



SBACC Meeting Board of Directors Meeting

**October 2005 Agenda**

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- 1) **Welcome** Marna Smeltzer, Chairman of the Board

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- 2) **Self Introductions and Sign-in sheet** All

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- 3) **PRESENTATION: El Segundo Mayor Kelly McDowell – LAX Presentation 20 min**

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- 4) **Approval of Minutes**

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- 5) **Financial Report** Jerry Say
  - a) Membership Report

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- 6) **SBACC Luncheon with General Hamel – October 28<sup>th</sup> at Veranda's** Carleen Beste

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- 7) **Task Force Report on event to introduce new LA Mayor/ Update** Mark Waronek

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- 8) **Legislative Issues & Updates** Shaun Lumachi
  - a) 310 Update Jacki Bacharach
  - b) SB 833 Update Marna Smeltzer
  - c) Californians for Clean Affordable Safe Energy Scott McDonald **ACTION**
  - d) Telecommunications Reform Dick Castner **ACTION**
  - e) 2005 Vote Record Shaun Lumachi

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- 9) **Task Force Recommendations to be presented in November** Marna Smeltzer
  - a) Member Orientation Jerry Say, Eileen Mosler, Barbara Dye
  - b) Communication Task Force Barbara Glennie
  - c) Major Events Task Force Parsons, Beste, Gobble, Waronek, West

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- 10) **Sponsor Program Update** Carleen Beste, Marcella Low
  - a.) Distribute update

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- 11) **Brief Partner Reports:**
  - a) LAAFB Alliance Report: John Parsons, Jerry Say
  - b) SBEDP Report: Jerry Say
  - c) California Chamber Marlene Carney
  - d) US Chamber Dick Castner
  - e) Legislators Schwarzenegger, Chung, Oropeza, Gordon, Boxer

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- 12) **Upcoming Events / Announcements**
  - a) SBACC Luncheon with General Hamel – October 28<sup>th</sup>

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- 13) **Next Meeting - November 1, 2005 at 8:00 a.m. in the Torrance Chamber**

*A special thank you to Northrop Grumman and Carleen Beste for this mornings refreshment. November refreshments will be provided by the Carson Chamber and John Wogan.*

South Bay Association of Chambers of Commerce  
 Care of the Torrance Chamber of Commerce  
 3400 Torrance Blvd, #100 • Torrance, CA 90503

## **Californians for Clean Affordable Safe Energy**

### **Presentation**

#### **Scott McDonald**

Californians for Clean Affordable Safe Energy

### **Background**

Natural gas prices have more than doubled since 2001 because only 15% of our needs are produced in California and U.S. supplies are not increasing fast enough. At the same time, demand for natural gas is increasing primarily because all of the state's new electricity plants will be powered by natural gas. That's why California is at an energy crossroads. To avoid dramatically higher natural gas and electricity prices in the future, we need to increase natural gas supplies. That's how LNG can help.

### **What is LNG?**

- LNG stands for liquefied natural gas. It is odorless, non-toxic and non-corrosive. Essentially, it is the same natural gas more than 60 million Americans use to heat and cool their homes, only in a liquid state.
- Natural gas is converted into liquid form through a process called liquefaction, which significantly reduces the volume of the gas, making it more economical to transport, and therefore, cheaper for consumers. LNG is converted back to gas by passing the liquid through vaporizers that warm it. Both processes are performed using advanced technologies with a proven safety record.
- LNG has been in wide use throughout the world for some 45 years. China and Japan import nearly all of their natural gas. Vast natural gas fields and liquefaction facilities are under construction around the globe, and dozens of LNG facilities are in various stages of development around the United States.

### **Why We Need LNG.**

- California's demand in the natural gas market is expected to grow significantly within the next 10 years. To help meet the growing demand, LNG can play a larger role in the state's energy supply mix and may assist with reducing the potential for price volatility.
- California faces a growing gap between the natural gas it uses, and the natural gas that can be produced domestically or imported economically from the Western United States and Canada. California generates only 15% of the total annual amount of natural gas it consumes, and U.S. supplies are not increasing. LNG is the only viable option for increasing the supply of safe, clean natural gas in our state.

### **How LNG Will Help Our Economy**

- **Affordability & Reliability:** LNG is essential to keeping electricity prices low and ensuring a reliable supply of power to California homes and businesses. This is especially true here in California where more than 40 percent of our electricity generating capacity is fueled by natural gas.
- **Reduce Cost:** According to a study by the National Petroleum Council, American families and businesses will overpay more than \$1 trillion for energy costs unless aggressive action is taken to expand the use of natural gas in the economy.
- **Help Stabilize Prices:** U.S. Federal Reserve Chairman Alan Greenspan recently said LNG imports could help stabilize natural gas supplies, reducing the risks of price spikes

### **Recommended Action:**

*The SBACC supports the new statewide coalition Cal-CASE: Californians for Clean, Affordable, Safe Energy and the development of affordable energy options including the necessary infrastructure to bring LNG into California to meet the state's natural gas supplies.*

## **Telecommunications Reform**

### **Presentation**

#### **Dick Castner**

United States Chamber of Commerce

### **Background**

The Telecommunications Act of 1996, the main federal law governing the Internet and other digital technologies, will almost certainly be rewritten next year – and it’s about time. The digital world has been revolutionized since the Act was written, and many aspects of the law that made sense then are now holding back growth in the industry, to the detriment of us all. Investment in promising technologies is being stifled by regulations developed in a totally different environment.

The worldwide numbers tell the story. In rankings of global broadband deployment, the United States is now in 16th place, down from 13th last year and 5th just five years ago. In many parts of Asia, consumers enjoy broadband speeds 15 times faster than those typically found in the United States, yet they pay lower monthly fees. This affects our competitiveness in world markets and our personal wellbeing, because we’re paying more and getting less for it than we should. To change this situation, we must update our laws to spur investment in telecommunications infrastructure.

In July, Senator John Ensign (R-NV) introduced the “Broadband Consumer Choice Act of 2005,” a sweeping bill that would improve consumers’ access to communications technologies and reduce government barriers to technological innovation. Senate Commerce Committee Chairman Stevens (R-AK) plans to introduce a bill soon, and we expect congressional hearings to begin this fall and continue into next year.

The U.S. Chamber wants to make sure that business plays a key role in this rewrite. Together with a number of leading telecommunications companies, we’ve formed the TeleCONSENSUS coalition to alert members of Congress, the business community, and the public about the need for telecommunications reform and the importance of broadband to our economy. The coalition will advocate legislation based on the fundamental belief that telecommunications markets should be driven by consumer demand, advances in technology, and competition between telecommunications companies. More information on the coalition can be found at <http://www.teleconsensus.com/portal/teleconsensus/default>. Since its recent launch, TeleCONSENSUS has grown quickly to more than 150 members: chambers of commerce, trade associations, telecommunications providers, equipment manufacturers, businesses, and consumers.

Recognizing that an economic climate which fosters innovation and investment in its telecommunications industry is vital to a healthy and vibrant business community, the SBACC should support:

- Updating telecommunications laws to foster innovation, expand consumer choice, spur investment, create jobs, enhance efficiency, and increase productivity.
- A statutory and regulatory structure that allows telecommunications markets to be driven by consumer demand, advances in technology, and competition between telecommunication companies, while encouraging public safety, consumer protection, access for people with disabilities, and other public interest goals.
- Universal service which ensures affordable basic telephone service for all Americans and Internet access in the nation’s schools and libraries.
- Repealing discriminatory or excessive telecommunications taxes and obsolete regulations that limit Americans’ access to innovative services and choices.
- Encouraging consumer choice and private-sector investment to drive the deployment of high-speed Internet access into our communities.
- Increasing the spectrum for innovative wireless services.

**2005 Vote Records**

**Presentation**

**Shaun Lumachi**  
 Government Affairs Director  
 SBACC

<b>DETAILED VOTE RECORDS FOR YOUR STATE LEGISLATORS</b>				
<b>31 total legislative bills tracked by the SBACC</b>				
<b>The following 16 bills reached the Governor's desk</b>				
<b>Bill</b>	<b>Summary</b>	<b>SBACC</b>	<b>Bowen</b>	<b>Governor</b>
<b>AB 48 (Lieber) Minimum wage</b>	This bill would state the intent of the Legislature to increase the minimum wage effective on and after January 1, 2006.	<b>OPPOSE</b>	<b>SUPPORT</b>	<b>VETOED</b>
<b>AB 169 (Oropeza) Gender pay equity</b>	This bill would increase the damages an employee may obtain if successful in bringing a civil action against an employer who has violated existing law.	<b>OPPOSE</b>	<b>SUPPORT</b>	<b>To be determined</b>
<b>AB 208 (Gordon) School districts: priority for attendance: children of military personnel</b>	This bill requires each person between the ages of 6 and 18 years, not otherwise exempt, to attend the public full-time day school in the district in which their parent or guardian is a resident.	<b>SUPPORT</b>	<b>SUPPORT</b>	<b>APPROVED</b>
<b>AB 280 (Oropeza) Harbor facilities: crimes</b>	This bill prohibits a person from knowingly possessing specified weapons and other items within any sterile area, as defined, of an airport and a passenger vessel terminal, as defined, except as specified.	<b>SUPPORT</b>	<b>SUPPORT</b>	<b>APPROVED</b>
<b>AB 391 (Koretz) Unemployment compensation benefits: locked-out workers</b>	This bill would allow an otherwise eligible locked-out worker, as defined, to receive unemployment compensation benefits, even if the worker is locked out as a result of a trade dispute with	<b>OPPOSE</b>	<b>SUPPORT</b>	<b>To be determined</b>

	worker's employer.			
<b>AB 875 (Koretz) Employee wages and working hours: violators</b>	This bill would require the Labor and Workforce Development Agency, in consultation with the Franchise Tax Board and the Joint Enforcement Strike Force on the Underground Economy, to develop and implement a set of standards that, if met by an employer, would trigger recommendation for an audit or investigation by appropriate state tax authorities of employers in violation of statutes relating to employee wages, hours, and working conditions.	<b>OPPOSE</b>	<b>SUPPORT</b>	<b>To be determined</b>
<b>AB 1380 (Gordon) Telecommunication: new area codes</b>	This bill would require the commission, by January 15, 2006, to request the FCC to delegate authority to the commission to implement inventory management guidelines to ensure carrier compliance with 6-month inventory rules and timing for donations and returns to the numbering pool.	<b>SUPPORT</b>	<b>SUPPORT</b>	<b>To be determined</b>

<p><b>SB 101 (Battin) Employee compensation</b></p>	<p>This bill would require, by 1-1-08, any governmental entity, to use no more than the last 4 digits of the employee's social security number on a check, draft or voucher when paying the employee's wages.</p>	<p><b>SUPPORT</b></p>	<p><b>SUPPORT</b></p>	<p><b>APPROVED</b></p>
<p><b>SB 174 (Dunn) Minimum Wage</b></p>	<p>This bill will provide new incentives for plaintiffs and their attorneys to file lawsuits on minimum wage and overtime by creating two new types of class action "sue your boss" lawsuits.</p>	<p><b>OPPOSE</b></p>	<p><b>SUPPORT</b></p>	<p><b>To be determined</b></p>
<p><b>SB 300 (Kuehl) Family and medical leave</b></p>	<p>This bill would increase the circumstances under which an employee is entitled to protected leave pursuant to the Family Rights Act.</p>	<p><b>OPPOSE</b></p>	<p><b>SUPPORT</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>SB 399 (Escutia) Health services: 3rd- party liability</b></p>	<p>This bill would revise these 3rd-party claim procedures. The bill would revise the provider lien procedures to instead authorize the lien for the reasonable and necessary charges for services provided to the beneficiary against the portion of any judgment, award, or settlement relating to past medical expenses in the action or claim brought against a 3rd party.</p>	<p><b>OPPOSE</b></p>	<p><b>SUPPORT</b></p>	<p><b>To be determined</b></p>

<p><b>SB 757 (Kehoe) Petroleum Demand Reduction Act</b></p>	<p>This bill will require an arbitrary cut in gasoline demand, which would likely lead to higher gasoline prices and fewer consumer choices. To achieve such a dramatic rollback in consumer demand, the state would likely be forced to impose the kind of draconian measure outlined in a joint California Energy Commission and Air Resources Board Report.</p>	<p><b>OPPOSE</b></p>	<p><b>SUPPORT</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>SB 833 (Bowen) Unsolicited advertising faxes</b></p>	<p>This bill places onerous administrative and economic burdens on associations by requiring express written consent from their own members prior to sending a fax advertisement. Historically, communications between associations and its members were protected as an “established business relationship.”</p>	<p><b>SUPPORT</b></p>	<p><b>SUPPORT</b></p>	<p><b>To be determined</b></p>
<p><b>SB 840 (Kuehl) Single- payer health care coverage</b></p>	<p>This bill would establish the California Health Insurance System to be administered by the newly created California Health Insurance Agency under the control of an elected Health Insurance Commissioner.</p>	<p><b>OPPOSE</b></p>	<p><b>SUPPORT</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>SB 1105 (Speier) Life insurance: travel</b></p>	<p>This bill would prohibit an insurer from taking specified actions relating to issuing, renewing, or rating a life insurance policy based upon the applicant's or insured's past or future lawful travel</p>	<p><b>SUPPORT</b></p>	<p><b>SUPPORT</b></p>	<p><b>To be determined</b></p>

	destinations.			
<b>ACA 11 (Oropeza) Transportation funds: loans</b>	This measure would amend the State Constitution to protect Proposition 42 funds from being diverted away from transportation, while allowing flexibility to borrow the funds on a temporary (maximum of three years) basis in case of an emergency.	<b>SUPPORT</b>	<b>Failed before Assembly vote</b>	<b>Failed to pass Legislature</b>
<b>The following bills failed before an Assembly vote</b>				
<b>AB 20 (Leslie) Disabled persons: access: technical violations</b>	This bill would make non substantive, technical changes which would stop lawsuits for damages against a public facility for a slight deviation from a code or regulation that has no significant impact on a disabled person's right to the goods and services provided by the facility, as specified. The bill would instead provide that the remedy for a technical violation, as defined, is injunctive relief and the recovery of attorney's fee.	<b>SUPPORT</b>	<b>Failed before Assembly vote</b>	<b>Failed to pass Legislature</b>

<p><b>AB 623 (Gordon) Redevelopment: Los Angeles Air Force Base</b></p>	<p>This bill would authorize the legislative bodies of communities located in Los Angeles County to adopt ordinances to expend their tax-increment moneys outside of their territorial jurisdiction to implement the Los Angeles Air Force Base Retention Program through the formation of a separate joint powers entity, as specified.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Assembly vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>AB 640 (Tran) Employment: work hours</b></p>	<p>This bill would permit an individual employee, with the consent of his/her employer, to work up to 10 hours per day within a 40-hour workweek, "with no set workweek." Overtime pay would not be required in such a case.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Assembly vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>AB 793 (Benoit) Unemployment insurance taxes: Employment Tax Amnesty Act of 2006</b></p>	<p>This bill would require the EDD to develop &amp; administer an amnesty program for a 3-month period, under which an employer may apply for the waiver of 1) unpaid penalties or 2) penalties imposed and taxes to be withheld, that are owed as a result of the non reporting or underreporting of these tax liabilities or the failure to file reports for periods that ended on or before 12-31-04.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Assembly vote</b></p>	<p><b>Failed to pass Legislature</b></p>

<p><b>AB 903 (De La Torre)</b>  <b>Cable television franchises</b></p>	<p>This bill would impose that any additional cable television franchise granted to a public utility, a telephone corporation, or its affiliate for an area within the public utility's or telephone corporation's service area or areas, that franchisee will wire and serve the same geographical area within a reasonable time and subject to other specified conditions.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Assembly vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>AB 1580 (Torrico)</b>  <b>Sales and use taxes: exemption: telecommunication and manufacturing equipment</b></p>	<p>This bill would declare the intent of the Legislature to exempt from those taxes the sale of, and the storage, use, or other consumption of, manufacturing equipment and telecommunication equipment used in the manufacturing process.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Assembly vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>AB 1644 (De La Torre)</b>  <b>Income and corporation tax credits: sales tax exemption: repeals</b></p>	<p>The Sales &amp; Use Tax Law provides various exemptions including an exemption for farm equipment, and machinery used primarily in producing and harvesting agricultural products. This bill would repeal that exemption.</p>	<p><b>OPPOSE</b></p>	<p><b>Failed before Assembly vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>AB 1709 (Wyland)</b>  <b>Workplace postings</b></p>	<p>This bill would require that workplace posters &amp; regulations be written in plain language so that employers and employees can easily understand them.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Assembly vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>The following bills failed before a Senate vote</b></p>				

<p><b>SB 17 (Escutia)</b>  <b>Property Tax: Change in Ownership</b></p>	<p>This bill seeks to reform the state's loophole-ridden commercial property tax system by closing loopholes in the "change of ownership" statutes, improving enforcement of the law &amp; increasing penalties for violators.</p>	<p><b>OPPOSE</b></p>	<p><b>Failed before Senate vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>SB 178 (Poochigian)</b>  <b>Workers compensation: private self-insurance groups</b></p>	<p>This bill will ease the formation of self-insurance pools for groups of employers in similar industries. The bill also sets forth protections to require these new group self-insurance pools to be financially sound and ensures that if members do experience financial difficulties that a fund exists to pick up outstanding claims.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Senate vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>SB 285 (Maldonado)</b>  <b>Employee wages</b></p>	<p>This bill would provide that, where an employer discharges instead any employee, payment is deemed to have been made immediately when such wages are paid within the time and manner indicated, and further that the date of mailing shall constitute the date of payment for the purposes of the requirement to provide payment within 72 hours.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Senate vote</b></p>	<p><b>Failed to pass Legislature</b></p>

<p><b>SB 656 (Romero)</b>  <b>Taxation: alcoholic beverages</b></p>	<p>This bill would provide an exception to the Alcoholic Beverage Tax Law, which states that taxes imposed are in lieu of all county, municipal, or district taxes on the sale of beer, wine, or distilled spirits, by authorizing the board of supervisors of a county, subject to certain conditions that include voter approval, to levy on a countywide basis, for revenue purposes only, a tax on the privilege of consuming beer, wine, and distilled spirits, as defined, purchased in a retail sale for consumption on the premises of the seller, at a rate of at least 1/8 of 1%, but not to exceed 5%, of the sale price, as provided.</p>	<p><b>OPPOSE</b></p>	<p><b>Failed before Senate vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>SB 855 (Poochigian)</b>  <b>Special access: liability</b></p>	<p>This bill would establish notice requirements for an alleged aggrieved party to follow before bring an action against a business for an alleged violation of ADA provisions.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Senate vote</b></p>	<p><b>Failed to pass Legislature</b></p>
<p><b>SB 862 (Perata)</b>  <b>Minimum wage increase</b></p>	<p>Under existing law, Industrial Wage Orders establish the minimum wage for all industries as \$6.75 per hour. This bill would increase the minimum wage to an unspecified amount.</p>	<p><b>OPPOSE</b></p>	<p><b>Failed before Senate vote</b></p>	<p><b>Failed to pass Legislature</b></p>

<p><b>SB 956 (Simitian)</b>  <b>Transient occupancy tax</b></p>	<p>This bill would enact the Coast and Ocean Stewardship Act of 2005.</p> <p>The bill would levy a surcharge of \$1 per night per room on all charges for transient occupancy in the 20 counties that are located along the coast of the Pacific Ocean and the San Francisco Bay, including all cities within these counties, as well as the City and County of San Francisco.</p>	<p><b>SUPPORT</b></p>	<p><b>Failed before Senate vote</b></p>	<p><b>Failed to pass Legislature</b></p>
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