



CTA 2020 Mid-Year Advocacy Update

Legislative Update

CTA Tracked Bills Active as of 7/23/2020

[AB 196](#) ([Gonzalez D](#)) Workers' compensation: COVID-19: essential occupations and industries.

Status: 5/5/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E.

Summary: Would define "injury," for certain employees who are employed in an occupation or industry deemed essential in the Governor's Executive Order of March 19, 2020 (Executive Order N-33-20), except as specified, or who are subsequently deemed essential, to include coronavirus disease 2019 (COVID-19) that develops or manifests itself during a period of employment of those persons in the essential occupation or industry. The bill would apply to injuries occurring on or after March 1, 2020, would create a conclusive presumption, as specified, that the injury arose out of and in the course of the employment, and would extend that presumption following termination of service for a period of 90 days, commencing with the last date actually worked.

POSITION: OPPOSE

[AB 398](#) ([Chu D](#)) COVID-19 Local Government and School Recovery and Relief Act.

Status: 7/1/2020-Re-referred to Com. on GOV. & F.

Summary: Current law imposes various taxes, including taxes on the privilege of engaging in certain activities. The Fee Collection Procedures Law, the violation of which is a crime, provides procedures for the collection of certain fees and surcharges. Current law establishes the California Department of Tax and Fee Administration in the Government Operations Agency to administer various statutory taxes and fees, as provided. Current law provides that the Controller shall superintend the fiscal concerns of the state. This bill would, on and after January 1, 2021, but before January 1, 2026, impose a tax on a large business, defined as a for-profit, private entity that has more than 500 employees that perform any part of their duties within the state, at the rate of \$275 per employee. The bill would require the California Department of Tax and Fee Administration to administer the tax and collect the tax pursuant to the Fee Collection Procedures Law.

POSITION: OPPOSE

[AB 648](#) ([Nazarian D](#)) Wellness programs.

Status: 6/23/2020-Referred to Com. on HEALTH.

Summary: Would prohibit health care service plans and insurers from sharing any personal information or data collected through a wellness program, except as specified, and would prohibit health care service plans or insurers from taking any adverse action, as defined, against an enrollee or member, or insured (individual), if the action of the health care service plans or insurers is in response to an individual's election to not participate in a wellness program.

POSITION: OPPOSE

[AB 685](#) ([Reyes D](#)) Occupational safety: COVID-19 exposure: notification.

Status: 7/2/2020-Re-referred to Com. on L., P.E. & R.

Summary: Would require a public or private employer to provide specified notifications to its employees, the Division of Occupational Safety and Health, and the State Department of Public Health, relating to the exposure of its employees to COVID-19 that the employer knew of or should have reasonably have known of, as specified. The bill would define "exposure to COVID-19." The bill would make it a misdemeanor if an employer violates the notification requirements of these provisions. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program. The bill would require the Division of Occupational Safety and Health and the State Department of Public Health to make the information publicly available on their internet websites, as specified.

POSITION: OPPOSE

[AB 1281](#) ([Chau D](#)) Privacy: California Consumer Privacy Act of 2018.

Status: 7/1/2020-Re-referred to Com. on JUD.

Summary: The California Consumer Privacy Act of 2018, until January 1, 2021, exempts from its provisions certain information collected by a business about a natural person in the course of the natural person acting as a job applicant, employee, owner, director, officer, medical staff member, or contractor, as specified. The act also, until January 1, 2021, exempts from specified provisions personal information reflecting a written or verbal communication or a transaction between the business and the consumer, if the consumer is a natural person who is acting as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit, or government agency and whose communications or transaction with the business occur solely within the context of the business conducting due diligence regarding, or providing or receiving a product or service to or from that company, partnership, sole proprietorship, nonprofit, or government agency. This bill would extend both exemptions until January 1, 2022.

POSITION: SUPPORT

AB 1577 (Burke D) Income taxes: federal CARES Act: gross income: loan forgiveness.

Status: 7/9/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on GOV. & F.

Summary: Current federal law, the federal CARES Act, and its subsequent amendments in the Paycheck Protection Program and Health Care Enhancement Act and the Paycheck Protection Program Flexibility Act of 2020, among other things, authorizes forgiveness of indebtedness for eligible recipients with covered loans, as defined, in an amount equal to the sum of the recipient's payroll costs, interest on mortgage obligations, rent obligations, and utility payments, subject to specified conditions and during a specified time period. Current federal law excludes any amounts of covered loans forgiven under the CARES Act from gross income for federal income tax purposes. This bill, for taxable years beginning on or after January 1, 2020, would exclude from gross income, for state income tax purposes, any covered loan amount forgiven pursuant to those federal acts.

POSITION: SUPPORT

AB 1850 (Gonzalez D) Worker classification: employees and independent contractors.

Status: 7/1/2020-Referred to Com. on L., P.E. & R.

Summary: Current law exempts specified occupations and business relationships from the application of the ABC test as specified. Current law, instead, provides that these exempt relationships are governed by the multifactor test previously adopted in the case of *S. G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989) 48 Cal.3d 341. Current exemptions include a bona fide business-to-business contracting relationship, as defined, under the specified conditions. Under current law, the business-to-business exemption does not apply to an individual worker, as opposed to a business entity, who performs labor or services for a contracting business. This bill would delete that individual worker provision.

POSITION: OPPOSE

AB 2038 (Committee on Transportation) Transportation: omnibus bill.

Status: 6/23/2020-Referred to Com. on TRANS.

Summary: Current law makes a violation of any regulation governing the standing or parking of a vehicle that is not a misdemeanor punishable with a civil penalty. Current law adds an additional \$3 penalty to any parking offense where a parking penalty, fine, or forfeiture is imposed. Existing law requires this penalty, when it is collected in the courts of the county for an infraction parking violation, to be transmitted to the Treasurer for deposit in the Trial Court Trust Fund. This bill would require this penalty to be transmitted to the Treasurer for deposit in the Trial Court Trust Fund when it is collected in the courts of the county for a parking offense.

POSITION: WATCH

[AB 2141](#) (Mathis R) Department of Motor Vehicles.

Status: 6/23/2020-Referred to Com. on TRANS.

Summary: Current law expresses the policy of the state to recognize the training and experience that individuals gain while serving in the Armed Forces of the United States and requires the Department of Motor Vehicles to develop policies to assist persons who are leaving active duty to obtain commercial driver's licenses, as specified. Current law prohibits those policies from waiving any requisites, fees, or examinations required by law for a commercial driver's license. This bill would remove the requirement that the policies not waive any fees.

POSITION: WATCH

[AB 2257](#) (Gonzalez D) Worker classification: employees and independent contractors: occupations: professional services.

Status: 7/1/2020-Referred to Com. on L., P.E. & R.

Summary: Current law exempts specified occupations and business relationships from the application of the ABC test described above. Current law, instead, provides that these exempt relationships are governed by the multifactor test previously adopted in the case of *S. G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989). This bill would additionally exempt certain occupations in connection with creating, marketing, promoting, or distributing sound recordings or musical compositions.

POSITION: WATCH

[AB 2285](#) (Committee on Transportation) Transportation.

Status: 7/1/2020-Referred to Com. on TRANS.

Summary: The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects. The program provides that projects eligible for funding include, among others, technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology, and requires, until December 31, 2020, no less than 20% of funding made available for that purpose to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology. This bill would extend the requirement that 20% of that funding be made available for that same purpose until December 31, 2021.

POSITION: WATCH

[AB 2460](#) (Daly D) Department of Consumer Affairs: Bureau of Household Goods and Services: household movers.

Status: 7/1/2020-Referred to Com. on B., P. & E.D.

Summary: The Household Movers Act defines terms for its purposes, including “household mover,” which includes every corporation or person, as specified, engaged in the permitted or unpermitted transportation for compensation or hire as a business by means of a motor vehicle or motor vehicles being used in the transportation of used household goods and personal effects over any public highway in this state. This bill would exclude from the definition of “household mover” a motor carrier that provides transportation of household goods in containers or trailers where the household goods are entirely loaded and unloaded by an individual other than an employee or agent of the motor carrier and a broker that utilizes the services of that motor carrier and does not otherwise advertise, solicit, offer, or arrange for the full service moving of used household goods by motor carrier for compensation.

POSITION: CO-SPONSORED BILL

[AB 2663](#) (Garcia, Eduardo D) Use fuel tax: dimethyl ether: fuel blend.

Status: 7/1/2020-Referred to Com. on TRANS.

Summary: Current law requires the Department of Food and Agriculture to establish specifications for automotive spark-ignition engine fuels, as prescribed. Existing law requires the antiknock index for gasoline and gasoline-oxygenate blends to not be less than 87. This bill would define “dimethyl ether-propane fuel blend” and require dimethyl ether-propane fuel blends for use as motor vehicle fuel to meet the latest specifications set forth by the ASTM International, and, if no specifications exist, the bill would require the Secretary of Food and Agriculture to establish interim specifications by regulation. The bill would additionally require the antiknock index for dimethyl ether-propane fuels blends to not be less than 87.

POSITION: WATCH

[AB 3053](#) (Daly D) Labor Commissioner: unpaid wage claim process.

Status: 7/1/2020-Referred to Com. on L., P.E. & R.

Summary: Would, beginning July 1, 2021, require the Labor Commissioner to create an online portal on their internet website that would allow wage claimants to file unpaid wage claims, track those claims, and submit requested documents regarding those claims.

POSITION: WATCH

[AB 3056](#) (Gonzalez D) Warehouse distribution centers.

Status: 7/8/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E.

Summary: Would enact prescribed protections for certain warehouse and distribution center employees. The bill would prohibit an employer from imposing a quota upon an employee under which reasonable amounts of time that the employee spends on any

of the specified activities is counted toward the time required for completing the quota, or results in the employee having less time to complete the quota. The bill would define terms for its purposes.

POSITION: OPPOSE

AB 3216 (Kalra D) Employee leave: authorization.

Status: 7/16/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E.

Summary: Would make it an unlawful employment practice for any employer to refuse to grant a request by an employee to take up to 12 workweeks of family care and medical leave during any 12-month period due to a qualifying exigency related to the covered public health emergency or state of emergency, as those terms are defined. The bill would further make it an unlawful employment practice for any employer to refuse to grant leave to care for a child, spouse, or parent for whom the employee is responsible for providing care if the family member school or place of care has been closed, or the care provider of the family member is unavailable, due to a state of emergency, as defined.

POSITION: OPPOSE

SB 895 (Archuleta D) Energy: zero-emission fuel, infrastructure, and transportation technologies.

Status: 6/29/2020-Referred to Com. on NAT. RES.

Summary: Current law requires the State Energy Resources Conservation and Development Commission, within the limits of available funds, to provide technical assistance and support for the development of petroleum diesel fuels that are as clean or cleaner than alternative clean fuels and clean diesel engines. This bill would instead require the commission, within the limits of available funds, to provide technical assistance and support for the development of zero-emission fuels, zero-emission fueling infrastructure, and zero-emission fuel transportation technologies.

POSITION: WATCH

SB 1159 (Hill D) Workers' compensation: COVID-19: critical workers.

Status: 6/29/2020-Referred to Com. on INS.

Summary: Would, until an unspecified date, define "injury" for an employee to include illness or death resulting from coronavirus disease 2019 (COVID-19) under specified circumstances. The bill would create a disputable presumption, as specified, that an injury that develops or manifests itself while an employee is employed arose out of and in the course of the employment. The bill would require an employee to exhaust their paid sick leave benefits and meet specified certification requirements before receiving any temporary disability benefits or, for police officers, firefighters, and other specified government employees, a leave of absence.

POSITION: WATCH

SB 1383 (Jackson D) Unlawful employment practice: family leave.

Status: 7/2/2020-Read third time. Passed. (Ayes 21. Noes 12.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk.

Summary: Would revise and recast specified provisions to make it an unlawful employment practice for any employer to refuse to grant a request by an employee to take up to 12 workweeks of unpaid protected leave during any 12-month period to bond with a new child of the employee or to care for themselves or a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner, as specified. The bill would require an employer who employees' both parents of a child to grant leave to each employee.

POSITION: OPPOSE

CTA Tracked Bills Dead as of 7/23/2020

AB 1999 (Frazier)

Would have eliminated speed differential for commercial vehicles. Bill did not advance to committee due to COVID related bill cutdowns.

AB2337 (Bloom)

Would have authorized LA Metro to install forward facing cameras for purposes of issuing traffic citations. Bill did not advance to committee due to COVID related bill cutdowns.

AB 3211 (Bauer-Kahan)

Would have authorized local air district to adopt indirect source rules. Worked to get bill double referred to Transportation Committee. Ultimately not set at Assembly Natural Resources due to COVID related bill cutdowns.

SB 926 (Hill)

Would have required retail locations to accept cash payments. Worked with Hill's staff to draft amendments to exempt cardlock fueling facilities. Bill was held in Senate Appropriations.

Regulatory Update

CTA Budget and Administrative Agency Actions

- **Truck Incentives**
Working with coalition of other interests to get administration to prioritize truck funding in Greenhouse Gas Reduction Fund (GGRF) spending plan.
- **Advanced Clean Trucks**
Worked with parcel companies to get ARB to move away from end-user focused rule. ARB Board approved final amendments to manufacturer focused rule in June 2020. Regulation set to be finalized later this year.
- **Transport Refrigeration Unit Rule**
Working with ARB to craft TRU/Cold Storage Facility Rule. Rule should be released in August for December Board Hearing.

- **Heavy Duty Inspection and Maintenance Rule**

Following up on our work on SB210, working with ARB on development of nation's first "smog check for trucks" rule.

- **Privacy**

Submitted comments to Attorney General's Office in support of members' position exempting data used to optimize shipping processes. AG agreed such information not subject to CCPA.

COVID-19

During the height of the COVID-19 pandemic, the CTA Government Affairs team was in virtually constant communications with California's Office of Emergency Services (CalOES), the California State Transportation Agency (CalSTA), CHP, Caltrans and the California DMV on a number of matters related to the state's response and the critical role of trucking. Additionally, CTA remained in close contact with FMCSA, ATA, and other state trucking associations across the country to develop practical solutions to the issues arising from the constantly changing COVID-19 situation.

- **Overweight Permits:** CTA worked closely with Caltrans to develop a temporary permit that increased the maximum allowable gross vehicle weight from 80,000 to 88,000 pounds for motor carriers transporting essential goods. CTA staff worked directly with Caltrans to finalize the permit application package, which provided for blanket permits covering overweight trucks hauling essential goods on the State Highway System during the pandemic.
- **Expiring Med Certs, Endorsements, CDLs, CLPs and Registration:** CTA worked closely with the DMV specifically on the issue of expiring medical certificates, endorsements, CDLs, CLPs and registration. During this period, due to local DMV office closures, limited appointment availability and to ensure the continued movement of essential goods, drivers were granted a temporarily waiver to operate with expired medical certificates, CDLs, CLPs, endorsements and registration without risk of citation from law enforcement. CTA then worked with DMV to expand available online services to include renewing medical certificates and complex vehicle registrations (including PYR).
- **ETP for CDL Applicants:** CTA and the California DMV were instrumental in securing a waiver from FMCSA for state licensing agencies to allow third party testers authorized to administer commercial driver's license skills tests to also administer written knowledge tests. In practice, this allowed CTA members enrolled in the employer testing program (ETP) to complete the necessary testing for CDL applicants while DMV offices remained closed due to COVID-19. By law, the DMV is the only entity that can proctor the knowledge exam.

Once the waiver was approved, it took a few weeks for the DMV to get the requirements from the waiver implemented so participants in the ETP could start proctoring exams for their students. Feedback from the carriers who have been able to utilize the waiver has been very good - so much so that the DMV is now piloting with a couple of our members the ability to proctor exams "online," which will save a lot of time on getting the exams turned around.

- **COVID-19 Information Exchange Webinars:** CTA held regularly occurring information exchange calls to review developments related to the COVID-19 emergency, to answer questions and to receive information on real-time operational challenges. While we sent out breaking information as it became available, we wanted to ensure that our members had a regular

opportunity to catch-up on developments, get questions answered and exchange accurate and up-to-date information.

- **Supply Procurement:** As critical infrastructure workers exempt from the shelter-in-place orders, there was a special need to equip the trucking community with the disinfectant supplies and personal protective equipment (PPE) allowing you to perform your day-to-day tasks while ensuring you, and your families, remained healthy.

To help facilitate this process, CTA connected nearly 200 trucking companies in need of supplies with vendors that had access to PPE in the height of the pandemic, and CTA secured thousands of masks from CHP and FMCSA along with hand sanitizer from ATA for distribution to members.

Following our discussions with state transportation agencies regarding the need to procure disinfectant supplies and PPE for the trucking industry, the Governor's Office of Business and Economic Development (GO-Biz), offered to coordinate with their manufacturing partners to increase production of these materials and earmark supplies for trucking. Through this partnership, CalOES provided CTA with roughly 360,000 masks, 15,000 face shields and nearly 2,000 gallons of hand sanitizer. CTA has been distributing these supplies to members out of the CTA office for the past few months.

- **CALOSHA/CDPH Workplace Guidelines:** Worked with members to provide feedback to administration on industry reopening guidelines. Worked with workplace safety consultant to develop a training program and IIPP COVID module to ensure member compliance.

2020 Election Update

Qualified November 2020 Ballot Measures

Proposition 15 – “Split Roll” Tax

Summary of Provisions (source: Cal Chamber)

- Requires all business property to be reassessed to fair market value, beginning on the 2022–2023 lien date. The Legislature may phase in this requirement over three years.
- Increases business property taxes by \$7.5 billion to \$12 billion a year, according to the Legislative Analyst.
- Requires reassessment of business property to fair market value every three years.
- Includes all business property, except for property used for residential (including rental) or agricultural production purposes. Mixed-use property is reassessed proportional to its commercial use.
- Exempts from full reassessment business property with an on-site business, and which is under a single ownership with no more than \$3 million worth of property statewide.
- Exempts from taxation up to \$500,000 of business personal property and exempts from taxation all tangible personal property of certain small businesses.
- Dedicates the proceeds of the tax increase to schools, community colleges and local governments, in proportion to what those entities currently receive in general property tax allocations. In general, schools receive about 40% of the allocation, with cities, counties and special districts splitting the rest.
- Allocates money to these entities with almost no strings attached. No money is retained for reserves and few accountability conditions are attached.
- Earmarks \$1 billion a year for the costs of implementation (for example, assessor’s offices), compliance and support of existing state and local programs.

Title and Summary

1870. (19-0008A1)
INCREASES FUNDING FOR PUBLIC SCHOOLS, COMMUNITY COLLEGES, AND LOCAL GOVERNMENT SERVICES BY CHANGING TAX ASSESSMENT OF COMMERCIAL AND INDUSTRIAL PROPERTY. INITIATIVE CONSTITUTIONAL AMENDMENT.

Increases funding for K-12 public schools, community colleges, and local governments by requiring that commercial and industrial real property be taxed based on current market value. Exempts from this change: residential properties; agricultural properties; and owners of commercial and industrial properties with combined value of \$3 million or less. Increased education funding will supplement existing school funding guarantees. Exempts small businesses from personal property tax; for other businesses, exempts \$500,000 worth of personal property. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Net increase in annual property tax revenues of \$7.5 billion to \$12 billion in most years, depending on the strength of real estate markets. After backfilling state income tax losses related to the measure and paying for county administrative costs, the remaining \$6.5 billion to \$11.5 billion would be allocated to schools (40 percent) and other local governments (60 percent).** ([19-0008.](#))

Proposition 22 – Changes AB 5 for Transportation/Delivery Gig Workers

1883. (19-0026A1)
CHANGES EMPLOYMENT CLASSIFICATION RULES FOR APP-BASED TRANSPORTATION AND DELIVERY DRIVERS. INITIATIVE STATUTE.

Title and Summary

Establishes different criteria for determining whether app-based transportation (rideshare) and delivery drivers are “employees” or “independent contractors.” Independent contractors are not entitled to certain state-law protections afforded employees—including minimum wage, overtime, unemployment insurance, and workers’ compensation. Instead, companies with independent-contractor drivers will be required to provide specified alternative benefits, including: minimum compensation and healthcare subsidies based on engaged driving time, vehicle insurance, safety training, and sexual harassment policies. Restricts local regulation of app-based drivers; criminalizes impersonation of such drivers; requires background checks. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local governments: **Increase in state personal income tax revenue of an unknown amount.** ([19-0026A1](#))