

The 2021-2022 session of the California State Legislature is five months old, but NFIB has already won a big victory for small business and is successfully advancing other legislation beneficial to Main Street enterprises while also aiding in the defeat of measures that would do harm.

The following is a list of bills and their status under the following subcategories:

- Victory
- Moving Toward Passage
- Victories by Defeat
- Continuing the Fight Against
- Continuing to Monitor
- The One That Got Away

### *Victory*

#### **Won PPP Loan Conformity Between State and Federal Taxes**

NFIB lobbied extensively for the passage of [Assembly Bill 80](#), which conforms state tax law to the federal government's regarding the forgivability of PPP loans.

**Status:** Gov. Gavin Newsom signed AB 80 into law April 29.

### *Moving Toward Passage*

#### **Secured New Tax Elective for Pass-Through Entities**

Both the Gov. Gavin Newsom and Sen. Mike McGuire ([Senate Bill 104](#)) proposed as State and Local Taxes (SALT) work-around for small business. NFIB has supported and been lead on both measures. SB 104 has been shelved and we anticipate SALT work-around to be part of the state budget when voted on before June 15.

#### **Bills Needing to be Reintroduced Because of American Rescue Plan Act Pause**

- [Assembly Bill 62](#), which provides a tax credit for complying with Cal/OSHA's **COVID-19 regulations. (dead)**
- [Assembly Bill 91](#), which would reduce the **Minimum Franchise Tax fee** from \$800 to \$400 and to \$200 for microbusinesses. **(dead)**
- [Assembly Bill 632](#), another bill reducing the Minimum Franchise Tax fee based on gross revenues. **(dead)**
- [Assembly Bill 664](#), suspending the Minimum Franchise Tax Fee until the governor lifts the state of emergency. **(dead)**

- [Assembly Bill 259](#), a tax credit for **alcohol licenses. (dead)**
- [Assembly Bill 1146](#), which would enact the California Property Tax Small Business Rent Relief Act, authorizing a county to establish a local property small business rent forgiveness and tax relief program. **(dead)**
- [Senate Bill 74](#) would invest \$2.6 billion in grants to help small businesses and nonprofits with financial losses sustained because of the pandemic. NFIB has sent [a letter of support](#) to a bipartisan group of legislators pushing for passage of the Keep California Working Act. **(dead)**

### **More Small Business Beneficial Bills**

- [Assembly Bill 879](#) would establish a tax amnesty period. **(dead)**
- [Assembly Bill 385](#)—would establish certain conditions before a Private Attorneys General Act (PAGA) case could be filed, and [Assembly Bill 530](#) would allow for employer notification of PAGA lawsuit. **(dead)**
- [Senate Bill 440](#)—would mitigate some of the insurance risks from wildfires. **(dead)**
- [Assembly Bill 230](#)—would provide employees with greater workplace flexibility in setting their schedules by enacting the Workplace Flexibility Act of 2021. **(Dead)**
- [Assembly Bill 513](#)—transmission of documents for employees who telecommute. **(dead)**
- [Senate Bill 657](#)—Companion measure to Assembly Bill 513 on the receipt of legally required notices for employees who work from home.
- [Assembly Bill 1028](#)—employee remote work flexible schedule. **(dead)**

### *Victories by Defeat*

In Congress and state legislatures across the nation, the majority of NFIB's lobbying time is consumed by stopping bad-for-small-business legislation. So far in this session of the California Legislature, NFIB has helped defeat or amend the following measures.

### **Defeated Single-Payer Health Care Bill**

[Assembly Bill 1400](#) called for instituting a single-payer, health-care system in California that would have cost more than the entire state budget to pay for and forced tax increases on everyone.

**Status:** Removed from consideration by the author.

### **Stopped Health Insurance Premium Spike**

[Assembly Bill 570](#) would have made California the first state in the nation to allow adult children to add their parents to their health insurance plans. The yearly cost to employers, according to [one analysis](#), would be between \$207 million and \$830 million. NFIB testified against the bill.

**Status:** Won amendments now stipulating dependent parents can only be added to individual policies, meaning the bill no longer has any impact on employer sponsored plans and premiums.

### **Blocked Adding Grand Theft to Law on Wage Theft**

[Assembly Bill 1003](#) would have added the charge of grand theft to the law on wage theft.

**Status:** NFIB successfully lobbied for amendments clarifying that the only conduct that may be punishable by criminal action is intentional conduct done with the intent to defraud employees and knowingly withhold wages from them. That is in line with other criminal wage-related statutes.

### **Defeated Expansion of Fair Employment and Housing Act**

[Assembly Bill 1119](#) would have expanded the list of protected characteristics under the Fair Employment and Housing Act (FEHA) to include 'family responsibilities' and are duplicative of other provisions of California law that will lead to increased litigation.

A priority bill for NFIB, we succeeded in having it held in committee, which would add new mandates under the Fair Employment and Housing Act (FEHA) that

**Status:** Dead for the year but could come up again in 2022.

### **Helped Stall Guaranteed Income Bill**

[Assembly Bill 65](#) would make the Golden State the first with a Universal Basic Income (UBI) for its citizens. The bill calls for giving a California resident who is 18 years of age or older and who meets specified requirements a universal basic income of \$1,000 per month.

**Status:** Held in Committee.

### *Continuing the Fight Against*

- [Assembly Bill 995](#), which would nearly double the requirement to provide paid sick leave from three days per year to five days per year. A top priority for the rest of the legislative year, NFIB is part of a coalition that sent [this letter](#) of opposition to all Assembly members. More employee leave is not needed at a time when businesses are recovering from a year of shutdowns and having to contend with other leave mandates recently imposed.

**Status:** Up for a full vote in the State Assembly.

- [Senate Bill 335](#) would increase workers' compensation costs by reducing the time an employer has to deny liability for a workers' compensation claim from 90 to 45 days; reducing the time an employer has to deny liability for a workers' compensation claim for specified presumptive injuries from 90 to 30 days; and requiring that a compensation claim which has been unreasonably delayed or refused have its award increased by 10 percent.  
**Status:** On Third Reading, full Senate vote to follow.
- [Assembly Bill 1177](#) would create a state-owned bank. NFIB has joined other groups in opposition to the idea.  
**Status:** On Third Reading, full Assembly vote to follow.
- [Assembly Bill 1371](#) "would prohibit an online retailer that sells or offers for sale and ships purchased products in or into the state from using single-use plastic packaging that consists of shipping envelopes, cushioning, or void fill to package or transport the products, on and after January 1, 2023."  
**Status:** NFIB has teamed up with 25 other business associations to issue a Floor Alert opposing AB 1371. [Click here](#) to read the Alert.
- [Assembly Constitutional Amendment 1](#), a proposal that would "lower the necessary voter threshold from a two-thirds supermajority to 55 percent to approve local general obligation (GO) bonds and special taxes for affordable housing and public infrastructure projects."  
**Status:** Stalled in committee.

#### *Continuing to Monitor*

- [Assembly Bill 255](#), which would provide commercial rent relief protections for small businesses affected by the COVID-19 pandemic.  
**Status:** On Third Reading, full Assembly vote to follow.
- [Assembly Bill 16](#) establishing the Tenant, Small Landlord, and Affordable Housing Provider Stabilization Program.  
**Status:** No action since January 13. **(Dead)**

#### *The One That Got Away*

- In spite of the best efforts of NFIB and its 109 coalition partners, [Senate Bill 95](#) was signed into law by Governor Newsom. It mandates the addition of up to 80 hours of employer-paid COVID-19 sick leave. And it's retroactive to January 1, 2021.