

SCCA

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SOUTHERN CALIFORNIA CONTRACTORS ASSOCIATION

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LEGISLATIVE COMMITTEE UPDATE

Welcome

There's big news from the Bay Area in this, our sixth episode. A terrifying balcony accident left several international UC Berkeley students dead last summer and the contractor came square into the sights of the press, legislature and CSLB. SCCA was there in Sacramento to set the record and prevent a knee-jerk bill from moving.



Todd Bloomstine

In The News....

We have been monitoring the development of the Berkeley Balcony collapse investigation over the last year. A recent statement released by the Alameda County District Attorney's office shows that no criminal charges will be filed due to "insufficient evidence of criminal negligence to file manslaughter charges." It was determined that the balcony was compromised due to water infiltration at the time of construction that, ultimately caused dry rot, and resulted in the collapsing balcony.

The media reported shortly after the incident that the contractor on the apartment was a defendant in at least 20 civil cases and had settled approximately \$23 million in claims.

Officials believe that responsibility lies with many of the parties involved in the construction and/or maintenance of the building. Officials plan on working with the California Contractors State License Board (CSLB) on any administrative action pursued in this case. They are also planning to collaborate with industry leaders and state legislators to "consider amending building code and inspection oversight laws."

SCCA opposed legislation from last year that would have required contractors to disclose their settlements to the CSLB. The bill failed passage. In November of 2015, SCCA lobbyist Todd Bloomstine participated in an industry meeting hosted by the board to discuss possible solutions. He asserted that civil settlements are not necessarily an indication of questionable construction practices, but rather a intensely litigious industry, especially in the attached housing market.

To read the whole story click [here](#) or [here](#).



Rumor Has It....

....That there may be some new changes to the Dig Alert Law.

Fact Check: Senator Jerry Hill (D-San Mateo) recently became aware of a situation where a member of law enforcement witnessed a northern California PG&E employee out re-marking lines AFTER underground lines were struck in a recent dig-in. We will continue to monitor the situation and stay in contact with Senator Hill's office to know if legislative action is taken. But contractors have reported this behavior for years, and Senator Hill has heard these allegations before...

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SCCA Legislative Day at the Capitol

Our 2016 Day at the Capitol was a success! We had a day filled with meetings with Legislators and their staff, along with an opportunity to network with many additional Members and staff and let them know about SCCA Legislative priorities.



Capitol depends on your participation and taking the time to meet with our representatives. We look forward to you joining us next time!

Our focus was the clear need that we must re-examine the funding structure for transportation projects. We discussed at length the California Transportation Commission's recent decision to defund \$758 millions of construction projects. We strongly stressed the need to find a comprehensive solution and were met with receptive legislators along with good suggestions on how to become more involved.

This is an annual event, and we strongly encourage you to make our next Legislative Day a priority. Legislative Members value when their constituents and businesses take the time to travel to Sacramento and share their issues and concerns with the members. The effectiveness of our organization in the halls of the

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CalTrans Under Attack, Again

The California State Auditor recently released a study showing that the California Department of Transportation (CalTrans) is grossly mismanaging spending and timelines when it comes to their maintenance division. The report indicates that funding decisions are not being made based on two key indicators - traffic and climate - as CalTrans models indicated and suggested. Rather, funding decisions are based on an average of the historical spending in each of the 12 CalTrans districts.

You can read the full report [here](#).

In response to this report, Senator John Moorlach (R- Costa Mesa) has expressed concern over CalTrans' actions. "The State Auditor's latest report on CalTrans is the clearest signal yet that road funds are not being spent efficiently, nor in the highest-priority areas," said a release from Senator Moorlach's office.

Senator Moorlach is doubtful of CalTrans' ability to implement any new recommendations and has introduced Senate Bill 1141 in response to the audit, which would launch a pilot program shifting road funds and maintenance duties from CalTrans to county governments. SCCA will review his proposal.

Minimum Wage to Increase to \$15 Per Hour

The legislature passed SB 3 to increase the minimum wage to \$15 per hour by 2022 on April 8.. Governor Jerry Brown signed the bill into law on Monday in Los Angeles. The Senate voted 26-12 and the Assembly voted 48-26 in favor of the measure.

The plan calls for an increase of the current wages of \$10 per hour to \$10.50 per hour in January of 2017. In 2018 it will increase to \$11 per hour. Each following year, it will increase \$1 per year until 2022. No other state has a minimum wage as high as California. Regrettably, there was no tax break or other program coupled to the increase to assist California businesses meet the higher labor costs.

News outlets reported that this is a \$20 billion wage increase affecting 5.6 million workers across the state. In other words, it just became \$20 billion more expensive to do business in California.

Political Quote of the Day

Perseverance is the hard work you do after you get tired of doing the hard work you already did.

--Newt Gingrich

Former Speaker of the House of Representatives