

SWCLC Southwest California Legislative Council

MEETING AGENDA: Monday, May 22, 2023

Presiding: Erik McLeod, 2023 Chair
Legislative Consultant: Chris Collier, Rincon Strategies

Call to Order, Roll Call & Introductions

Chair Report

Presentation: **Tim Barr, Director of Water Resources, Western Municipal Water District**

Sacramento Call-Up- Recap

Legislative Report #5

1. AB 6 (Friedman) - Transportation planning: regional transportation plans
2. AB 7 (Friedman) - Transportation: project selection processes.
3. AB 9 (Muratsuchi) - Greenhouse gases: market-based compliance mechanism.
4. AB 52(Grayson) - Income tax credit: sales and use taxes paid: manufacturing equipment
5. AB 258(Reyes) - Economic development: small businesses: Small Business Information
6. AB 1205 (Bauer-Kahan) - Water rights: sale, transfer, or lease: agricultural lands.
7. AB 1217(Gabriel) - Business pandemic relief.
8. SB 423 (Wiener) - Land use: streamlined housing approvals: multifamily housing developments.
9. SB 556 (Gonzalez) - Oil and gas wells: health protection zones: civil liability.

Chambers/Tribal/Legislative Reps Announcements

Adjourn- Next Meeting 5/19 at 11:30am

Remaining 2023 SWCLC Meeting Dates

June 19th

July 24th (change!)

August 21st

September 18th

October 16th

November 27th (Exec)

All meetings at 11:30am at 26529 Jefferson Ave, Murrieta, CA 92562

The Southwest California Legislative Council Thanks our Partners:

Southwest Riverside County Association of Realtors
Metropolitan Water District of Southern California
Elsinore Valley MWD
Western MWD
CR&R Waste Services
Abbot Vascular
Temecula Valley Chamber of Commerce
Murrieta/Wildomar Chamber of Commerce
Lake Elsinore Valley Chamber of Commerce
Menifee Valley Chamber of Commerce

Hemet San Jacinto Chamber of Commerce
Southwest Healthcare Systems
Temecula Valley Hospital
Economic Development Coalition
The Murrieta Temecula Group
Southern California Edison
The Gas Company
California Apartment Association
Western Municipal Water District

Corona Chamber of Commerce
Lake Elsinore Chamber of Commerce
Menifee Valley Chamber of Commerce
Murrieta/Wildomar Chamber of Commerce
Temecula Valley Chamber of Commerce
Hemet/San Jacinto Valley Chamber of Commerce

Meeting Minutes

Monday, May 22, 2023

2023 Chair: Erik McLeod

Legislative Consultant: Chris Collier

Call to Order, Roll Call & Introductions: **11:33 AM**

Chair Report:

Presentation: Tim Barr, Director of Water Resources, Western Municipal Water District

- Water Supply Update
 - Service Area
 - Temecula, Murrieta, Lake Elsinore, Canyon Lake, Riverside, Corona, Norco, Eastvale, Jurupa Valley
 - 100,000+ residents served
 - Water Condition
 - Profound amounts of snowpack
 - System currently in use was designed in the '60s and was intended to serve a population of 20 million
 - Reservoirs
 - Currently at 81% capacity
 - California Water for All (offshoot of Solve the Water Crisis)
 - In response to severe droughts in three principal water sources
 - Seeks to design a system that captures big surges of water such as the significant precipitation this winter
 - Establish a new water supply target by 2040
 - Current system is not equipped for boom-and-bust weather patterns
 - Series of atmospheric rivers produced more water than current system can capture
 - Redefining Priorities
 - Investment in the state water project system
 - SB 366 (Caballero)
 - Establish bold water supply targets
 - Modernize the CA Water plan for a 21st century climate
 - Ensure accountability for state agencies on water management issues
 - 120 Supporters ranging from business groups, chambers, agricultural interests, urban interests, etc.
 - Discussion

- Who is the opposition?
 - Minor opposition from environmental groups

Sacramento Call-Up Recap

- California Chamber of Commerce legislative summit
 - Meeting with 5 legislators in their offices
 - Seminar with the Governor
 - Great opportunity to establish connections with our representatives
 - An overall positive outcome
- May Budget Revision
 - Latest deficit numbers
 - No current plans to increase taxes to bridge gap
 - Governor announced a change to SEQUA
 - Expecting 11 bills in the coming months
- AB 1000 Warehouse Bill dead in committee
 - SWCLC weighed in directly to Assemblymember's office
 - Text message campaign ensued which resulted in a changed vote leading to a desired outcome
- End of next week is the last day to move bills out of their house of origin

Legislative Report #5

- 1. AB 6 (Friedman): Transportation planning: regional transportation plans: Solutions for Congested Corridors Program: reduction of greenhouse gas emissions.** *This bill would require the state board, after January 1, 2024, and not later than September 30, 2026, to establish additional targets for 2035 and 2045, respectively, as specified.*
 - a. Motion to OPPOSE was passed**
- 2. AB 7 (Friedman): Transportation: project selection processes.** *This bill would require, on and after January 1, 2025, the project selection process for each transportation project that would be funded, at least partially, from specified funding sources, including the State Highway Account, the Road Maintenance and Rehabilitation Account, and the Trade Corridor Enhancement Account, to incorporate specified principles. The bill would require the agency, on or before January 1, 2026, and annually thereafter, to submit a report to the Legislature on how those transportation projects that were completed during the prior year incorporated those principles.*
 - a. Motion to OPPOSE was passed**
- 3. AB 9 (Muratsuchi): Greenhouse gases: market-based compliance mechanism.** *This bill would require the state board to initiate a regulatory process to evaluate potential updates to the market-based compliance mechanism, and would require regulatory changes to take effect no later than January 1, 2025. The bill would require the evaluation to focus on specified items, including whether the supply of emission allowances and carbon offsets are consistent with a linear trajectory toward the statewide greenhouse gas emissions reduction goal established in the state board's most recent scoping plan, rules for banking allowances to use for future compliance, and recommendations made by the Independent Emissions Market Advisory Committee and the state board's environmental justice advisory committee.*
 - a. Motion to OPPOSE was passed**
- 4. AB 52 (Grayson): Income tax credit: sales and use taxes paid: manufacturing equipment: research and development equipment.** *This bill would allow, for a taxable year beginning on or after January 1, 2024, and before January 1, 2029, a credit against those taxes to a taxpayer in an amount equal to the amount of tax reimbursement paid during the taxable year for sales tax on gross receipts that would be exempt from taxation under the Sales and Use Tax Law pursuant to the sales and use tax exemption described above but for the provision that prohibits that exemption from applying with respect to any tax levied by a county, city, or district pursuant to, or in accordance with, the Bradley-Burns Uniform Local Sales and Use*

Tax Law or the Transactions and Use Tax Law, sales and use taxes imposed pursuant to certain provisions of the Sales and Use Tax Law, and sales and use taxes imposed pursuant to certain provisions of the California Constitution.

- a. Discussion regarding the economic impact considering the State's budget deficit
 - i. Calculations estimate more money will be generated in the long run
 - b. Discussion regarding previous instances where similar policies were enacted and their benefit to the economy
 - c. **Motion to SUPPORT was passed**
5. **AB 258 (Reyes): Economic development: small businesses: Small Business Information Act: The Front Door internet web portal.** *This bill would recast those provisions concerning the advocate's responsibility to post the above-described information on the Go-Biz internet website or the advocate's website, and would instead require the advocate to establish on the GO-Biz or advocate's internet website an internet web portal entitled "The Front Door." The bill would additionally require the advocate to include within that web portal prescribed links and information relevant to small businesses regarding current and upcoming procurement opportunities offered through state government and public utilities and financial resources and business incentives offered by the state or federal government to those businesses. The bill would require the advocate to ensure that this internet web portal is accessible and provides helpful information to a diverse set of potential applicants, including businesses owned by specified individuals, and other entities that are working to support and benefit disadvantaged or low-income communities.*
 - a. **Motion to SUPPORT was passed**
6. **AB 1205 (Bauer-Kahan): Water rights: sale, transfer, or lease: agricultural lands.** *This bill would find and declare that speculation or profiteering by an investment fund in the sale, transfer, or lease of an interest in any surface water right or groundwater water right previously put to beneficial use on agricultural lands within the state is a waste or an unreasonable use of water.*
 - a. **Motion to OPPOSE was passed**
7. **AB 1217 (Gabriel): Business pandemic relief.** *Existing law authorizes the Department of Alcoholic Beverage Control, for a period of 365 days following the end of the state of emergency proclaimed by the Governor on March 4, 2020, in response to the COVID-19 pandemic, to permit licensees to exercise license privileges in an expanded license area authorized pursuant to a COVID-19 Temporary Catering Authorization approved in accordance with the Fourth Notice of Regulatory Relief issued by the department, as specified. Existing law makes these provisions effective only until July 1, 2024, and repeals them as of that date. This bill, instead, would make those provisions operative only until July 1, 2026, repeal those provisions on that date, and make conforming changes.*
 - a. Discussion regarding who the opposition in the bill is
 - i. Certain cities such as Santa Barbara have not benefitted as much as others and have seen problems arise in their communities
 - ii. Overall, it has been a beneficial practice for Southern California communities
 - iii. Without the bill, cities would not be allowed to keep expansions in place
 - b. **Motion to SUPPORT was passed**
8. **SB 423 (Wiener): Land use: streamlined housing approvals: multifamily housing developments.** *Existing law, the Planning and Zoning Law, authorizes a development proponent to submit an application for a multifamily housing development that is subject to a streamlined, ministerial approval process, as provided, and not subject to a conditional use permit, if the development satisfies specified objective planning standards, including, among others, that the development proponent has committed to record, prior to the issuance of the first building permit, a land use restriction or covenant providing that any lower or moderate-income housing units required, as specified, remain available at affordable housing costs, as defined, or rent to persons and families of lower or moderate-income for no less than specified periods of time. Existing law repeals these provisions on January 1, 2026. This bill would authorize the Department of General Services to act in the place of a locality or local government, at the discretion of that department, for purposes of the ministerial, streamlined review for development on property owned by or leased to the state. The bill would delete the January 1, 2026, repeal date, thereby making these provisions operative indefinitely. The bill would require the Labor Commissioner to enforce the obligation to pay prevailing wages. The bill would specify that the requirements to pay prevailing wages, use a*

workforce participating in an apprenticeship, or provide health care expenditures do not apply to a project that consists of 10 or fewer units and is not otherwise a public work.

- a. Discussion regarding the prevailing wage aspect
- b. **Motion to OPPOSE was passed**

9. SB 556 (Gonzales): Oil and gas wells: health protection zones: civil liability. *This bill would, after January 1, 2024, make an operator or owner of an oil or gas production facility or well with a wellhead presumptively, jointly and severally liable for a respiratory ailment in a senior or child, a preterm birth or high-risk pregnancy suffered by a pregnant person, and a person's cancer diagnosis if specified requirements are met, including the senior, child, pregnant person, or person diagnosed with cancer domiciled more than 24 cumulative months in a health protection zone, as defined, and was diagnosed after January 1, 2024. The bill would authorize certain affirmative defenses to be available to the operator or owner of an oil or gas production facility or well with a wellhead.*

- a. Bill died in committee (executive committee opposed two weeks prior to this meeting)

Chambers/Tribal/Legislative Reps Announcements

Resolution in support of prioritizing TV2C (SR79 Realignment) as a Riverside County project

- Request to send a letter to RCTC
- SWCLC Policy Platform would be in favor of supporting this project
- **Motion to SUPPORT was passed**

Lake Elsinore Chamber of Commerce

Murrieta/Wildomar Chamber of Commerce

- State of the City June 15 Murrieta Hot Springs
 - Sponsorships and tickets available
- Mega Mixer June 19 at MSJC Temecula
 - Booths + Sponsorships available

Menifee Valley Chamber of Commerce

- Midday Mixer 5/24 Bushfire Kitchen
- Evening Business Social 5/31 Buffalo Wild Wings

Temecula Valley Chamber of Commerce

- Race Equity Diversity regional seminar Wednesday morning 7am
- June 15 Economic Forecast at South Coast Winery
- State of the City August 10 – reservations available

Hemet/San Jacinto Chamber of Commerce

Assemblymember Kate Sanchez

Assemblymember Bill Essayli

Senator Kelly Seyarto

- Nine bills on suspense file
 - Six of them made it out
- Annual Veterans Expo will be in November
 - Tabling opportunities available
 - Free for all
 - Lunch & tables provided

Congressman Ken Calvert

Congressman Darrel Issa

- 10-15 projects submitted to committee

