



**FRESNO CHAMBER OF COMMERCE  
GOVERNMENT AFFAIRS COUNCIL**

**MEETING AGENDA  
Wednesday, July 9, 2014  
12:00 p.m.**

**PRESIDING  
Ruth Evans, Chair  
Brian Domingos, Vice Chair**

**Call to Order and Roll Call**

**Approval of June 11, 2014 Minutes**

**New Business**

- **Assemblyman Jim Patterson** **INFORMATION**
- **Consent Calendar** **ACTION**

**Items A-D**

- **Legislative Items** **ACTION**
  1. Julie Griffiths, Consultant – AB 32 Coalitions
  2. AB 69 (Perea) Fuels Under the Cap Delay
  3. B.G. Heiland, California Department of Water Resources – Bay Delta Conservation Plan
  4. Damon Kurtz, Fresno Police Officers Association – Restoration Tax
  5. Anna Balatti Brooks and Raj Beasla, PG&E – Transmission Project

**Chair's Report – Ruth Evans**

*Eggs & Issues Friday, August 1, Piccadilly W. Shaw  
Update on Brenntag Project Plan  
MIRCA is now Prop 46 on November ballot*



**FRESNO CHAMBER OF COMMERCE  
GOVERNMENT AFFAIRS COUNCIL  
MEETING MINUTES**

**Presiding:  
Ruth Evans, Chair  
Brian Domingos, Vice Chair**

Committee: Government Affairs Council  
Chairperson: Ruth Evans  
Vice-Chair: Brian Domingos  
Meeting Date/Time: June, 11, 2014  
Meeting Place: Fresno Chamber of Commerce  
Committee attendees: Bill Avakian, Brian Domingos, Ruth Evans, Ryan Jacobsen, Cam Maloy, Scott Miller, Lorraine Salazar, Victoria Salisch, Al Smith, Larry Fortune, and Debbie Hunsaker  
Committee absences: Jack Hall, Lydia Zabrycki, Walt Plachta, John Taylor, Austin Ewell, and Nick Amendola  
Staff: Rachel Eslick

**CALL TO ORDER**

- **Ms. Evans called the meeting to order at 12:10pm.**
- **Approval of Minutes**  
Lorraine Salazar moved to approve the May 14th meeting minutes. The motion was seconded by Scott Miller. The motion passed unanimously.

**NEW BUSINESS**

**1. Consent Calendar**

The only issue on the consent calendar was to support AB 2280 (Alejo) which would allow local governments to establish a Community Revitalization and Investment Authority in a disadvantaged community to fund specified activities and allow the Authority to collect tax increments.

Brian Domingos moved to approve the consent calendar. Victoria Salisch seconded the motion and it passed unanimously.

**2. Legislative Items**

**SB 1249 (Hill) Hazardous Waste: Shredder Waste**

Jeff Farano, Government Relations with SA Recycling spoke over the phone in opposition of the bill, unless amended. He called it a job killer, although Cal Chamber has not labeled SB 1249 as such. Farano said the metal recycling and shredding industry is already heavily regulated and fires at specific shredder facilities should be dealt with individually, not with more costly regulation. He said recycling yards, including several in the Fresno area, along with shredding facilities all over California would be responsible for paying for the government program, which would price them out. Jobs would be lost and business would

be lost to other states and countries. Industry folks are working with Hill's staff to find a middle ground, but in the meantime are putting together a coalition to oppose the bill unless amended.

Nate Solov of Senator Hill's office spoke on the phone in support of SB 1249. He said he believes staff and industry leaders will be able to ultimately find common ground. The sticking point is "fence to fence" regulation. The bill aims to give DTSC authority over everything in a yard, not just scrap metal and "fluff," the treated material that's used to cover landfills.

Larry Fortune moved to oppose SB 1249. The motion was seconded by Cam Maloy and it passed unanimously.

#### **Troy and Alana Pack Patient Safety Act of 2014**

Kathy Fairbanks of BCF Public Affairs presented opposition over the phone on this November 2014 ballot initiative. She said trial lawyers are sponsoring the initiative to try and get more money from medical malpractice lawsuits. Of the three issues covered in the initiative, two appear positive, doctor drug testing and checking a state database for patient background before prescribing some medications. Fairbanks said these are poorly written and the database is flawed because it puts patient safety in jeopardy. Furthermore, if this act passes, it would cost local governments billions of dollars because they pay for a portion of healthcare. Rates would also go up for all patients.

Ryan Jacobsen moved to oppose the Patient Safety Act of 2014. Brian Domingos seconded the motion and it passed unanimously.

#### **TRACKING REPORT**

Rachel Eslick distributed the bill tracking data for the year to date. For state issues, 8 bills we opposed have died, 11 bills we opposed are still alive, 7 bills we supported are dead and 12 bills we supported are still alive. Five federal bills, all on water, are still alive. The GAC has supported three issues in the city, BRT, Asset Management Act and Fulton Mall.

GAC supports the McCall Oil/Brenntag business proposal and will write a formal letter to the Fresno Planning Commission stating the merits of the project.

#### **CHAIR'S REPORT**

Ms. Evans encouraged members to take closer looks at City Council and Board of Supervisors agendas to check for issues of importance. County issues we may weigh in on include Measure Z using appropriate funding for a ballot measure and being transparent when public records requests come in.

Following up the McCall Oil/Brenntag issue the GAC took up in closed session last month, Ms. Evans asked members to call specific Planning Commissioners ASAP to let them know the Chamber supports the building plan. The item is scheduled to be on the June 18 Planning Commission agenda.

#### **ADJOURNED**

- **Ms. Evans adjourned the meeting at 1:08.**

**HR 1010 (Miller) Fair Minimum Wage Act**

**Source** – Leg info

**Summary** – This bill would raise the federal minimum wage from \$7.25 per hour to \$10.10 per hour in a three-step process. The rate would then be adjusted according to inflation each subsequent year. Additionally, cash tip workers’ rate would go from \$2.13 to 70% of the minimum wage.

**Background** – The last time federal minimum wage increased was in 2007. Currently, California’s minimum wage is \$9 an hour and will be \$10 in January of 2016. If HR 1010 passes, it could surpass California’s rate in 2016.

**Support** – Organizations include AFL-CIO, Economic Policy Institute and Washington Community Action Network said raising the minimum wage would stimulate the economy. President Obama has urged employers to begin paying a higher minimum wage beginning January 1, 2015.

**Opposition** – Not much GOP support, which means it’s unlikely this bill will pass. Organizations opposed include National Retail Federation and National Federation of Independent Business, which believe employers will suffer from increased costs. Opponents say fewer jobs will be filled, especially entry level positions, which are some of the most sought among applicants.

**Location** – House committee. Supporters are about two dozen signatures short of moving it to the House floor for a vote.

**Staff Recommendation** - Oppose

**AB 2235 (Buchanan) School Construction Bond**

**Source** - Cal Chamber, Leg Info

**Summary** – Would place a \$9 billion Kindergarten-University Public Education Facilities Bond Act of 2014 on the November ballot to help upgrade, modernize and construct school facilities. \$6 billion would go to K-12 education for new construction (\$2.25 billion), modernization (\$3.25 billion) and charter schools (\$500 million). \$3 billion would go to high education facilities including California community colleges (\$2 billion), UC campuses (\$500 million) and CSU campuses (\$500 million). All state funding would need to be matched by local school bonds and developer fees.

**Background** – Since 1998, California voters have approved \$35.4 billion dollars in state General Obligation bonds for K-12 and higher education. Funding has been distributed to schools across the state for over 11,000 projects since 1998. The bonds have been on ballots in 1998, 2002, 2004 and 2006. This bill passed through the Assembly with unanimous support with the exception of for four legislators who failed to record a vote.

**Support** – Cal Chamber, California Teacher’s Association and State Center Community College District are among the many supporters.

**Opposition** – None recorded

**Location** – Senate Appropriations

**Staff Recommendation** – Support

**CONSENT CALENDAR**

**ITEM C**

Government Affairs Council

July 9, 2014

**AB 52 (Gatto) Native Americans: California Environmental Quality Act**

**Sources** - Cal Chamber, Leg Info, Table Mountain Rancheria

**Summary** – Would expand the CEQA process by requiring lead agencies to consult with affected Native American Tribes to determine whether a negative declaration or EIR is required. Part of the language includes any effect on a “tribal cultural resource” including a sacred place.

**Background** – The author believe this bill will clarify engagement with Native American Tribes because previous projects have been held up as lead agencies attempt to work with tribes on impact to tribal resources. Last legislation session, two bills tried to block projects from moving forward because of the impact to tribal resources. AB 742 died in a Senate committee and SB 833 was vetoed by Governor Brown because he felt it was inappropriate for the Legislature to intervene in the 11<sup>th</sup> hour after a hard-fought local land-use decision had already been made. Governor Brown wrote in his message, “There’s no question that more thought needs to be given to how we resolve this inherently difficult decision and to find ways for native peoples and their fellow Californians to coexist in an inexorably modernizing world.”

**Support** – Table Mountain Rancheria legal counsel Dan Casas wrote this via email: “The intended purpose of protecting or preventing the destruction of sacred sites is important to Table Mountain Rancheria and the majority of the federally recognized Tribes in California. The inconvenience is minimal. AB52 provides a mechanism for early collaboration to ensure that significant artifacts and cultural sites are protected and/or properly relocated.”

**Opposition** – There is concern over more opportunities for litigation and increasing project costs and delays by creating mandatory consultation with Native American Tribes. Also, there is no clear definition of “tribal cultural resource” which could be problematic, according to Cal Chamber.

**Location** – Assembly Appropriations

**Staff Recommendation** - Oppose

**CONSENT CALENDAR**

**ITEM D**

Government Affairs Council

July 9, 2014

**AB 2616 (Skinner) Worker’s Compensation: hospital employers: compensation**

**Sources** - Cal Chamber, Leg Info

**Summary** – This bill would expand presumptive conditions for workers compensation to include methicillin-resistant Staphylococcus aureus (MRSA) to be presumed job-related for hospital workers with direct patient contact. It would categorize the antibiotic-resistant Staph infection as an injury. The presumption lasts up to 60 days after an employee no longer works at the facility. In order to dispute a claim, an employer must prove the disease is not related to employment.

**Background** - Under existing law, only public safety employees (police and fire) have a list of “presumptive conditions.” This bill would extend presumption to the private sector and non-public safety employees for the first time. The bill’s author has failed four previous times, from 2009-2012, to pass similar bills.

**Support** – Supporters say health care is the second fastest growing sector of the U.S. economy and a growing number of nurses are constantly exposed to the potentially life-threatening illness. They argue that adding MRSA as a presumptive job-related illness will reduce the litigation over these cases. The California Nurses Association is sponsoring this bill with other support coming from AFL-CIO, United Nurses Association of California and seven other organizations.

**Opposition** – Opposition says this will be costly, impossible to investigate and is unnecessary. There is no evidence that nurses and hospital workers have had problems pursuing MRSA claims under the existing worker’s compensation system. Cal Chamber, California Hospital Association and the Association of California Healthcare Districts are among the two dozen organizations against this bill.

**Location** – Senate Appropriations

**Staff Recommendation** - Oppose

**LEGISLATIVE ITEM**

**ITEM 1**

Government Affairs Council

July 9, 2014

<b>AB 32 Coalitions Update</b>
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**Source** – Leg Info, Fed Up at the Pump, C.A.R.E.

**Summary** – Beginning in January of 2015, gas prices could jump by an estimated 0.12 cents or more per gallon as the next phase of the cap and trade program extends to transportation fuels. Oil companies must purchase carbon credits, and the belief is that the cost will be passed onto consumers. It’s estimated that in five years, the state will collect \$12-45 billion dollars.

Recently, several coalitions have formed in opposition. Each one targets a different demographic with specific messaging, but all four call on Governor Jerry Brown to take another look at the bill and stop the next phase before it cripples California’s economy.

**Background** – AB 32, passed by the Legislature in 2006, aims to reduce greenhouse gas emissions by requiring the purchase of carbon credits. GAC has joined two of these coalitions, Tank the Tax and Fed Up at the Pump, by way of GAC executive committee votes.

Recently, 16 democratic legislators (including Assemblyman Henry T. Perea) signed a letter to the California Air Resources Board, urging it to reconsider cap and trade to fuels because of the negative impact it will have on poor communities.

**AB 69 (Perea) Fuels Under the Cap Delay**

**Sources** – Assemblyman Henry T. Perea, Leg Info

**Summary** – This bill would delay the inclusion of transportation fuels under the cap-and-trade system for three years, while maintaining the current structure of the program.

**Background** – AB 32, passed in 2006, aimed to reduce greenhouse gas emissions to levels of 1990 by 2020. Part of the plan was for California Air Resources Board to develop a system to meet this goal through a market-based mechanism. The cap-and-trade program is a way for sources of greenhouse gas emissions can buy and sell carbon allowances to comply with the regulation. Since 2012, utilities and manufactures have paid the state more than \$1 billion in carbon credits. The next phase of the program is to include transportation fuels beginning January 1, 2015, which means oil companies would pay for carbon credits and the cost would be passed on to consumers who use gasoline and diesel. Every driver may see the price of fuel increase, to the tune of 4-19%. This bill would delay the implementation until 2018. During that time, the state may educate consumers about why fuels are being included in the cap-and-trade program to foster support instead of dissent.

This is a gut and amend bill. Previously this bill would have continuously appropriated money to fix contaminated drinking water.

**Support** – Co-authors of the amended bill include Assembly Members Brown, Daly, Hall, Roger Hernandez, Rodriguez and Salas. Perea recently wrote a letter to CARB Chair Mary Nichols, asking for a delay of the transportation fuel inclusion under the cap. The letter was signed by Assembly Members Brown, Rodriguez, Hall, Salas, Daly, Bonilla, Medina, Gray, Garcia, Roger Hernandez, Dababneh, Jones-Sawyer, Ridley-Thomas, Frazier and Buchanan.

**Opposition** – 32 democratic lawmakers responded to Perea’s letter by sending a letter to Governor Brown, urging him to stay the course of AB 32. Environmentalists generally will oppose AB 69.

**Location** – Senate Rules Committee

**Staff Recommendation** - Support

**Bay Delta Conservation Plan**

**Source** – Bay Delta Conservation Plan, California Legislative Analyst’s Office

**Summary** – The Bay Delta Conservation Plan is a complex project designed to restore the Sacramento-San Joaquin Delta ecosystem and secure water supply throughout California over a 50-year, step by step process. The cost is estimated at around \$24 billion dollars, with conveyance to be funded by water contractors and ecosystem restoration to be funded by state and federal government. The main tunnel would be about 30 miles long from Clarksburg to the Federal Pumping Plant. This “tunnel project” has been in the research and planning stages for about seven years. Since 2006-07, a total of \$176 million has been spent on planning.

**Staff Recommendation** – Discussion

**LEGISLATIVE ITEM**

**ITEM 4**

Government Affairs Council

July 9, 2014

<b>Restoration Tax</b>
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**Source** – Fresno Police Officers Association

**Summary** – FPOA is introducing a sales tax initiative to be placed on the November 2014 ballot. It’s a four-year half cent tax for the City of Fresno’s General Fund, to be used for “restoring” services like police officers, PARCS employees, fixing street lamps, etc. About 10-15% of the revenue would be earmarked for reserves. It’s estimated to generate about \$40 million per year. There would be a citizen oversight committee. FPOA plans to bring the item to the City Council later this month.

**Background** – FPOA did polling several months ago to gauge resident willingness to vote for a restoration tax, and about 63% said they would vote in favor of a half cent sales tax. A hundred people in each district were asked these questions to include:

1. In the last 12 months, have you reported a crime to the police?  
26% said yes
2. Assuming the City of Fresno has limited resources, which of the following do you believe is more effective in fighting crime in the City?  
19% said investing in technology, 64% said restoring police officer positions, 9% said neither or both
3. Which of the following do you think should be a higher priority for the City’s budget to address: revitalizing downtown, or improving public safety?  
15% said revitalizing downtown, 82% said improving public safety

This measure would need a simply majority to pass while a specific public safety only sales tax would need 2/3 majority to pass.

The City of Sacramento passed a similar “restorative” tax in 2012.

**Staff Recommendation** – Discussion

**LEGISLATIVE ITEM**

**ITEM 5**

Government Affairs Council

July 9, 2014

<b>Central Valley Transmission Upgrade Project</b>
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**Source – PG&E**

**Summary** – PG&E would like to build a 230kV transmission line in the Central Valley, spanning about 70 miles. It would connect existing substations, Gates, near Huron/Coalinga, and Gregg, near Herndon and 99. The line would ensure future reliability, provide the most cost-effective upgrades, transport new clean power in and out of the Valley and continue use of Helms Pumped Storage Facility.

The project would bring an estimated 200-300 new jobs, \$3 million in local tax revenues during construction, over \$1.6 million annually after construction and nearly \$50 million in economic impact.

PG&E is now doing community outreach and studying/analyzing the project. A specific route for the transmission line has not been determined. The company hopes to submit an application to CPUC in late 2015 with construction beginning in 2018. The project could be operational in 2020.

**Background** – California Independent System Operator Corporation's (ISO) 2012-13 Transmission Plan identified the need for new transmission in the Central Valley. The ISO selected PG&E and its partners to finance, build, own, operate and maintain the line through a competitive bid process completed in late 2013.

**Staff Recommendation** – Support