As California emerges from a period of great fiscal and economic uncertainty, state lawmakers now have an opportunity to accelerate our economic growth for decades. It is essential to address our: regulatory environment, which stifles and discourages economic growth and investment; aging water, energy and transportation infrastructure; inadequate health care delivery and housing; and underperforming public education system. The Los Angeles Area Chamber of Commerce stands ready to help State leaders rethink, re-envision and rebuild the institutions that made California great – our systems of public and private infrastructure, natural resource management, health care delivery and education finance.

**We can rebuild the California dream by:**

- Modernizing the California Environmental Quality Act to enhance opportunities for development to better manage population and economic growth
- Adopting the Bay Delta Conservation Plan to secure the State’s water supply for the next century
- Implementing the Affordable Care Act to provide health care coverage for millions of Californians
- Restructuring how we finance our public education system and evaluate teacher performance

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**Tax Foundation’s 2013 Business Tax Climate report**

- **48th** California’s ranking on the 2013 state business tax climate index
- **855,200** jobs lost in California in the last four years – more than any other state.


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**Metropolitan Water District of Southern California**

- **25 million** number of people in California that depend on Bay Delta water
- **2.3 million** the number of additional graduates needed to meet the workforce demands of 2025.

The Campaign for College Opportunity

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**Chief Executive Magazine’s Eighth Annual Survey of Best & Worst States in which to do business, April 2012**

- **LAST PLACE** California’s ranking among CEOs on a survey of the best states for business
- **60,000 NEW JOBS & $3 billion** in positive economic impact to the Southern California economy from full implementation of the Affordable Care Act

A Bay Area Council Economic Institute Report, May 2012
MAINTAIN CALIFORNIA’S ECONOMIC COMPETITIVENESS

MODERNIZE THE CALIFORNIA ENVIRONMENTAL QUALITY ACT
It’s time to modernize CEQA to preserve the law’s original intent – environmental protection and public disclosure and participation – while encouraging environmentally responsible projects, local decision-making, economic development and jobs. Reforms should include integrating environmental and planning laws, eliminating duplication and enhancing public disclosure and accountability.

- Support SB 731 (Steinberg)

INVEST IN JOB CREATION

- Support AB 113 (Blumenfield) to appropriate $1.6 million in additional funding to the Secretary of State to reduce business filing processing time from 60 days to one week.
- Support AB 53 (Perez) to require the Governor’s Go-Biz Office to develop a three-year economic development strategic plan for California, with stakeholder input from business leaders.
- Support SB 810 (Price) and AB 886 (Allen) to help meet the challenge of the impending opening of the Panama Canal by providing state income tax credits for California exporters and importers to boost exports (two-year bill).

PROVIDE CERTAINTY TO BUSINESS
The economy is beginning to recover and we should not disrupt that momentum.

- Oppose AB 59 (Bonta) and AB 188 (Ammino) to provide long-term certainty to residents and businesses by maintaining Proposition 13, which reduces the fluctuation of property taxes.
- Oppose SB 626 (Beall), which undercuts the recent balanced workers’ compensation reform supported by labor unions and employers and would result in cost increases to California employers.
- Support AB 8 (Perea) and SB 11 (Pavley) to extend proven, cost-effective incentive programs that help meet environmental mandates for the transportation sector.

PLAN FOR LONG-TERM ENERGY RELIABILITY AND AFFORDABILITY

DEVELOP A COMPREHENSIVE ENERGY PLAN
Reliable, affordable and cleaner energy is critical to the health of the State’s environment and economy. The Chamber supports the development of a strategic and comprehensive statewide energy plan that minimizes energy costs for families and businesses, maximizes domestic energy supplies and job growth, and reduces pollution in the most cost-effective manner possible.

- Develop a comprehensive statewide energy plan that coordinates and assesses the costs of the State’s various energy policies as outlined in the Little Hoover Commission Report, Rewiring California: Integrating Agendas for Energy Reform (2012).
- Ensure Los Angeles receives an equitable portion of the investments derived from the State’s portion of the Cap-and-Trade program. A significant portion of those funds should be invested in freight and goods movement infrastructure, technology advancement and cost containment programs for businesses.
  - Support AB 574 (Lowenthal) to allocate transportation Cap-and-Trade revenues to local control.
  - Support AB 1257 (Bocanegra) to require the California Energy Commission to prepare and submit a report every four years to the Governor and Legislature identifying the strategies needed to maximize natural gas use, which would then become the natural gas policy of the State.

INVEST IN OUR AGING INFRASTRUCTURE

SECURE A RELIABLE WATER SUPPLY & RESTORE THE DELTA
A reliable water supply is essential to maintaining California’s status as the world’s ninth largest economy. The statewide water supply system that supports most of California’s residents is in dire need of restoration, repair and upgrade. The Chamber supports the Bay Delta Conservation Plan and water infrastructure investments to meet the State’s co-equal goals of water supply reliability and Delta ecosystem restoration.

INCENTIVIZE INFRASTRUCTURE INVESTMENTS

- Support AB 690 (Campos) and SB 33 (Wolk), two similar bills, to spur job growth and economic development through the creation of Infrastructure Financing Districts and Jobs and Infrastructure Districts which divert growth in property tax revenues to finance projects in a specified area. Job-creating projects that use tax-increment financing have the potential to return new and stable income tax and sales tax revenue to the State that exceeds the incremental property tax invested.

SUPPORT BUSINESS-FRIENDLY IMPLEMENTATION OF HEALTH CARE REFORM

CREATE JOBS AND IMPROVE HEALTH OUTCOMES
Successful implementation of the Affordable Care Act is estimated to bring 60,000 jobs and $3 billion in positive economic impact to the Southern California economy. In order to realize desired job creation, economic growth and improved public health to our region, the Chamber supports policies that retain network adequacy to provide care and stabilize rates over the long-term.

- Support SBX 1-1 (Hernandez) to expand and streamline California’s Medicaid program through a state-based expansion.
- Support AB 900 (Alejo) and SB 640 (Lara) to stop implementation of a 10 percent rate cut to Medi-Cal providers, thus incentivizing the expansion of networks and reducing cost-shifts.

REBUILD THE CALIFORNIA DREAM

benefit children and families. Systems of services and early care and education programs that support the Quality Rating and Improvement System.

Additionally, the Chamber strongly supports comprehensive prenatal-16 system that will help close the achievement gap, support 3rd grade reading proficiency, and create a more effective learning seats.

The Chamber supports policies that reduce the population of chronically homeless while creating jobs for the housing sector. The Chamber is a partner with the United Way of Greater Los Angeles on Home For Good, a public-private initiative to end chronic and veteran homelessness in Los Angeles County by 2015. Our collective efforts have housed 7,500 formerly chronically homeless and veterans over the last two years.

The Chamber supports the Linked Learning approach, which integrates rigorous academics with career-based learning and real world workplace experience in a wide range of fields, including a focus on STEM (science, technology, engineering and mathematics).

SUPPORT EDUCATION FINANCE REFORM
Support for the overall intent of the governor’s proposed Local Control Funding Formula, recognizing the virtues of local flexibility, and the value of empowering local communities closest to our children to make decisions for their success.

PROMOTE LINKED LEARNING SECONDARY REFORM
The Chamber supports the Linked Learning approach, which integrates rigorous academics with career-based learning and real world workplace experience in a wide range of fields, including a focus on STEM (science, technology, engineering and mathematics).

ToRemove ADDITIONAL STRATEGIES TO REDUCE HOMELESSNESS AND CREATE JOBS

Support SB 594 (Steinberg) to incentivize business engagement in schools with pathways focused on growing industry sectors.

DEVELOP STRONG CURRICULUM, ASSESSMENTS AND STANDARDS
Support a strong and effective implementation of the new 21st century assessments and accountability system in 2014.

IMPROVE HIGHER EDUCATION AND WORKFORCE DEVELOPMENT OUTCOMES
Support efforts to improve student success outcomes, expand access and eligibility to financial aid, and enact workforce development strategies that better prepare workers to compete in the global economy.

SUPPORT FOR THE OVERALL INTENT OF THE GOVERNOR’S PROPOSED LOCAL CONTROL FUNDING FORMULA, RECOGNIZING THE VIRTUES OF LOCAL FLEXIBILITY, AND THE VALUE OF EMPOWERING LOCAL COMMUNITIES CLOSEST TO OUR CHILDREN TO MAKE DECISIONS FOR THEIR SUCCESS.

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SUPPORT AB 975 (Bonta), which creates unattainable standards for charity care at nonprofit hospitals, resulting in mass hospital shut downs and reductions in network adequacy ahead of major coverage expansion.

CHILDREN’S HEALTH CARE PRIORITIES
Ensuring continuity of care for the most vulnerable populations of children is critical as the transition of Healthy Families beneficiaries to Medi-Cal managed care plans moves forward.

- Support AB 1174 (Bocanegra) to create a Virtual Dental Home to provide dental care to California’s most vulnerable children (two-year bill).
- Support AB 456 (Padilla) to increase access to children’s oral health (two-year bill).

PROVIDE ADEQUATE HOUSING TO REDUCE HOMELESSNESS AND CREATE JOBS
The Chamber supports policies that reduce the population of chronically homeless while creating jobs for the housing sector.

- Support SB 391 (DeSaulnier), the Homes and Jobs Act, which leverages a $75 recording fee on real estate transaction documents, excluding home sales, to raise $525 million annually for affordable housing and permanent supportive housing for the chronically homeless.
- Support AB 639 (Perez), which reauthorizes $600 million of bond funding to allow use for construction, rehabilitation, and preservation of veterans’ permanent supportive housing and multi-family housing.

STRENGTHEN CALIFORNIA’S EDUCATION SYSTEM

EARLY CARE & EDUCATION
The Chamber supports continued investment in an early childhood education infrastructure and the creation of a comprehensive prenatal-16 system that will help close the achievement gap, support 3rd grade reading proficiency, and support the Quality Rating and Improvement System. Additionally, the Chamber strongly supports comprehensive systems of services and early care and education programs that benefit children and families.

- Support AB 273 (Rendon) to create a more effective and holistic state child development system to support California’s most vulnerable children.
- Support SB 192 (Liu), which establishes a comprehensive learning and educational support system.
- Support gradual restoration of 110,000 defunded early learning seats.

Support for the overall intent of the governor’s proposed Local Control Funding Formula, recognizing the virtues of local flexibility, and the value of empowering local communities closest to our children to make decisions for their success.

PROMOTE LINKED LEARNING SECONDARY REFORM
The Chamber supports the Linked Learning approach, which integrates rigorous academics with career-based learning and real world workplace experience in a wide range of fields, including a focus on STEM (science, technology, engineering and mathematics).

- Support AB 484 (Bonilla), a Chamber-sponsored bill, to authorize the next 21st century assessment system and create a plan for an effective transition process.
- Support SB 300 (Hancock), a Chamber-sponsored bill, to formally adopt the next Generation Science Standards.
- Support California’s leadership in the SMARTER Balanced Assessment Consortium in order to develop assessments that better measure skills needed by employers.
- Support effective implementation of the Common Core State Standards and professional development necessary to transform teaching and learning.

DEVELOP STRONG CURRICULUM, ASSESSMENTS AND STANDARDS
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IMPROVE HIGHER EDUCATION AND WORKFORCE DEVELOPMENT OUTCOMES
Support efforts to improve student success outcomes, expand access and eligibility to financial aid, and enact workforce development strategies that better prepare workers to compete in the global economy.

- Support the governor’s multi-year funding proposal for University of California and California State University, which ties funding augmentations to improved student outcomes.
- Support SB 284 & SB 285 (de León) to create a College Access Credit Fund to increase annual Cal Grant B awards and AB 1241 (Weber), expanding access to CalGrant B funds for low-income youth.
- Support AB 606 (Williams) to encourage community colleges to develop strategies to improve financial aid participation.
- Support SB 440 (Padilla) to strengthen transfer reform implementation (created under SB 1440).
- Support SB 118 (Lieu), which encourages the California Workforce Investment Board to adopt new principles to ensure an industry sector-based approach to workforce development planning.
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