

## LEGISLATIVE COMMITTEE UPDATE

### Welcome!

Transportation funding is back in the news after several months of relative silence. There is still a remote chance that a statewide transportation proposal will make its way through the legislature this year. It also seems that some local transportation agencies are stepping up and beginning to propose some funding in their counties. We talk about these issues and others in this issue of the SCCA Legislative Committee Newsletter.



*Todd Bloomstine*

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## Français Energy Company Pour Construire de Nouvelle Centrale Nucléaire en Californie Arrête Diablo Canyon

Just as California is closing its chapter on nuclear power and closes down Diablo Canyon (as mentioned in an earlier issue of the newsletter), France is moving forward with plans to build a new nuclear power plant costing a projected \$27 billion. The plant will be located in Great Britain.

Reports show that the British government will take time to consider the proposal, making a decision sometime this fall. The new plant is projected to produce 7% of British electricity and provide 25,000 jobs.

As California is constantly adjusting its energy efficiency standards and taking options off the table, it's worth noting that other countries are examining all available options to develop a comprehensive energy plan. Read more about the project [here](#).

For you non-French speakers, the title says "French Energy Company to Build New Nuclear Power Plant as California Shuts Down Diablo Canyon." Thank you Google Translate...



# Department of Industrial Relations Restarted Certified Payroll Enforcement

While this program has not been in effect in recent months, the Department of Industrial Relations is “advising Public Works contractors and subcontractors that enforcement of the requirement to submit certified payroll records...will resume August 1st.”

State of California



Department of Industrial Relations

The requirements are still the same, and the online reporting system is operational. Click [here](#) to read the notice from DIR if you haven't seen it yet.

If you have any questions or concerns, contact DIR directly, or notify your legal counsel.

## Rumor Has It...

That Assembly Speaker Anthony Rendon is interested in calling a “lame-duck special session” after the November Election to take a vote on a transportation funding bill to address required and deferred maintenance on roads.

### Fact Check...

MAYBE!...Only time will tell if the Speaker will allow it. Stay tuned for a possible announcement sometime in October or November. “I’m open to it,” Rendon told Capital Public Radio when asked about the rumor Monday. “That’s not ‘the plan’ right now, but certainly, that’s something I’ve heard of and something that if need be I’d be supportive of.”



For inquiring minds, a “lame-duck session” is a specially called session after the November election but before the time legislators take office for the 2017-18 session. The theory being there will be less political pressure to support increased transportation funding after they take office. And for those not returning to office due to a November election loss or due to term limits, they may be more likely to support issues they otherwise would not have.

# SB 1234 Places New, Mandated Retirement Investment Requirement on Employees

In the final days of the legislative session, Legislators will deal with many issues from transportation (hopefully), to education, to retirement investments. This last issue is what is being considered in SB 1234 by Senate Pro Tem Kevin de Leon (D- Los Angeles). SB 1234 calls for a mandated retirement account (administered by the State) for all employees with contributions of up to 5% of an individual’s annual salary.

Which employees, you ask? Here’s the really interesting part -- SB 1234 applies to private employees. Yes you understand the significance of this correctly. The legislators is considering mandating that private employees contribute a minimum amount of their income to retirement.

While we should applaud and encourage each individual to invest in their future retirement, this proposal does raise some serious concerns. First, we must consider that CalPERS (current state employee retirement program) and social security are both showing shortfalls, and inability to meet their unfunded liabilities. Would this program, termed Secure Choice, go down a similar path?

Also, who is going to be responsible for guaranteeing the investment for each employee that participates in this program? Language in the bill seeks to make sure that the state is not on the hook by saying, “The state shall not have any liability for the payment of the retirement savings benefit earned by program participants pursuant to this title.” This sounds like very strong language, but there is still plenty of “wiggle room.” And if the state isn’t liable, then does that mean businesses are liable? Of course remember one of the rules in legislative parlay -- the legislature does write in sand on the beach. The next big wave, or future legislature, can change the law with a majority vote.

The bill does authorize employees to “opt-out.” Of course that requires them to affirmatively do so. Additionally, workers that participate in retirement plans are exempt.

These issues and many others are being asked by the legislature. We’ll see if SB 1234 makes the final cut and down to the governor’s office.

# Update: California Underground Facilities Safe Excavation Board Created by SB 661

SB 661 by Senator Jerry Hill (D-San Mateo) will update the Dig Alert law and create the California Underground Facilities Safe Excavation Board. The Board consists of 11 members and has 4 primary responsibilities:

- 1) Coordinate education and outreach activities that encourage safe excavation practices;
- 2) Develop standards;
- 3) Investigate possible violations, and
- 4) Enforce the provisions of Dig Alert.

Each of these areas of responsibility have key roles to further educate and ensure the safety of our industry. A high priority of SCCA was to have language in the bill regarding developing clear standards that are applied equally across the state in a public document.

Education is an important role for this Board to fulfill. This is a unique opportunity for our members to be involved because it naturally is an opening for discussion and an exchange of ideas.

Board members are appointed by several different people. There is one member appointed by the Speaker of the Assembly, one member appointed by the Senate Committee on Rules and 7 members appointed by the Governor. The Board may also invite 2 ex-officio, non-voting members who are directors of operations of regional notification centers to be a part of the Board. The Speaker of the Assembly must appoint a member that that has expertise regarding the safety of those employees that work for contract excavators while the Senate Committee on Rules must appoint someone who has knowledge regarding underground installations. The Governor's appointees will consist of three people who have expertise in subsurface installation, three people who have expertise in contract excavation who are not operators of subsurface installation and one appointee who have experience in subsurface location and marking.

The key for SCCA members to remember in these situations is that involvement is essential — especially when it comes to ensuring that business views are represented on boards and commissions.

## Counties Take on Local Transportation Funding Measures to Combat Funding Shortfalls

With transportation funding measures on the ballot in nearly every California county, local government agencies are stepping up to fill the gap of reduced state funding. In just the last year, Cal-Trans funding dropped from more than \$7 billion in 2010-11 to roughly \$2.9 billion in the coming year.

While this leaves a huge transportation funding hole, as mentioned, don't be surprised to see local transportation agencies looking to make up the shortfall. Los Angeles County has placed a half-cent sales tax measure on the November ballot. The County Board of Supervisors voted unanimously to place it on the ballot. It's proposed to last indefinitely.

The measure is projected to reach \$860 million per year and fund transit/rail system expansion along with fully or partially funding 10 new highway projects. The website, [socialworks.com](http://socialworks.com), reports that "Metro says the plan will boost the local economy, according to analysis by the Los Angeles County Economic Development Corporation (LAEDC). The latest economic forecast by LAEDC estimates that more than 465,000 jobs and \$79.3 billion in economic output would result from infrastructure projects funded by the ballot measure over its first 50 years."

It's good to hear that local transportation authorities are committed to maintaining our roads and highways. But we must keep our state legislators working on the problem. Make sure that our legislators continue to hear that we want to keep our roads safe

and operational by going to [Transportation California](http://TransportationCalifornia) and making your voice heard. Take a moment to follow the link and contact your legislator and express your support for a comprehensive transportation funding.

If we continue down a path of small state investment and large investments for local agencies, California's infrastructure could end up looking like a patchwork of well maintained infrastructure on one side of a county line with poor infrastructure on the other.

Need to talk to us?

We're listening....



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