hills Ranch mixed-use project is designed to provide community resources and amenities within walking distance to that vehicle miles traveled are reduced. This should also reduce vehicle miles traveled of the commuting workforce and retain substantial amounts of their families' spending within the regional economy. A recent California Supreme Court ruling may have delayed the project as it will require further time-intensive studies and analysis to ensure new large-scale construction does not make it impossible to reduce greenhouse gas emissions statewide.

Regional Planning

Testified and supported **SANDAG's Regional Plan** (San Diego Forward), which will guide the investments in the regional transportation network totaling over \$200 billion. This is critical to support the substantially population growth projections, and to improve the regional mobility. Growth, through 2050, is projected to total nearly one million new residents, requiring an additional 330,000 homes and 500,000 new jobs throughout the region. **The SANDAG Board of Directors approved the Final EIR in conjunction with the Regional Plan on October 9, 2015.**

Short Term Vacation Rentals

Supported the basic tenants of **Councilmember Chris Cate's Short-Term Rental Proposal in concept**. The proposal would allow short-term to be rentals offered through web-based platforms which provides certainty to current and potential hosts/owners while respecting the residential nature of neighborhoods. The proposal

offered by Councilmember Cate is to pass an ordinance providing clarity regarding responsibilities of hosts/owners and the City including noticing, taxes, penalties, and related processes. The City's regulations continue to be debated and are anticipated to be considered by the City Council as soon as March 2016.

Tourism

*Supported **SeaWorld's Blue World Project**, which would expand and enhance the killer whale exhibit. This new attraction will further drive tourism to our region, benefitting our local economy and expanding jobs. The Blue World Project will undoubtedly be a welcomed addition to the state and region, reaffirming California's role as a leader in animal care and research. The project was not passed by the Coastal Commission, and the space is now being reviewed for other potential uses by SeaWorld.*

Legislative & Small Business Advocacy

Quick Look

Positions Taken – 3

Opposed – 0 initiatives

Supported – 3 initiatives

Regulatory Guidance

*The Chamber's Legislative & Small Business Advocacy Committee instituted a series of **Small Business Roundtables**, which provided recommendations to the City of San Diego's Economic Development Director, Erik Caldwell, on how the City can further support small businesses. Roundtable topics included: Water Reliability, Conservation, and Affordability; Safe & Maintained Business Corridors; and Regulatory Pitfalls. Following each roundtable, a letter was drafted summarizing the recommendations and sent to Mr. Caldwell.*

Chamber Public Policy – State Review 2015

Summary

The Chamber took a position on 59 regulatory and legislative proposals.

Defense, Veterans & Military Affairs

Quick Look

Positions Taken – 6

Opposed – 0 bills

Supported – 6 bills

Military Installations

Supported **SB 111 (Fuller) School Facilities: Military Installations**, which will increase funding for dilapidated schools serving military families. This bill directs the legislature to provide assistance in meeting the 20% match requirement to the California school districts that qualify for a federal school construction grant. **This bill was signed by the Governor on October 2, 2015 and Chaptered by the Secretary of State as Chapter 447, Statutes of 2015.**

Military Transition

Supported **AB 64 (Chávez): State Employees: Reinstatement after Military Service**, which would have granted reservists the ability to receive the same wages and shifts as before they took leave. This bill would have helped reservists ease back into their civilian life after they return from service and underscores the importance of job stability and opportunity for our servicemen and women. This bill was placed on the Assembly Committee on Appropriations Suspense File and held under submission.

Taxation

Supported **SB 2 (Anderson) Property Taxation: Exemptions: Veterans' Organizations**, which would have expanded existing property tax exemption for veterans' organizations so that the exemption remains valid if the property is occasionally rented to a third party, or in some other way occasionally not used by a veterans' organization. Spaces such as VFW halls would be specifically impacted by this legislation. This bill was placed on the Assembly Committee on Revenue & Taxation Suspense File.

Veteran Advocacy

Supported **AB 13 (Chávez): Public Postsecondary Education: Community Colleges: Exemptions from Nonresident Tuition**, which would have allowed community colleges to accept the in-state student subsidy known as "apportionment funding" for veterans who may not meet the definition of "in-state." This bill was designed to give veterans the opportunity to pursue their educational interests without delay. **This bill was held in the Senate Committee on Education, however the language was carried over and successfully adopted into the Governor's 2015 budget.**

Supported **AB 27 (Chávez): Public Postsecondary Education: Exemption from Nonresident Tuition**, which would have

exempted students who are using G.I. Bill benefits from paying nonresident tuition rates, by requiring the CSU system and community colleges, and requesting the UC system to establish policy consistent with the Federal Choice Act passed in 2014. **This bill was held in the Senate Committee on Education however the language was carried over and successfully adopted into the Governor's 2015 budget.**

Education & Workforce Development

Quick Look

Positions Taken – 5

Opposed – 1 bill

Supported – 4 bills

Charter Schools

Opposed **AB 787 (Hernandez) Charter Schools: Operation: Nonprofit Public Benefit Corporations**, which would have prohibited a charter school from being operated by or as a for-profit entity. Charter schools have expressed concerns about the unintended consequence of such legislation, citing that some charter schools opt to hire for-profit administrative support via contracting, the vague definitions in the bill could result in unintended consequences that hinder charters from relying on contracting with for-profit entities for services. **This bill was vetoed by the Governor on October 10, 2015.**

Higher Education

Supported **SB 15 (Block) Postsecondary Education: Financial Aid: Graduation Incentive Grant Program**, which would have increased the number of Competitive Cal Grant A and B awards granted each year from 22,500 to 30,000, and increased the maximum tuition award amount for students at private non-profit institutions. This bill was held in the Assembly Committee on Higher Education.

Supported **AB 288 (Holden) Dual Enrollment Programs**, which will authorize community college districts and local school districts to enter into "College and Career Access Pathways" partnerships to allow students to take college level courses while still in high school. Dual enrollment programs have resulted in increased exposure to career options and technical training for students. Traditionally offered high-achieving students, it is now a program offered to more vulnerable or at-risk youth. AB 288 presents a new path for academic success and career technical training for students. **This bill was signed by the Governor on October 8, 2015 and Chaptered by the Secretary of State as Chapter 618, Statutes of 2015.**

Military in Education

Supported **AB 427 (Weber) Early Primary Programs**, which would have excluded the military housing allowance from being calculated as income when determining eligibility for childcare and development services specified under the Child Care and Development Services Act. This bill was placed on the Senate Committee on Appropriations Suspense File and held under submission.

School Safety

Supported **AB 1051 (Maienschein) Human Trafficking**, which would have added pimping, pandering, and human trafficking to the list of crimes used to enhance penalties for persons affiliated with a criminal street gang. The bill would have also created a "safe school zone" by increasing sentences for convictions related to human trafficking that occur within 1,000 feet of a school. This bill was placed on the Senate Committee on Appropriations Suspense File and held under submission.

Energy & Water

Quick Look

Positions Taken – 4

Opposed – 1 bill (opposed as written)

Supported – 3 bills

Energy

Opposed **SB 350 (De León) Clean Energy and Pollution Reduction Act of 2015 as written**, which aimed to primarily do three things: increases the Renewable Portfolio Standard to 50%, achieve a 50% reduction in petroleum use by vehicles, and achieve a 50% decrease in energy use by existing buildings. However, none of SB 350's goals recognize the cost to businesses and residence through increased rates or increased prices to consumers. This bill comes at a substantial cost to a region and a state that is already at a competitive disadvantage for business when it comes to utility rates. This bill was substantially amended and signed by the Governor on October 7, 2015 and Chaptered by the Secretary of State as Chapter 547, Statutes of 2015.

Vehicle Efficiency

Supported **AB 857 (Perea) The Clean Trucking Act**, which would have changed the Clean Truck Program to require that funds be allocated to support the deployment of existing commercial heavy-duty trucks. The bill also would have redefined "heavy-duty" to limit the funds to trucks over 26,000 lbs. Gross Vehicle Weight Rating (GVWR). The current definition of "heavy-duty" applicable to SB 1204 is over 6,000 lbs. GVWR. AB 857 would have provided financial incentives for companies to use low NOx (e.g. natural gas) heavy-duty trucks, therefore, improving air quality. This bill was placed on the Senate Committee on Appropriations Suspense File and held under submission.

Supported **AB 1074 (Garcia) The Clean Fueling Act**, which would have required the California Energy Commission (CEC), by January 1, 2017, to develop an alternative fueling infrastructure plan that includes determining the numbers and types of stations needed and the geographic areas where the stations will be needed. This bill would have worked toward achieving the state's climate change goals and increase reliance on alternative fuels, while improving the environment and public health. This bill was placed on the Assembly Committee on Appropriations Suspense File and held under submission.

Water Management

Supported **AB 149 (Chavez): Urban Water Management Plans**, which would have made permanent changes to the adoption dates for future Urban Water Management Plans (UWMPs) to December 31 of years ending in "one" or "six." Under current law, the adoption dates are for years ending in "zero" and "five." Current law does not allow adequate time for the inclusion of Census data in UWMPs in years that end in "zero." This requires considerations of extensions for every UWMP. This bill, would have eliminated the need for future extensions of adoption dates. **This bill was signed by the Governor on July 6, 2015 and Chaptered by the Secretary of State as Chapter 49, Statutes of 2015.**

Healthcare

Quick Look

Positions Taken – 14

Opposed – 1 bill and 1 initiative

Supported – 12 bills

Access to Care

Supported **AB 59 (Waldron) Assisted Outpatient Treatment**, which would have required each county to implement the provisions of Assisted Outpatient Treatment Demonstration Project Act of 2002 (Laura's Law). This would have allowed courts to order a person to receive assisted outpatient treatment for an initial treatment period not to exceed 12 months pursuant to an order if requisite criteria are met. This would have allowed each county to address mental illness, increase public safety, and generate savings by decreasing hospitalization and jail costs. This bill was held in the Assembly Committee on the Judiciary.

Health Facilities

Supported **AB 690 (Wood) Medi-Cal: Federally Qualified Health Centers: Rural Health Clinics**, which would have amended current law to cover marriage and family therapists (MFT) through Medi-Cal. The bill would have enabled rural health clinics and federally qualified health centers to hire qualified licensed marriage and family therapists. Healthcare centers will have been reimbursed, per visit, through Medi-Cal for the covered mental health services they provide. This bill was placed on the Assembly Committee on Appropriations Suspense File and held under submission.

Supported **AB 1046 (Dababneh) Hospitals: Community Benefits**, which would have required hospitals to adopt a community benefits plan every three years and requires hospitals to annually report actions taken under such plans to the Office of Statewide Health Planning and Development. Aligning state and federal guidelines would have made the community benefit reporting process more efficient. This bill was in the Assembly Committee on Health and its hearing was canceled at the request of the author on April 28, 2015.

Supported **AB 1130 (Gray) Clinics: Licensing: Hours of Operation**, which will increase the number of hours per week for community clinics operating on an intermittent basis from 20 to 30.

*This bill will allow for clinics to better serve the increased number of patients, and adds much needed flexibility. **This bill was signed by the Governor on October 1, 2015 and Chaptered by the Secretary of State as Chapter 412, Statutes of 2015.***

*Supported **AB 858 (Wood) Medi-Cal: Federally Qualified Health Centers: Rural Health Clinics**, which would have required a federally qualified health center (FQHC) or rural health clinic (RHC) that includes the cost of encounters with more than one health professional at one location in a single day, to bill the visits separately. AB 858 would have provided that a maximum of two visits taking place on the same day, at a single location, shall be reimbursed when either after the first visit the patient suffers illness or injury requiring additional diagnosis or treatment, or the patient has a medical visit and another health visit or both. This bill was vetoed by the Governor on October 10, 2015.*

*Supported **SB 147 (Hernandez) Federally Qualified Health Centers**, which authorizes the Department of Health Care Services to establish a pilot project for FQHC reimbursement, known as the alternative payment methodology. Instead of receiving the existing per-visit reimbursement for the requisite face-to-face encounters between the patient and specified providers, FQHCs will get a "capitated payment" which is a contracted rate based on the number of eligible individuals in a service area. **This bill was signed by the Governor on October 10, 2015 and Chaptered by Secretary of State as Chapter 760, Statutes of 2015.***

*Opposed **SB 346 (Wieckowski) Health Facilities: Community Benefits**, which would have required a private nonprofit hospital and nonprofit multispecialty clinic to provide community benefits to the public by allocating a specified percentage of economic value of community benefits to charity healthcare and community building activities. SB 346 included vague and unnecessary challenges to nonprofit hospital community benefit requirements that conflict with the Affordable Care Act. **This bill failed to pass out of the Senate Health Committee.***

*Supported **SB 610 (Pan) Medi-Cal: Federally Qualified Health Centers and Rural Health Clinics: Managed Care Contracts**, which would have required the State Department of Health Services to conduct their initial review of a scope-of service rate change request from a Federally Qualified Health Center (FQHC) or Rural Health Center (RHC) within 30 days. Under SB 610, such rate change requests would have been finalized by the department within 90 days of the original submission. Community clinics would have been charged with serving California's low-income population and are a critical piece of the state's safety net fabric. Their ability to operate would have been dependent upon timely payments at appropriate rates for services provided. This bill was vetoed by the Governor on October 10, 2015 and is currently in the Senate awaiting consideration of the Governor's veto pending.*

Medical Technology

Supported **AB 221 (Dababneh) Mobile Application: Driver's Licenses and Identification Cards**, which would have authorized the creation of a mobile application that could store a valid government identification card. There could have been significant tangential benefits related to the application, including reducing the cost of patient identification management in the healthcare system. This bill was vetoed by the Governor on October 9, 2015.

Supported **SB 289 (Mitchell) Telephonic and Electronic Patient Management Services**, which would have required a health service plan or health insurer to cover telephonic and electronic patient management services offered by a health care provider and reimburse those services based on their complexity and time expenditure. SB 289 would have expanded telehealth services and increase payment opportunities for such services, which is a priority of the Chamber's Healthcare Committee. This bill was held in the Senate Committee on Appropriations and held under submission.

Mental Health

Supported **AB 1300 (Ridley-Thomas) Mental Health: Involuntary Commitment**, which have made incremental changes to the Lanterman-Petris-Short Act (LPS) and clarifies the process of involuntary holds. The LPS Act contains a broad and ambiguous definition of what composes an "evaluation." AB 1300 would have renamed it as an "assessment," and gives specific guidelines as what actions may be taken to determine the need for an involuntary commitment. It is believed that through this clarification may substantially decrease wait times at emergency departments (ED's) from the current troubling and costly average of 10.05 hours. This bill was held in the Assembly Committee on Appropriations with its hearing postponed by the committee.

Reimbursements

Supported **AB 366 (Bonta) Medi-Cal: Reimbursement: Provider Rates**, which would have not only repeal prior year rate cuts to Medi-Cal, but would have increased payments rates for inpatient hospital services and most outpatient services. Additionally, AB 366 would have required the State Department of Health Care Services to increase each diagnosis-related group payment amount based on increases in the medical component of the Consumer Price Index. This bill was placed on the Senate Committee on Appropriations Suspense File and held under submission.

Supported **SB 243 (Hernandez) Medi-Cal: Reimbursement: Provider Rates**, which would have restored previous rate cuts to Medi-Cal service providers and would have required that rates paid to Medi-Cal managed care plans be equal to rates under Medicare. The current low reimbursement rate has resulted in a growing number of healthcare providers that will not see Medi-Cal patients due to cost. SB 243 would have made it financially reasonable to see Medi-Cal patients again and ease the delays in finding providers and care when necessary. This bill was held in the Senate Committee on Appropriations and held under submission.

Taxation

Opposed the **Managed Care Organization (MCO) Tax Proposal**, which would place a \$658 million tax on commercial health care coverage following the current tax's expiration on July 1, 2016. The tax would impose a tiered tax per additional member month on MCO's as they increase their enrollment. The MCO Tax Proposal would affect employers and individuals throughout the state to reflect a \$658 million tax on commercial coverage on a state that has low reimbursement rates and high premiums already. The proposal presented did not reflect the need for a broad based, more equitable solution to the loss of the current MCO funding. The MCO tax is under consideration by the Special Session on Healthcare Funding called by Governor Brown.

Infrastructure, Housing & Land Use

Quick Look

Positions Taken – 9 (8 bills and 1 initiative)

Opposed – 3 bills and 1 initiative

Supported – 5 bills

Housing

Supported **AB 1403 (Maienschein) Housing: Joint Powers Agreement**, which allows for non-profit corporations serving homeless individuals to enter into a joint powers agency (JPA) with a public entity. This bill mimics previous legislation that has provided for the allowance of other organizations (healthcare, child care, etc.) to enter into JPA's with government agencies to better coordinate service delivery, or maximize resources. This bill could allow for improved service delivery, eliminate redundancy in care and facilitate better long-term planning on homelessness. **This bill was signed by the Governor on August 12, 2015 and Chaptered by Secretary of State as Chapter 188, Statutes of 2015.**

Regulatory Burdens

Supported **AB 1500 (Maienschein) California Environmental Quality Act: Homeless Complex Projects: Exemption**, which would have amended California code to exempt "priority housing projects" from requirements set forth by the California Environmental Quality Act (CEQA), if specific conditions were met. CEQA requires local government to prepare and certify intensive Environmental Impact Reports (EIR) for any project that may have a significant impact on the environment. The requirements set forth by CEQA deter the construction of more shelter and consequently impede efforts to lower the instances of homelessness. Providing an exemption would ease the regulatory burden and improve the state's response to the issue. This bill was held in the Assembly Committee on Natural Resources and a further hearing is to be set.

Opposed **AB 504 (Gonzalez) Civic San Diego/General Plans**, which aimed to dismantle Civic San Diego and limit the potential for new development in San Diego. The bill would have required all permit, zoning, and planning decisions made by private individuals or nonprofit groups to earn final approval from the legislative body of the local government. **The Chamber campaigned tirelessly to defeat AB 504 and on October 8, 2015 the Governor vetoed**

this bill.

Ride Share Legislation

Opposed **AB 24 (Nazarian) Transportation Network Companies: Public Safety Requirements**, which would have required charter-party carriers (CPC) and Transportation Network Companies (TNC) to participate in the Department of Motor Vehicle's (DMV) Employer Pull Notice Program (EPN), and submit TNC drivers to a mandatory drug and alcohol test. Requiring ride share companies to submit to drug and alcohol testing and registering their vehicles increases costs on businesses. Requiring drivers to register their personal vehicle would have added costs and added another layer of difficulty in doing business at airports. **This bill was held in the Assembly Committee on Appropriations and its hearing was postponed by the committee.**

Supported **AB 828 (Low) Vehicles: Transportation Network Companies**, which would have clarified that a personal vehicle used in the transportation of a passenger by a transportation network company (TNC) is not a commercial vehicle. Mandating TNC drivers to register their personal vehicle as a commercial vehicle increases business costs and curtails growth and innovation. This bill was re-referred to the Senate Committee on Energy, Utilities, and Communications.

Supported **AB 1422 (Cooper) Transportation Network Companies**, which requires transportation network companies (TNC's) to participate in the Department of Motor Vehicle's Employer Pull Notice System (EPN). Currently, commercial drivers and others are required to participate in the EPN system for safety purposes, and provide these reports (upon request) to the California Highway Patrol. AB 1422 implements additional safety precautions for a segment of the industry, and could allow for quicker removal of dangerous drivers. **This bill was signed by the Governor on October 11, 2015 and Chaptered by Secretary of State as Chapter 791, Statutes of 2015.**

Taxation

Opposed **Property Tax Split Roll Proposals – SCA 5 (Hancock / Mitchell) - "Make It Fair" Ballot Initiative**. There were two proposals out to make reforms to Proposition 13 (the 1978 law limiting general property taxes to 1% of the assessed value of your property, and limiting growth to 2% each year). This issue regularly resurfaces. Split Roll is when you exclude non-residential property from the protections of Prop 13. It's a tax increase on commercial property that would be paid by businesses. This proposal was held in the Senate Committee on Governance & Finance.

Transportation

Supported **AB 194 (Frazier) High-Occupancy Toll Lanes**, which authorizes regional transportation agencies and Caltrans to develop and operate high-occupancy toll (HOT) lanes, and eases existing limitations. This bill is intended to encourage additional HOT lanes throughout the state after the demonstrated success of projects such as the I-15 HOT lane in San Diego. **This bill was signed by the Governor on October 9, 2015 and Chaptered by Secretary of**

State as Chapter 687, Statutes of 2015.

*Opposed **AB 219 (Daly) Public Works: Concrete Delivery**, which expands the definition of "public works" to include the hauling and delivery of ready-mixed concrete, as specified. AB 219 would cause the state to incur significant support and enforcement costs, ignores longstanding distinctions in labor law between drivers and construction workers, and imposes significant liability and administrative burden on prime contractors. This bill was signed by the Governor on October 10, 2015 and Chaptered by the Secretary of State as Chapter 739, Statutes of 2015.*

Legislative & Small Business Advocacy

Quick Look

Positions Taken – 20

Opposed – 8 bills

Supported – 12 bills

Advocacy

*Supported **AB 312 (Jones) Advertising**, which would have allowed for more products to be labeled and advertised as made in the United States. By allowing more products to have the label "Made in the United States," consumers would have been able to choose to purchase products that support jobs in the United States. This bill was referred to the Senate Committee on the Judiciary.*

Employer Burdens

*Opposed **SB 3 (Leno) Minimum Wage: Adjustment**, which would have increased the minimum wage in California to \$11 per hour beginning January 1, 2016 and \$13 per hour beginning July 1, 2017. Raising the minimum wage again would hinder businesses trying to deal with the current minimum wage increase and other business-associated costs that are also increasing such as water and energy rates. **This bill was held in the Senate Appropriations Committee and placed on Suspense File.***

*Opposed **AB 357 (Chiu) Employment: Work Hours: Scheduling**, which would have, required employers in the food and general retail industries to schedule their workers at least two weeks in advance. If any changes were to occur within the two week period occurs, the employees would receive additional pay. AB 357 would have established a new regulation that would come at the direct cost of employers and businesses. This bill was ordered to the inactive file at the request of the author.*

*Supported **AB 1252 (Jones) Proposition 65: Enforcement**, which would have created an opportunity, for employers with 25 or less employees, to correct their wrongdoing when facing an enforcement filing under Proposition 65. It would have provided for businesses, with 10-25 employees, to correct an enforcement action within 14 days after service of notice. Giving the employer the chance to correct could save the business from paying the steep legal costs, fines and court ordered payments that could put their existence in jeopardy. This bill failed to pass out of the*

Assembly Committees on Environmental Safety & Toxic Materials and Judiciary.

Opposed **SB 608 (Liu) Right to Rest**, which would have mandated that all individuals experiencing homelessness would have the right to engage in various activities in a broadly used "public space." SB 608 contained no solutions for homelessness. It contained no new programs, no funding for housing, and no effort to improve services. SB 608 exposed business owners to legal action should they try to prevent a homeless person from "resting" in an area that may be impeding their ability to operate. This bill had a hearing set for January 5, 2016 but was canceled at the request of the author.

Opposed **AB 970 (Nazarian) Labor Commissioner: Enforcement of Employee Claims**, which will expand the authority of the Labor Commissioner to enforce local labor laws, including those around minimum wage or overtime hours, and allows the Commissioner to issue citations and penalties. AB 970 could result in increased costs to employers and a redundancy in policy that is unnecessary as current law already allows for enforcement of labor law. This bill was signed by the Governor on October 11, 2015 and Chaptered by the Secretary of State as Chapter 783, Statutes of 2015.

Opposed **SB 406 (Jackson) Employment: Leave**, which would have expanded the family members covered in the California Family Rights Act. SB 406 could have overwhelmed small businesses by mandating businesses with five or more employees to provide a 12-week protected leave of absence. This would have put a greater burden on both small and large businesses while creating an even further disconnect from the federal Family and Medical Leave Act. **This bill was vetoed by the Governor on October 11, 2015.**

Opposed **AB 67 (Gonzalez) Double Pay on the Holiday Act of 2015**, which would have required employers to pay employees at least twice their hourly wage if they work on Thanksgiving, presenting a major cost burden to certain businesses as well as significant cost to the state. Furthermore, AB 67 would have given businesses a major disadvantage in comparison to online companies and out-of-state businesses that participate in "Black Friday" by not subjecting them to the same cost in employee compensation. Chamber staff participated on the CalChamber's coalition to oppose this bill. **The bill was defeated on the Assembly floor.**

Overtime Pay

Supported **AB 1470 (Alejo) Working Hours: Overtime**, which would have limited the employees who are eligible for overtime compensation. AB 1470 would make state law conform to federal law by creating a presumption in California that a highly compensated employee, performing a non-manual labor job and performing a specified exempt duty, is properly classified as a salaried employee

and exempt from wage and hour requirements. This bill was re-referred to the Assembly Committee on Labor & Employment and its first hearing was canceled at the request of the author.

Regulatory Burdens

Supported **AB 1233 (Levine) Distilled Spirits Manufacturers: Licenses, Tastings**, which would have repealed the prohibition of the sale of distilled spirits at craft distilleries in California. The bill would have allowed the sale of up to three bottles per person at a distillery tasting and the limited sale of all types of fermentable ingredients. States that have overturned these prohibition-era laws have seen a booming craft distilling industry. California distillers are currently unable to truly market themselves, build brand recognition, and remain competitive due to these outdated regulatory hurdles. The bill was held in committee and will be referred for further study.

Scheduling

Supported **AB 1038 (Jones) Employment: Flexible Work Schedules**, which would have allowed for more employees to elect to work up to 10 hours per day in a 40 hour work week without overtime compensation. By providing an opportunity for employers and employees to agree on removing the overtime compensation requirement under specific circumstances, both parties are more likely to benefit from a more optimal work schedule. AB 1038 would have reduced the restriction on business work days, allowing both the employee and employer to benefit from a mutual agreement. This bill failed to pass out of the Assembly Committee on Labor & Employment.

Small Business

Supported **AB 19 (Chang) Governor's Office of Business and Economic Development: Small Business: Regulations**, which would have required the state to review and recommend improvements to all regulations affecting small businesses by January 1, 2021. The Governor's Office of Business and Economic Development (GO-Biz) is the lead entity for the state's economic strategy. AB 19 would have required GO-Biz, advised by the Office of the Small Business Advocate, to establish by January 2016, and execute within five years, a public process to review and recommend improvements to all regulations affecting small businesses. This bill was placed on the Assembly Committee on Appropriations Suspense File and held under submission.

Supported **AB 866 (Garcia) Economic Development: Small Business**, which would have required the Small Business Advocate, in the office of GO-Biz, to provide information to rulemaking agencies, specifically giving stakeholder feedback regarding new or amended regulations. AB 866 would have improved transparency and understanding of small businesses by utilizing the Small Business Advocate as an effective, trusted go-between for public agencies and businesses. This bill was referred to the Assembly Committees on Business & Professions and Education and its hearing was canceled at the request of the author.

Supported **AB 184 (Garcia) Small Business Technical Assistance Act of 2015**, which would have been the first step in the process of

ensuring that California could receive federal funding for small business programming, which for the past decade, the state has not received. This bill would have made an important step in laying groundwork for future policy discussions around better supporting California's small business community. This bill was placed on the Assembly Committee on Appropriations Suspense File and held under submission.

Taxation

Opposed **SB 8 (Hertzberg) Taxation on Services**, which would have extended the state Sales and Use Tax to include services with the exception of Healthcare services, education services and all businesses with under \$100,000 in sales would be exempt. This bill would have resulted in substantially higher taxes for California businesses and hinder business and job creation in San Diego. This bill was held in the Senate Committee on Governance and Finance.

Supported **AB 43 (Stone) Personal Income Tax: Credit, Earned Income**, which would have created a refundable Earned Income Tax Credit (EITC) for low-income individuals working in California, similar to the federal EITC. The federal EITC reduces the amount of taxes owed and can even result in a refund for working people with low to moderate incomes. The EITC has been identified as an effective approach to reduce poverty because it provides support for those in need, incentives work, and is targeted in nature. This bill was placed on the Assembly Committee on Appropriations Suspense File and held under submission.

Wages/Compensation

Opposed **SB 501 (Wieckowski) Wage Garnishment Restrictions, Student Loans**, which will amend existing laws regulating wage garnishment from "judgment debtors." SB 501 will reduce the amount of wages that may be garnished by a "judgment creditor" to the lesser of 10% of the individual's earnings (down from 25%) or 1/3 of the amount by which the individual's earnings exceed the full-time-equivalent of minimum wage (down from 100%). Establishing a different threshold than the federally established threshold would result in an additional disadvantage to California businesses. This bill was signed by the Governor on October 11, 2015 and Chaptered by the Secretary of State as Chapter 800, Statutes of 2015.

Supported **AB 669 (Daly) Total Compensation Bill**, which would have proposed to change California law to acknowledge employees' total taxable compensation in minimum wage calculations. AB 669 was designed to reduce employer's surging cost of continued minimum wage increases for highly compensated workers, while allowing them to use limited wage dollars to benefit other non-tipped employees. The substantial increases in minimum wage at the state level will result in a significant disruption to the economy, most notably in industries dependent on lower-skilled labor. This bill failed to pass out of the Assembly Committee on Labor & Employment.

Supported **AB 944 (Oberholte) Unemployment Compensation Benefits: Hearing Procedures**, would have mandated that first-level unemployment insurance appeals be conducted by telephone,

unless otherwise requested by a participant in the process. This practice is used throughout the country already, and offers the benefit of diminished travel time and loss of productivity for both the claimant and former employer. This bill was referred to the Assembly Committee on Insurance and its first hearing was canceled at the request of the author.

Chamber Public Policy – Federal Review 2015

Summary

The Chamber took a position on 17 federal initiatives and pieces of legislation.

Defense, Veterans & Military Affairs

Quick Look

Positions Taken – 4
Opposed – 0 bills
Supported – 3 bills and 1 initiative

Energy Efficiency

Supported **H.R. 3108 (Peters) The Department of Defense Energy Security Act**, which would strengthen American energy security by improving the military's battlefield effectiveness through increased investment in energy efficiency and renewable energy technology. This bill would streamline efforts across service branches by establishing a central database for energy projects. On August 13, 2015, this bill was referred to the House Subcommittee on Readiness.

Veteran Community Initiative

This Chamber-sponsored **Vets' Community Connections (VCC)** was founded by the Wounded Warriors Project and the National Association of Counties, and San Diego is one of three pilot cities. The Chamber sponsored a survey of what veterans need and it showed that veterans and their families did not want to visit another website but be able to speak with real people. Real people who can recommend a trusted auto mechanic or know a good Little League. In partnership with 2-1-1 San Diego, VCC will have a database of businesses that veterans and their families can tap into. As a partner, the Chamber is tasked with signing up member businesses who can offer time and/or services to veterans and their families in the San Diego region.

Veteran Transition Support

Supported **H.R. 2861 (Peters) Veteran Employment Transition (VETS) Act**, which would assist veterans during their transition from military service to civilian life by opening services, incentivizing veteran hiring, and establishing program accountability. This bill would extend the Work Opportunity Tax Credit to recently discharged veterans, provide contracted businesses financial incentives for hiring veterans, and aims to improve the coordination of veteran training services between the executive departments. On November 16, 2015, this bill was referred to the House Subcommittee on Higher Education and Workforce Training.

Supported **S. 1870 (Moran) Veterans Entrepreneurial Transition Act**, which would establish a 3-year pilot program to support up to 250 veterans who are pursuing small business ownership. This bill provides an additional path to career opportunities for veterans in a time when veteran employment is often cited as a major cost for the Department of Defense and concern for advocates working with the transitioning population. On July 29, 2015, this bill was in the Senate Committee on Small Business and Entrepreneurship and ordered to

Washington, D.C. 2015 Meetings

be reported with an amendment in the nature of a substitute favorably.

Met with **Mike Brinck, Deputy Staff Director, House Committee on Veterans' Affairs** to discuss veterans, housing, and homelessness.

Met with **Assistant Secretary of the Navy, Dennis V. McGinn** at the Pentagon.

Met with **Assistant Secretary of the Navy, Sean Stackley** at the Pentagon.

Met with **Chief Naval Officer Admiral Richardson** at the Pentagon.

Met with **Vice Admiral Cullom** at the Pentagon.

Met with Military Liaison Chris Gasper from the **Office of U.S. Senator Dianne Feinstein**.

Met with **Representative Keith Rothfus** to discuss defense and veteran issues.

Met with **Representative Mark Takano** to discuss veterans and economic development and his role as Ranking Member House Armed Services Subcommittee on Economic Opportunity.

Met with Andreas Mueller, Lucian Niemeyer, and Randy Nuckolls of **Dentons** to discuss military issues.

Met with **Representative Mac Thornberry** and **Representative Duncan Hunter** to discuss military issues and Representative Thornberry's role as Chairman of the House Armed Services Committee.

Met with **Representative John Garamendi** to discuss transportation and veterans issues and his role as a member of the House Armed Services Subcommittee on Strategic Forces.

Met with Military Liaison Rekha Chandrasekaran from the **Office of Representative Susan Davis** and Military Liaison Sterling McHale from the **Office of Representative Scott Peters**.

Hosted a Veterans Roundtable with **Undersecretary of Defense for Personnel & Readiness Brad Carson, Vets' Community Connections Kari McDonough, and Vets' Community Connections** and former **Pentagon senior spokesman and communications strategist Doug Wilson**.

Hosted a tour and briefing at the **National Cybersecurity & Communications Integration Center**.

Education & Workforce Development

Quick Look

Positions Taken – 2
Opposed – 0 bills
Supported – 2 bills

STEM Education

Supported **H.R. 748 (McKinley) GI Bill STEM Extension Act**, which would allow for an extension of Post-9/11 GI Bill benefits for a veteran who is seeking a degree in a specified science, technology, engineering and mathematics (STEM) curriculum. The length of time it requires to graduate from an American college has increased since the initial iteration of the GI Bill benefit back in 1944. Today, it is estimated that only 19% of full-time students earn a bachelor's degree in four years, which is a major challenge for veterans relying on a GI Bill benefit for their college financing. On February 20, 2015 this bill was referred to the House Subcommittee on Economic Opportunity.

Student Loans

Supported **H.R. 1713 (Peters) Student Loan Repayment Assistance Act**, which would give students the option to extend the grace period before they must start repaying their student loans. Additionally, workers would have the option to receive an income tax deduction which is equal to their student loan payments that is matched by an eligible employer contribution. The Student Loan Repayment Act would ease the burden many students experience as they are expected to start repaying their loans as soon as they enter the workforce. On March 26, 2015, this bill was referred to the House Committee on Ways and Means.

Washington, D.C. 2015 Meetings

Met with Legislative Correspondent Chelsea Cuellar from **the Office of Representative Darrell Issa** to discuss workforce development.

Met with Tax Policy Advisor Alvin Chan from the **Office of Senator Orrin Hatch** to discuss tax implications on private universities and Senator Hatch's role as Chairman of the Senate Finance Committee and member of the Senate Committee on Health, Education, Labor, and Pensions.

Met with Co-Director David Deschryver from the **Whiteboard Advisors** to discuss education and workforce development issues.

Met with **Acting Assistant Secretary of Education Johan Uvin** from the Department of Education to discuss education issues.

Met with staffer James Redstone from the **House Committee on Education and the Workforce**.

Met with Education Policy Fellow Andres Perez from the **Office of Representative Susan Davis** to discuss education issues.

Met with **Assistant Secretary Byron Zuidema** from the Department of Labor to discuss workforce and education issues.

Energy & Water

Quick Look

Positions Taken – 4 (3 bills and 1 project)

Opposed – 0 bills

Supported – 3 bills

Drought Preparedness

Supported **S. 1894 (Feinstein), California Emergency Drought Relief Act**, which would invest \$1.3 billion in long-term water infrastructure and other efforts to stabilize the water situation in California. Efforts include helping communities that suffer from the repercussions of the drought, storage, water recycling, desalination, protecting habitat as well as research and innovation all while adhering to all existing environmental laws such as the Endangered Species Act and Clean Water Act. The Act outlines a process allowing for emergency release of water and streamlines environmental review procedures for water deliveries. This bill would support water recycling, water storage, well-monitoring, storm water capture, as well as desalination, which has shown success in San Diego County and will soon be generating enough water to supply 300,000 San Diego County residents. On October 8, 2015, this bill was referred to the Senate Committee on Energy and Natural Resources.

Fisheries Project

Supported the **Rose Canyon Fisheries Sustainable Aquaculture Project**. This project is a commercial-scale, environmentally sustainable aquaculture system that raises fish for human consumption stationed along San Diego's coastline. The farming of these fish domestically will support the local economy, preserve the ecosystems of the ocean, and reduce the need for foreign trade in this industry. The project would be the nation's first commercial-scale fish farm in federal waters. The federal government has yet to make a decision on the application.

Nuclear Storage

Supported **H.R. 3643 (Conaway), Interim Consolidated Storage Act** (Rep. Issa Original Cosponsor), which would amend the Nuclear Waste Policy Act to allow interest earned by the Nuclear Waste Fund to be used to pay for interim consolidated storage facilities for nuclear waste, moving nuclear waste from San Onofre to a location in Texas. On October 2, 2015 this bill was referred to the Subcommittee on Environment and the Economy.

Tax Credits

Supported the **Solar Investment Tax Credit Extension (ITC)**. The Solar ITC is a 30 percent federal tax credit that promotes the use of renewable and solar energy. The tax credit applies to residential and commercial properties that are utilizing solar systems. The credit supports the San Diego clean technology industry and further establishes the region's competitive advantage. This will result in ongoing economic impact for the regional economy. The five-year extension and slow phase-down of the industry's federal investment tax credit (ITC) is now in place.

Washington, D.C. 2015 Meetings

Met with **Representative Mimi Walters** to discuss water, technology, and innovation policy.

Met with **U.S. Chamber of Commerce** staff to discuss federal energy policy.

Met with **U.S. Senator Dianne Feinstein** to discuss the drought and general water issues.

Met with Legislative Director Peter Freeman from the **Office of Representative Ed Royce** to discuss water issues.

Met with Legislative Assistant Alison McGuire from the **Office of Senator Mike Enzi** to discuss energy issues.

Met with Reed Linsk from the **Office of Representative Duncan Hunter** to discuss water issues.

Hosted a water roundtable with **Environmental Protection Agency, Bureau of Water Reclamation, Mayor Kevin Faulconer, San Diego County Water Authority, Representative Scott Peters, and Representative Susan Davis.**

Healthcare

Quick Look

Positions Taken – 5
Opposed – 1 initiative
Supported – 3 bills and 1 initiative

Affordable Care Act

Supported **H.R. 30 (Young) Save American Workers Act**, which would replace the definition of full time employee as stated in the Affordable Care Act from 30 hours per week to 40 hours per week. This would allow employers to increase employee productivity by increasing the amount of hours an employee could work. Employees would benefit from the increased wages due to the greater number of hours worked. This Act would help protect part-time workers from lost hours and paychecks at work. On January 8, 2015 this bill passed out of the House and was referred to the Senate Committee on Finance.

Supported **Fixing the "Family Glitch,"** which is a faulty benchmark in the Affordable Care Act that exempts as much as four million people with low to moderate income from subsidies on their health insurance plan. As a result, many are left unable to afford health insurance due to high premiums and unsubsidized costs. There is no current legislative vehicle to fix the "Family Glitch."

Employer Burdens

Supported **H.R. 2911 (Boustany)/S. 1697 (Grassley) Employer Payment Arrangement Penalty**, which would repeal a recently enacted IRS rule that would fine employers operating an employer payment arrangement to fund employees' healthcare costs. This rule was not a part of the Affordable Care Act or subsequent legislation

and proposes a \$100 per day per employee fine for businesses that are attempting to support their employees. By repealing the IRS rule, these bills would spare employers trying to do the right thing from disproportionate and unwarranted punishment. On November 16, 2015 this bill was referred to the Subcommittee on Health, Employment, Labor, and Pensions.

Innovation

Supported **H.R. 6 (Upton) 21st Century Cures Act**, which focuses on accelerating the discovery and development of treatments and modernize the delivery and organization of patient care. This act creates the "Innovation Fund" which is a dedicated funding stream of \$1.75 billion per year for 5 years to the National Institutes of Health and \$110 million per year for 5 years to the Food and Drug Administration. This bill passed out of the House and on July 13, 2015 this bill was received in the Senate, read twice and was referred to the Committee on Health, Education, Labor, and Pensions.

Taxation

Opposed **40% "Cadillac Tax" on Employee Health Care Benefits**, which is an excise tax on high-cost employer-sponsored health coverage. The excise tax is linked to the consumer price index as opposed to medical inflation which results in the large majority of employer-offered plans hitting the threshold at some point regardless of their level of coverage. The tax should, at the very least, be revised if not totally repealed to allow for coverage to remain and stall the significant unintended consequences currently posed for implementation in 2018. **Implementation of the "Cadillac Tax" was delayed for two years by the federal budget.**

Washington, D.C. 2015 Meetings

Met with Executive Director Ian Kremer from the **Leaders Engaged on Alzheimer's Disease** and Executive Director Olivia Mastry from **Dementia Friendly America Initiative**.

Met with Senior Policy Advisor Joe Dunn from the **Office of Senator Chris Murphy** to discuss healthcare issues and his role as a member of the Senate Appropriations Committee and the Health, Education, Labor, and Pensions Committee.

Met with Legislative Assistant Anthony Nguyen from the **Office of Representative Scott Peters** to discuss healthcare issues.

Met with **Representative Tim Murphy** to discuss healthcare policy and his role as senior member of the House Energy and Commerce Committee, Health Subcommittee, and co-chair of the Mental Health Caucus.

Met with Policy Assistant Alec Hinojosa from the **Office of Senator Mike Enzi** to discuss healthcare issues and Senator Enzi's role as Subcommittee Chairman on Primary Health and Retirement Security.

Met with Legislative Staffer Jonah Cunningham from the **Office of Representative Grace Napolitano** to discuss healthcare policy.

Met with Senior Policy Advisor Robert Horne from the **House Committee on Energy & Commerce on Health Interoperability**.

Met with Senior Public Health Policy Brenda Destro from the **Office of Senator Bill Cassidy** to discuss healthcare issues and Senator Cassidy's role as member of the Senate Committee on Health, Education, Labor, and Pensions.

Met with Associate Director for Science Policy Dr. Carrie Wolinetz from the **National Institutes of Health (NIH)**.

Infrastructure, Housing & Land Use

Quick Look

Positions Taken – 1

Opposed – 0 bills

Supported – 1 initiative

Infrastructure Financing

Supported **Federal TIGER Grant Submissions by SANDAG/Caltrans and the Unified Port of San Diego**. The Port of San Diego's application for the modernization of the Tenth Avenue Marine Terminal. The Port generates approximately 23,000 maritime related jobs in the region and adds over \$4 billion to the region's economic output. This modernization project will also advance President Obama's "Ladders of Opportunity" initiative by expanding the pool of highly paid and skilled industrial and maritime jobs available to our regional labor force. The Unified Port of San Diego was awarded a TIGER Grant for early steps towards in modernizing of the Tenth Avenue Marine Terminal.

Washington, D.C. 2015 Meetings

Met with legislative Director Reed Linsk from the **Office of Representative Duncan Hunter** to discuss transportation issues and Representative Hunter's role as member of the House Transportation and Infrastructure Committee.

Met with Deputy Chief of Staff Sean McMaster from the **Office of Representative John Mica** to discuss transportation policy and Representative Mica's role as member of the House Transportation and Infrastructure Committee.

Met with **Deputy Director Tim Hill** from the **Center for Medicaid & CHIP Services** to discuss healthcare, homelessness, and housing.

Met with **Director Caitlin Hughes Rayman** from the **Office of Freight Management & Operations** within the **Department of Transportation** to discuss transportation and shipping issues.

Met with **Deputy Secretary Nani Coloretti** and **Deputy Secretary Lourdes Castro Ramirez**, Interagency Council on Homeless from the **Department of Housing and Urban Development**.

Met with **Representative Janice Hahn** to discuss transportation issues and economic development, and her role as a member of the

Legislative & Small Business Advocacy

Quick Look

Positions Taken – 2

Opposed – 0 bills

Supported – 2 bills

Permitting

Supported **Federal TIGER Grant Submissions by SANDAG/Caltrans and the Unified Port of San Diego**. The Port of San Diego's application for the modernization of the Tenth Avenue Marine Terminal. The Port generates approximately 23,000 maritime related jobs in the region and adds over \$4 billion to the region's economic output. This modernization project will also advance President Obama's "Ladders of Opportunity" initiative by expanding the pool of highly paid and skilled industrial and maritime jobs available to our regional labor force. The Unified Port of San Diego was awarded a TIGER Grant for early steps towards in modernizing of the Tenth Avenue Marine Terminal.

Taxation

Supported **H.R. 2640 (Peters) Consumer Debt Forgiveness Tax Relief Act**. When consumer debt is partially forgiven by a collector, the debt relief has the same impact on the consumer as income, and is currently treated as income by the IRS. Existing law already includes other circumstances in which debt forgiveness should not be taxed as income including if it is part of a Title 11 bankruptcy case, or if the debtor is insolvent. H.R. 2640 would amend the Internal Revenue Code that defines under which circumstances a forgiveness of debt is treated as income to include "qualified consumer indebtedness" up to \$2,500. By recognizing some consumer debt under this category, this legislation would remove a penalty to consumers when they are able to compromise with collectors. The \$2,500 limit per tax year ensures a limited impact on IRS revenues. On June 3, 2015 this bill was referred to the House Committee on Ways and Means.

Washington, D.C. 2015 Meetings

Met with Jay Shambaugh, Member of the **White House Council of Economic Advisors** to discuss economic development.

Cohosted an innovation roundtable at the White House with **Assistant Transportation Secretary of Research and Innovation** (connected, unmanned vehicles).

Hosted a Congressional Bipartisan Working Group panel with Bipartisan Working Group founders, Representative Jim Renacci (R-OH) and Representative John Carney (D-DE), moderated by Representative Scott Peters, member of group.