

CALIFORNIA HOTEL INDUSTRY ADVOCACY SUMMARY



2021





YOUR LODGING ADVOCATE

CHLA is a non-profit association dedicated to protecting and supporting California's hospitality industry. In order to accomplish our mission, we lobby policymakers on-the-ground, build grassroots coalitions with industry partners, provide data-based guidance to shape and reduce regulations and promote the economic value hotels and their employees bring to California.

This past year, we worked with hospitality colleagues and other associations to form one of the largest coalitions and grassroots programs in CHLA's history. One campaign generated more than 800 opposition letters from hoteliers and the general public within a 45-day period, which were sent to State policymakers to stop a harmful and confusing bill proposal – and it worked. This year, we built our digital advocacy playbook, strengthened connections with aligned associations and policymakers, and set the stage to remain one of California's leading business advocates.

CHLA also increased its engagement with local elected officials during the past year in the key markets of San Francisco, Los Angeles, Long Beach, Santa Monica, West Hollywood, and San Diego. These municipalities are often where new policies are developed and pushed to the state-level for widespread approval. We are strengthening our local involvement so we may head-off issues before they evolve from local issues into statewide policy issues. In 2020, we demonstrated the approach works; in 2021, we built the infrastructure to capitalize on the increased opportunities this approach provides to influence policy.

As our scope and access to policymakers increases, particularly, at the local level, we have increased the number of agencies with whom we partner and we have strengthened our relationships with influential organizations such as the California Chamber of Commerce, California Travel Association, American Hotel and Lodging Association, AAHOA, and the U.S. Travel Association. Additionally, we worked with leading lobbyists from Public Policy Advocates, our local lobbying firms (listed on page 21), and communications specialists at Singer Associates, Inc. to build and disseminate messaging that resonates with policymakers at every level. Finally, we engaged agency specialists and organizations dedicated to influencing key executive agencies as a way to expand our influence in the Executive Branch.

This 2021 Advocacy Summary provides a brief overview of CHLA's work and includes legislation we've lobbied, regulatory standards we've shaped, and growth we've managed. Although 2021 felt like a repeat of 2020 to many, CHLA spent the year building the foundation to be an even stronger voice for hospitality, for lodging, for hotel employees and for you. We look forward to continuing this work in 2022 and thank you for the opportunity to be your voice.

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EXECUTIVE SUMMARY

2021 ushered in some of the most significant shifts in policies, relationships, and governance that California has seen since the great recession.

However, many of the ideas presented this year were repeats from 2020 that policymakers got wrong the first time. We anticipate these shifts and reruns will continue to define the policymaking landscape, and the role of executive agencies in daily policymaking decisions, in 2022 and beyond.

EXPANDED ROLE OF THE EXECUTIVE BRANCH

California's executive branch cemented its role as an important force in policymaking as state and local agencies largely retained control over COVID-19 response measures. The state ended 2020 and entered 2021 with rising COVID-19 rates, renewed lockdowns, new operational standards, mixed demand for travel, and the emerging prospect of widespread vaccination regimes. State, county, and city health department officials operated with significant authority, impacting nearly every aspect of daily life through their often-varying orders and restrictions.

One statewide executive agency, the California Division of Occupational Safety and Health (Cal/OSHA), set the stage in 2020 for a fight with the legislature over who would control the pandemic response through an "Emergency Temporary Standards" (ETS) regulation, which dictated how businesses deal with COVID-19 cases in the workplace. Specifically, this initial language conflicted with legislation signed into law weeks before (Assembly Bill 685 – Reyes, D) and placed the two branches of government on a collision course to determine whose regulations would ultimately prevail.

In 2021, State legislators worked to amend the statutory language that regulated businesses through a cleanup measure (Assembly Bill

654 – Reyes, D). The measure's original intent was to override language in the Cal/OSHA ETS and AB 685 (Reyes, 2020) that conflicted and to provide clear guidelines surrounding COVID-19 reporting and notification in the workplace. Legislative efforts were largely derailed, however, after discussions broke down and Cal/OSHA passed an amended version of the ETS, which is currently in effect. While AB 654 ultimately passed in the final days of session, it lacked many of the oversight provisions which were contemplated early on.

Virtually overnight, the leading policymaking powers surrounding pandemic response shifted from the legislature and were cemented in the executive branch. Despite this policymaking shift, CHLA retained its ability to influence the final results by engaging early and often with the executive rulemaking process. We joined coalitions with a range of businesses, submitted written and oral comments, and engaged in high-level strategy sessions with other businesses and policymakers.

LABOR ISSUES WERE TOP OF MIND

2021 was termed the year of the "Great Resignation." In California, we felt this through the 67,000 missing hospitality employees and polling which showed nearly 40 percent of employees across all industries said they considered leaving their jobs in 2021. The reasons for the mass job exodus are many and somewhat

confusing for businesses and policymakers alike.

In an attempt to address statewide labor issues, State Assembly Member Lorena Gonzalez (D, San Diego) took up Asm. Ash Kalra's (D, San Jose) fight for "Recall and Retention" and used one of the notoriously opaque and largely unaffordable budget bills to force it through the legislature and into law. Asms. Gonzalez and Kalra

sought to further regulate hotel operations by co-authoring Assembly Bill 1074 (Gonzalez, 2021), which would have required:

- Outgoing contractors to provide lists of their employees to incoming contractors
- Incoming contractors to hire the employees of the outgoing contractors.

This measure would have increased hotel operational costs significantly, prevented hotels from removing unwanted contractor employees, and affected operations for large and small hotels. CHLA defeated this measure after the lodging community led an opposition campaign that generated one of the largest grassroots responses in CHLA's recent history.

VACCINE MANDATES COMPLICATED BUSINESS RELATIONS

The widespread availability and general public's acceptance of COVID-19 vaccines has redefined the COVID-19 pandemic. Where health officials once focused on masking and social distancing as the best means of limiting the spread of COVID-19, they now are touting vaccinations as the best tool available and are urging people



in nearly every age group to obtain them. Legal challenges against pandemic response policies, however are mounting so health officials are shifting their focus from outright vaccine mandates to vaccine mandates through business regulation.

Ultimately, many of these policies (U.S. Dept. of Labor Vaccine Mandate, California Public Employee Mandate, Los Angeles Vaccine Verification Mandate) rely on businesses to enforce vaccine standards, increasing tension within the workplace between managers and employees and between employees and guests. While federal officials largely have provided support to businesses through advisory guidance outlining the rights of businesses, navigating employer/employee relationships through vaccine mandates remains difficult.

Notably, courts have indicated a willingness to protect businesses from abusive patrons, with several judges permitting businesses and governments to bring trespassing charges against unruly consumers. Vaccination rates, infection rates, and public sentiment toward pandemic response policies will be of significance again in 2022.

GOVERNOR NEWSOM BEAT THE RECALL

What initially seemed like a longshot became a political reality in 2021 after opponents and critics of Gov. Newsom collected enough voter signatures to place a recall question on the

CHLA's focus is to drive legislative and regulatory policies that allow hospitality to be one of our state's top industries, protect hotel employees and our guests, and support hotelier's active participation in their communities.

statewide ballot. Gov. Newsom defeated the recall effort and emerged from the fight with a war chest of campaign funds, a better position to fend off opponents in his own party, and the state's Republican Party in disarray. Despite voters' approval, Newsom faces an ongoing pan-

demic, an historic fire season, record-breaking drought, supply shortages, high unemployment rates, and the disappearance of affordable housing. With these challenges in mind, a major question remains as to how he will fare when up for re-election in 2022.

LOCAL GOVERNMENTS SPLIT FROM CDPH

Local governments and regulators remained split from state health guidance issued by the California Department of Public Health and implemented a patchwork of requirements for businesses and their patrons. So, to provide more consistency between regions, CHLA en-

gaged early and often with local health officials through advocacy letters to health officials across the state. Among other things, these letters called for a single standard in line with state guidance and, in many regions, we noted changes in pandemic policy in the weeks that followed our contact.

However, as the pandemic continued and health officials increased their focus on vaccinations, select health officials issued orders which rendered vaccinations a virtual necessity. In Los Angeles and San Francisco, businesses were required to verify that their guests were fully vaccinated to access indoor areas. CHLA is continuing to encourage the development of clear guidance at the state level and to ensure local governments followed the California Department of Public Health, rather than subject businesses to a range of requirements. In 2022, we anticipate continuing this push as a means to reduce the confusion for travelers seeking to visit and to help businesses trying to keep their doors open.

CONCLUSION

CHLA's focus is to drive legislative and regulatory policies that allow hospitality to be one of our state's top industries, protect hotel employees and our guests, and support hotelier's active participation in their communities. As 2022 approaches, CHLA anticipates labor relations and pandemic management to remain a major focus point for state and local policymakers.

We appreciate your support and pledge to be your strongest advocate in 2022 and beyond.

BIGGEST BILLS OF 2021

ASSEMBLY BILL 1074 (GONZALEZ - D)

EMPLOYMENT: DISPLACED WORKERS

STATUS: Vetoed by Governor Newsom

EFFECTIVE DATE: N/A

POSITION: **OPPOSE**

SUMMARY: This bill would have required: 1) vendors employed by hotels who lose the hotel contract to provide a list of their employees that work at the hotel to the new incoming vendors and 2) incoming vendors to hire the employees on that list.

Note: See a breakdown of our efforts in the Grassroots Section on page 14.

SENATE BILL 93 (SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW)

EMPLOYMENT: REHIRING AND RETENTION: DISPLACED WORKERS: COVID-19 PANDEMIC

STATUS: Chaptered by Secretary of State. Chapter 16, Statutes of 2021

EFFECTIVE DATE: April 16, 2021

POSITION: **OPPOSE**

SUMMARY: This bill, until Dec. 31, 2024, requires an employer to offer its laid-off employees specified information about job positions that become available for which the laid-off employees are qualified and to offer positions to those laid-off employees based on a seniority rights.



SHORT TERM RENTALS

SENATE BILL 60 (GLAZER - D)

RESIDENTIAL SHORT-TERM RENTAL ORDINANCES: HEALTH OR SAFETY INFRACTIONS: MAXIMUM FINES

STATUS: Chaptered by Secretary of State. Chapter 307, Statutes of 2021

EFFECTIVE DATE: September 24, 2021

POSITION: **SPONSOR**

SUMMARY: This bill raised the maximum fines for violation of an ordinance relating to a residential short-term rental and poses a threat to health or safety, to \$1,500 for a first violation, \$3,000 for a second violation of the same ordinance within one year, and \$5,000 for each additional violation of the same ordinance within one year of the first violation.

SENATE BILL 555 (MCGUIRE - D)

LOCAL AGENCIES: TRANSIENT OCCUPANCY TAXES: SHORT-TERM RENTAL FACILITATOR: COLLECTION



STATUS: Held Under Submission – Assembly Appropriations Committee

EFFECTIVE DATE: N/A

POSITION: **OPPOSE**

SUMMARY: This bill would have allowed short-term rental facilitators to leave contracts with local governments and engage in transient occupancy tax collection (TOT) contracts directly with the state. Under this measure, short term rental facilitators would be required to provide the state agency tasked with TOT collections with limited data and would not be liable to consumers for incorrect tax collections.

LABOR AND EMPLOYMENT

ASSEMBLY BILL 1003 (GONZALEZ - D)

WAGE THEFT: GRAND THEFT

STATUS: Chaptered by Secretary of State. Chapter 325, Statutes of 2021

EFFECTIVE DATE: January 1, 2022

POSITION: **OPPOSE**

SUMMARY: This bill makes the intentional theft of wages, including gratuities, in an amount greater than \$950 from any one employee, or \$2,350 in the aggregate from two or more employees, by an employer in any consecutive 12-month period punishable as grand theft. The bill specifically authorizes wages, gratuities, benefits, or other compensation that are the subject of a prosecution under these provisions to be recovered as restitution in accordance with existing provisions of law. This bill also specifies that, for the purposes of these provisions, independent contractors are included within the meaning of employee and hiring entities of independent contractors are included within the meaning of employer.



ASSEMBLY BILL 1192 (KALRA - D)

EMPLOYMENT INFORMATION: WORKER METRICS

STATUS: Inactive File – Asm. Appropriations

EFFECTIVE DATE: N/A

POSITION: **OPPOSE**

SUMMARY: This bill would have required employers with 1,000 or more employees to provide the state with information about employee wages, positions, turnover, safety, retirement contributions, median volatility in work-hours, and median hours worked in classifications defined by gender and ethnicity.

SENATE BILL 331 (LEYVA - D)

SETTLEMENT AND NONDISPARAGEMENT AGREEMENTS

STATUS: Chaptered by Secretary of State. Chapter 638, Statutes of 2021

EFFECTIVE DATE: January 1, 2022

POSITION: NEUTRAL

SUMMARY: This bill provides that the prohibition on settlement agreements preventing the disclosure of factual information related to a claim of workplace harassment or discrimination includes a claim based on any protected characteristic. This bill also states that a severance agreement with any provision prohibiting the disclosure of information about unlawful acts in the workplace constitutes an unlawful employment practice.

OCCUPATIONAL HEALTH
AND SAFETY

ASSEMBLY BILL 654 (REYES - D)

COVID-19: EXPOSURE: NOTIFICATION



STATUS: Chaptered by Secretary of State. Chapter 522, Statutes of 2021

EFFECTIVE DATE: October 5, 2021

POSITION: SUPPORT

SUMMARY: This bill included cleanup language which aligned AB 685 (Reyes, 2020) with the Cal/OHSA Emergency Temporary Standards promulgated in November 2020. Specifically, this measure aligned definitions, removed duplicate requirements, and improved business compliance procedures related to COVID-19.

SENATE BILL 606 (GONZALEZ - D)

**WORKPLACE SAFETY: VIOLATIONS OF STATUTES:
ENTERPRISE-WIDE VIOLATIONS: EGREGIOUS
VIOLATIONS**

STATUS: Chaptered by Secretary of State. Chapter 336, Statutes of 2021

EFFECTIVE DATE: January 1, 2022

POSITION: **OPPOSE**

SUMMARY: This bill creates a rebuttable presumption that a violation committed by an employer that has multiple worksites is enterprise-wide if the employer has a written policy or procedure that violates these provisions or if the division has evidence of a pattern or practice of the same violation committed by that employer involving more than one of the employer's worksites. The bill authorizes the division to issue an enterprise-wide citation requiring enterprise-wide abatement if the employer fails to rebut such a presumption. The bill imposes specified requirements for a stay of abatement pending appeal of an enterprise-wide citation. The bill subjects an enterprise-wide violation to the same penalty provision as willful or repeated violations.

Note: This bill has two major provisions, of which only the language establishing a willful violation would likely apply to hoteliers, as the other relates to an industrial practice.

OTHER ISSUES

SENATE BILL 285 (MCGUIRE - D)

CALIFORNIA TOURISM RECOVERY ACT

STATUS: Inactive File - Senate Appropriations

EFFECTIVE DATE: N/A

POSITION: **SUPPORT**

SUMMARY: This bill would have made a \$45-million appropriation in one-time funding to Visit California for the purpose of promoting and restarting travel within and into California. This bill was placed on hold as part of budget discussions, but the contents of the measure were included in budget bills that passed later in the year.

Note: As a result of hospitality's advocacy on this bill, the State ultimately allocated \$95 million towards a promotional campaign to rebuild travel, in addition to a range of direct support programs for the business community at large.

SENATE BILL 410 (LEYVA - D)

OCCUPATIONAL SAFETY AND HEALTH: REGULATIONS

STATUS: Ordered to Inactive File – Assembly Floor

EFFECTIVE DATE: January 1, 2022

POSITION: **OPPOSE**

SUMMARY: This bill would exempt any occupational safety and health standard and order from standardized regulatory impact analysis requirements. These analyses are required for any state agency seeking to adopt a major regulation and are used to determine the impact on California's business community. Specifically, the measure requires agencies to evaluate and address all of the following:

- The creation or elimination of jobs within the state
- The creation of new businesses or the elimination of existing businesses within the state
- The competitive advantages or disadvantages for businesses currently doing business within the state
- The increase or decrease of investment in the state
- The incentives for innovation in products, materials, or processes
- The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency.

This measure would also require an economic impact assessment to be prepared for the adoption, amendment, or repeal of any occupational safety and health standard and order, including for any such standard and order that is a major regulation proposed after Jan. 1, 2022. (This language was designed to make it more difficult to change the Cal/OSHA ETS mentioned in prior sections.)

SENATE BILL 657 (OCHOA BOGH - D)

EMPLOYMENT: ELECTRONIC DOCUMENTS

STATUS: Chaptered by Secretary of State. Chapter 109, Statutes of 2021

EFFECTIVE DATE: January 1, 2022

POSITION: **SUPPORT**

SUMMARY: This bill provides that, in any instance in which an employer is required to post information, an employer also may distribute that information to employees by email with the document or documents attached. The bill also specifies that this does not alter the employer's obligation to physically display the required posting.



RECALL AND RETENTION

In 2020, policymakers began exploring ways to ensure that hospitality workers had the ability to return to their previous employers after the pandemic forced hotels to close. This concept, called “Recall and Retention” emerged in municipal governments and was later introduced in the state legislature. The first measure was Assembly Bill 3216 (Kalra, 2020), which CHLA vigorously opposed and successfully stopped in the governor’s office. While the aims behind the bill were positive, the way it functioned, as written, threatened to severely slow rehiring at a critical juncture in the hospitality industry’s recovery.

This year, Asm. Gonzalez, Chair of the Assembly Appropriations Committee and author of AB 5 (the measure that rewrote the test used to determine whether an individual is a contractor or employee) became heavily involved in discus-

sions over recall and retention in the hospitality industry. Due to her position, Asm. Gonzalez was able to force recall and retention language into a budget bill (these bills are generally considered to be “set,” meaning that once written, they are virtually certain to pass).

That measure, Senate Bill 93 (Senate Committee on Budget and Fiscal Review), passed despite significant legislative opposition generated by CHLA in the Assembly and Senate, but, importantly, contained language addressing many of the issues CHLA raised in 2020. While the measure ultimately passed, CHLA’s work in 2020 and 2021 provided California hoteliers with six additional months to begin the rehiring process, forced the inclusion of favorable language that made the bill more workable for hoteliers, and headed off a broader patchwork of local ordinances from being passed across the state.

GRASSROOTS ACTIVISM

COVID-19 outbreaks in the Capitol and the closures that accompanied them in 2020 and 2021 made it clear that digital advocacy is here to stay. Fortunately, CHLA has spent years making digital advocacy its strong-suit. This year, CHLA drastically expanded its digital advocacy programs to work with other industries, generate support from the general public, better tap into earned media as well as social media platforms, and connect hoteliers directly with their legislative representation. We used 2021 to build our digital advocacy program into the foundation for a playbook that will dictate the hospitality industry's advocacy efforts at the state and local levels for years to come.

CHLA retooled our advocacy program in response to the introduction and progression of AB 1074. Specifically, because the measure was backed by a powerful legislator and contained nuanced language that was difficult to convey

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to legislators, CHLA engaged in a four-pronged advocacy campaign that consisted of direct lobbying/coalition building, grassroots advocacy, social media ad placement, and an earned media operation to get our message across. Each prong was tailored to target specific legislators and the various aspects were adjusted in response to the feedback we received from policymakers and their staff. This approach allowed CHLA to defeat a measure that was backed by

one of the most powerful legislators in California and guard against its return.

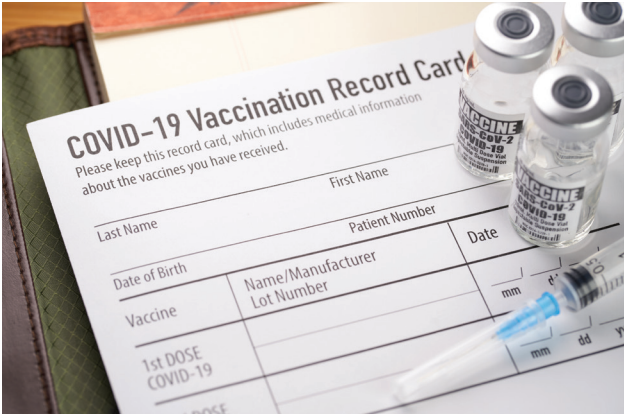
CHLA partnered early in the legislative process with the California Chamber of Commerce to oppose the measure. Our coalition grew to more than 36 members and included hotel associations and business associations from across the state. While our lobbying coalition worked in the capitol, CHLA worked with Singer Associates, Inc. to build a news-media campaign targeting legislators with key input into the bill's progression and a social media campaign encouraging the general public to examine and advocate with us on the issue. This campaign generated nearly 3,000 clicks and set records when nearly 15 percent of the letters we sent to legislators came from the general public. Finally, and most importantly, CHLA called on hoteliers to lend their voices to our campaign and built a network with focal points, such as AHLA's HotelsAct, that helped repeat and amplify our calls to action in the hospitality industry and in other industries. CHLA sent approximately 800 letters to legislators within a 45-day window (not including letters sent by other members of the advocacy coalition).

Finally, CHLA engaged in discussions with the governor's office to track sentiment and encourage a favorable interpretation of the measure throughout the legislative process. The governor's veto message reflects this approach, as well as the broader work CHLA has undertaken to develop a positive working relationship with executive agency staff, by quietly handing the industry a significant victory. Specifically, the veto message signals that the governor will veto any re-introduction of the measure until after the author is barred from office by term limits – a major win against a powerful legislator.

COVID-19 RESPONSES AND VACCINE MANDATES

COVID-19 vaccines went from a distant dream in 2020 to government-mandated operational requirements in 2021. While the potential benefits from COVID-19 vaccinations are well documented, some people remain concerned about the safety of vaccinations, distrust the pandemic response process, or maintain other reservations against COVID-19 vaccinations.

This has set the stage for fights over whether people should be required to obtain COVID-19 vaccines and, unfortunately, businesses have become the battleground. Due to the frequency of legal challenges to other pandemic response measures, government officials are increasingly seeking to frame vaccination mandates as a matter of workplace safety, rather than public safety.



These mandates are establishing employees and employers as opposing forces, and are making it difficult for businesses to interact with consumers who share the same concerns. Further, due to the patchwork nature of these mandates, tourists face uncertain requirements when making travel plans.

CURRENT VACCINE MANDATES AFFECTING HOTELIERS

Jurisdictions which require proof of vaccination to enter:

- City of Berkeley
- Contra Costa County
- City of Los Angeles
- Palm Springs
- San Francisco
- West Hollywood

*Additionally, the U.S. Department of Labor has developed a rule requiring vaccination or testing of employees for businesses with 100+ employees.

While CHLA recognizes the benefit of COVID-19 vaccinations on travel demand and COVID-19 hospitalization rates, we also recognize that this is a divisive issue, even within the hospitality community. As a result, we are working to develop clear and realistic local regulations, rather than stop or promote them altogether. We are encouraging local officials to ensure that hoteliers complying with vaccination requirements are physically and legally protected from employees and guests. Finally, the legal system has indicated a willingness to protect businesses from abusive patrons, with several courts permitting businesses and governments to bring trespassing charges against unruly consumers.

We foresee continued introduction and passage of COVID-19 vaccination requirements well into 2022.

AMERICANS WITH DISABILITIES ACT LITIGATION

High Frequency Americans with Disabilities Act (ADA) litigants continued to plague California hotels in 2021, but CHLA's ADA Protection Program is using pooled litigation defenses and a media campaign to shift the tides. Traditionally, ADA litigation was settled out of court regardless of merit as businesses sought to avoid the potential penalties that could be awarded in the event they lost the litigation. CHLA's ADA Protection Program, however, is working to change that by offering pooled litigation defense at a relatively low-cost base rate and, most importantly, this program works. CHLA's program has won over 85 cases and even obtained several "vexatious litigant" orders last year against high-frequency plaintiff Peter Strojnik. His ability to file ADA litigation against hotels was reduced significantly and, when he did file, his cases were dismissed immediately. While the program has removed one of the most significant ADA litigants in the state, others remain.

The Center for Disability Access, a clinic run by the San Diego Law firm Potter Handy, is one such high-frequency ADA litigant. Like Strojnik, this firm specializes in ADA litigation and uses several serial plaintiffs to file litigation against businesses across the state. Unlike Strojnik, this firm focuses principally on web-based ADA claims, rather than construction-related claims. CHLA's ADA Protection Program is already pushing back on the firm, winning several victories and receiving court costs from the litigants for bringing frivolous litigation.

These victories mean that, now, hoteliers can challenge these high-frequency litigants with proven legal counsel (CHLA's ADA Protection Program has won more than 85 cases in the past two years) without breaking the bank. CHLA

VOLUME OF RANKING OF STATE AND FEDERAL FILINGS BY TOP 5 LAW FIRMS

Ranking	Percentage of 2020 Filings Received
1	51%
2	12%
3	7%
4	5%
5	4%
Total:	79%

TOTAL NUMBER OF ALLEGED CONSTRUCTION-RELATED PHYSICAL VIOLATIONS RECEIVED

Year	Number of Alleged Construction-Related Physical Violations
2020	9,532
2019	7,507
2018	11,197
2017	10,608
2016	11,468
2015	9,643
Total:	59,955

has expanded its program to include an earned media approach. For example, in the Bay Area, we helped with the development of stories in the San Francisco Chronicle and KPIX-TV

(CBS) that highlighted ADA abuses by high-frequency litigants. CHLA anticipates expanding the campaign further to set the state for a legislative change in the near future.

PRIVATE ATTORNEYS GENERAL ACT REFORM

The California Private Attorneys General Act (PAGA) authorizes employees to file lawsuits to recover civil penalties on behalf of themselves, other employees, and the State of California for Labor Code violations rather than going through the claims process with the Labor Workforce and Development Agency (LWDA). Under the current statutory framework, plaintiff's attorneys are incentivized to build class-action litigation to increase the dollar amount of potential fines against the business, skewing businesses' cost-benefit analysis toward settling cases rather than litigating, regardless of fault.

For example, analysis of 3,726 PAGA court cases filed against the accommodations sector shows that the top 31 wage and hours settlements totaled \$27,220,129 and the average settlement amount was \$938,625. However, LWDA data shows that the average PAGA court settlement in California (\$1,231,610 averaged across all industries) results in an average employee award of \$2,078 and an average plaintiff's attorney award of \$405,724. In addition to the employee and plaintiff's lawyer costs, employers face an average \$24,000 in legal fees and \$20,000 to third-party settlement administrators.

While PAGA was designed to help employees obtain relief, labor and wage cases settled through PAGA court cases take longer to settle,

averaging 1.9 years compared to the agency's 1.3 years. In an annual report, the LWDA noted that, "Seventy-five percent of the 1,546 settlement agreements reviewed by the PAGA Unit in fiscal years 2016/17 and 2017/18 received a grade of fail or marginal pass, reflecting the failure of many private plaintiffs' attorneys to fully protect the interests of the aggrieved employees and the state."

CHLA is working with a coalition of businesses to promote a ballot measure that would rewrite the statutory framework authorizing PAGA claims and promote more equitable results. The measure was introduced earlier this year and would eliminate incentives for attorneys to bring frivolous claims by reducing award amounts, changing how issues are litigated, and repurposing the fines generated by PAGA claims. If enough signatures are collected in the coming months, this item will be on the November 2022 ballot.

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CAL/OSHA UPDATES

In November 2020, the Standards Board for the California Division of Occupational Safety and Health (Cal/OSHA) promulgated “Emergency Temporary Standards” (ETS) regulating how COVID-19 is reported and managed in the workplace. Even before passage, it became clear that the proposed standards were unreasonably confusing, unnecessarily onerous, and conflicted with recent legislation, such as Assembly Bill 685 (Reyes, 2020). With this recognition in mind, CHLA joined others in the business community to call for changes to the ETS. CHLA submitted written comments, oral testimony, and directly lobbied for changes that would make the standards more manageable.

In July 2021, the Standards Board proposed new language for the ETS, which was to be adopted shortly thereafter. While the board made a multitude of changes, many key issues remained, and it appeared certain that the language was set to be approved. CHLA and other business advocates, however, kept up pressure by engag-

ing with key executive staff, and highlighting the major issues that remained in the language. After months of advocacy, and in a nearly unprecedented move, the Standards Board announced, the night before it was due to adopt the proposed language, that the measure was on hold pending changes. Several weeks later, the Standards Board revealed updated ETS language that reflected the changes called for by CHLA and other business groups. This language was passed and is currently in effect.

Subsequently, the Standards Board has indicated it plans to issue an updated COVID-19 regulation with a two-year duration within the coming months. CHLA continues to advocate on behalf of the hospitality industry for changes which reflect the current and future operating environments, changes that conform the language and guidance with orders from the California Department of Public Health, and changes which will provide more flexibility for businesses in the future.

SPLIT ROLL 2022

Property tax-increase advocates are, once again, launching an attack on Proposition 13 (1978), the ballot measure that restricted the state's ability to increase property taxes on a year-by-year basis, with a new variation of split-roll. CHLA joined a coalition of businesses in 2020 to defeat Proposition 15, which would have created a "Split-Roll," meaning that business properties and residential properties would have been reassessed at current market values, but faced different tax rates after the change took place. Following the defeat of Proposition 15, property tax-increase advocates redesigned

their split-roll approach and are now gathering signatures for a ballot measure that would reassess all properties at market rate, provide a \$200,000 property value deduction (the current deduction is \$7,000), and levy an additional 1.4 percent property tax surcharge on properties valued at \$5 million and more.

CHLA is tracking current signature-gathering efforts and, if the measure is placed on the November 2022 ballot, will take an active role in efforts to stop this measure from being passed into law.

BACKGROUND CHECKS

Performing background checks on potential employees is becoming more difficult and, in some areas, impossible under a new interpretation of the California Rules of the Court. Specifically, the court in *All of Us or None v. Hamrick* held that under California Rule of Court 2.507(c), information pertaining to a criminal defendant's date of birth and driver's license number is restricted by law. Under this new interpretation, courts cannot allow third-party background check companies to search criminal record indices using driver's license information, social security numbers, financial information, or even birthdays. In practice, this means that background searches are, in many cases, prohibited.

This spring, a coalition of business groups, including CHLA, submitted a Petition for Writ of Certiorari with the California Supreme Court that requested review of the holding in light



of the potential safety issues the interpretation creates for businesses whose employees operate in a position of trust. Unfortunately, the California Supreme Court declined to hear the case in September. CHLA is working with a business coalition to obtain relief through other means and expects to be able to provide updates on the issue in the coming months. We expect this issue to gain wider attention in the early part of 2022.

CALIFORNIA HOTEL & LODGING ASSOCIATION'S POLITICAL ACTION COMMITTEE (CHALPAC)

CHLA's Political Action Committee (CHALPAC) was established to direct the lodging industry's support toward candidates at the state and local level that have demonstrated understanding and support for the California lodging industry on important and often difficult issues. CHALPAC's support helps ensure that these elected individuals can continue to stand by the lodging industry, and protect your voice in the legislative process.



As the trustee for hotelier contributions, CHLA prides itself on its approach to strategic contributions for recipients and for contribution amounts. Whether we activate CHALPAC to help form relationships with key legislators or gain insights into their positions, we ensure that every dollar spent through CHALPAC provides an identifiable return on investment.

CHLA relies upon CHALPAC to ensure that we have access to the officials that matter most, and as a result, we have been able to defeat and influence legislation that would otherwise cost the industry millions of dollars annually. As you read through this Advocacy Summary and you find measures that have impacted your business, please make it a priority to contribute to CHALPAC so that we can maintain our access to officials and continue protecting your interests.

SELECT HIGHLIGHTS OF 2021 CHALPAC ACTIVITY:

- CHLA attended meetings with legislators across the state and gained valuable insight into how key elected officials plan to proceed in 2022 and beyond.
- CHLA lobbyists attended events and strengthened relationships with legislators, including Speaker Pro Tem Kevin Mullin, Sen. Appropriations Chair Anthony Portantino, Assembly Member Minority Leader Marie Waldron, and Sen. Minority Leader Scott Wilk.
- CHLA contributed to important local campaigns in cities across the state, including Los Angeles, Long Beach, and Santa Barbara.

Contributions to CHALPAC are the most direct and effective way for CHLA members to protect lodging interests at the local and state level.

To contribute or receive more information, please contact A.J. Rossitto, CHLA's Legislative and Communications Coordinator, at 916-554-2677 or via email at aj@calodging.com. Campaigns are mobilizing and candidates are looking for organizations that will support them; CHALPAC is one of the best ways we can show the industry's support.

2021 GOVERNMENT & LEGAL RELATIONS COMMITTEE MEMBERS

- Farah Bhayani, G6 Hospitality
- Jon Handlery, Handlery Hotels Inc.
- James Eiler, Esq., Murchison & Cumming LLP
- Elvin Lai, Ocean Park Inn
- Robert Mayer, Jr., The Mayer Corporation
- Carrie Nocella, The Disneyland Resort
- Dhruv Patel, Ridgemont Hospitality
- Tarun Patel, CHA, Pacific Hospitality Company
- Pragna Patel-Mueller, Samata Management, Inc.
- Tom Patton, CHA, Ramada Santa Barbara
- Pam Ryan, The Inn at the Mission
- John Spear, Hotel Drisco
- Wes Tyler, CHA, Chancellor Hotel On Union Square
- Javier Cano, JW Marriott at LA Live

PUBLIC POLICY ADVOCATES, LLC

CHLA works with Public Policy Advocates, LLC (PPA), a contract lobbying firm, to implement legislative efforts for the association in coordination with our in-house staff. For more than 20 years, PPA has been responsible for identifying and tracking legislation important to the industry through their ongoing relationship with CHLA.

ARNIE BERGHOFF AND ASSOCIATES

CHLA works with Arnie Berghoff & Associates to get an inside track on policymaking decisions in Los Angeles. The group is widely recognized for its sound judgment and understanding of the political process and structure of the City of Los Angeles and Los Angeles County. The firm also specializes in the development and implementation of successful government advocacy political strategies.

KINDEL GAGAN PUBLIC AFFAIRS ADVOCACY

Since there are 88 cities and 10 million people in Los Angeles County, CHLA works with Kindel Gagan to enhance our ability to influence policy in the LA region. The firm's principal staff have represented more than 650 public, private and non-profit entities for more than three decades, designing and implementing

communications and advocacy strategies to help clients achieve their objectives.

PLATINUM ADVISORS

CHLA works with Platinum Advisors to track and influence key legislative issues in the Bay Area. Platinum Advisors brings a wide range of experience to the table and is able to help navigate around issues which define the local policymaking environment.

CHLA STAFF

- Lynn S. Mohrfeld, CAE, President + CEO
- Jennifer Flohr, CAE, CMP, Senior Vice President
- Jim Abrams, Member Legal Advisor
- Susan Ragatz, Association Technology Manager
- A.J. Rossitto, Legislative and Communications Coordinator
- Michelle Donohue, CAE, Finance + Operations Director
- Sandra Oberle, CAE, Senior Membership Director
- Jenn Iliff, CMP, Marketing Technology Manager
- Erika Costa, Membership + Events Manager
- Monica Slingerman, Membership Coordinator

CHLA'S VIRTUAL LEGISLATIVE ACTION SUMMIT

California's Capitol was closed intermittently this year due to COVID-19 outbreaks. To protect our hoteliers and ensure they had the opportunity to be heard, we produced CHLA's Annual Legislative Action Summit as a fully virtual event for the first time ever. The virtual event provided a great opportunity for hoteliers to learn about upcoming issues and meet with their legislators to explain how active legislation was likely to affect them.



across the state. Event attendees received a multitude of materials that were designed to make participation in the event as simple as possible. In the days leading up to the event, attendees received calendar invites, meeting materials including talking points and key issues, and (if they chose to meet with their legislators) pre-set meeting materials to help guide the conversation. Our goal was to make it as simple as possible for attendees to engage with legislators and to feel as comfortable as possible when doing so. Based on feedback

Many attendees noted that previous in-person events were difficult to attend and were excited to have the opportunity to meet with their legislators from their own offices in hotels

from attendees, we are excited to continue the event in 2022 and look forward to continued engagement at the next Legislative Action Summit.



AHLA'S LEGISLATIVE UPDATE

The American Hotel and Lodging Association (AHLA) represents nearly every type of lodging establishment, hotel owner, brand, franchise, management company, independent property, and industry supplier in the United States. Although 2021 challenged the



hospitality industry, AHLA's educational materials, safety programs, communications, research, and advocacy helped

earn congressional support for hoteliers on the national stage. This brief overview summarizes some of the most significant issues AHLA addressed this year:

HOTELSACT

HotelsACT is an affiliate grassroots advocacy organization of the American Hotel & Lodging Association (AHLA) created to enhance hotelier's ability to influence policy debates by focusing on the economic impact of the lodging industry across the country. As a major component of AHLA's advocacy strategy, HotelsAct is often deployed at both state and federal levels. In 2021, the program was engaged to support efforts for federal COVID-19 relief as well as to support CHLA's AB 1074 opposition campaign.

COVID-19 FEDERAL RELIEF

In 2021, hotels across the nation struggled to reopen due to changing COVID-19 guidelines, labor shortages, and reduced travel demand. To help hotels get back on their feet, AHLA worked with Congress to provide financial relief by passing the American Rescue Plan, providing continued support through Small Business Association Disaster Loans, and loosening restrictions on programs frequently used by businesses to hire additional employees.

STRENGTH IN NUMBERS (BASED ON 2019 DATA)

- **55,900+** properties nationwide
- **33,000+** small business properties
- Hotels contribute nearly **\$660 Billion** to the U.S. GDP
- **1.3 Billion** guests stay in American hotels annually
- Guests spend nearly **\$550 billion** at hotels and local businesses
- U.S. hospitality workforce is **8.3 million** strong
- Hotels contribute **\$186 billion** to communities through local, state, and federal taxes
- Every 100 occupied rooms support nearly **250 local jobs**

SAVE HOTEL JOBS ACT

AHLA joined forces with Unite Here to lobby Congress to pass the Save Hotel Jobs Act. Under this measure, hotels would receive grants to keep employees on the payroll and to keep their benefits funded. This measure would create a Personal Protective Equipment Tax Credit to promote worker safety measures by permitting businesses to deduct 50 percent of PPE acquisition costs.

AMERICANS WITH DISABILITY ACT

AHLA strongly supports the Americans with Disabilities Act (ADA) and is committed to ensuring that individuals with disabilities are provided unfettered access to hotel properties and online services. The intent of the ADA is to prohibit discrimination and ensure all

Americans have equal access to public accommodations. Unfortunately, the law has been used as a weapon by select lawyers seeking to extort easy settlements from small business owners through demands for exorbitant attorney's fees after alleging ambiguous violations of the law. AHLA is working with federal lawmakers to help find a remedy to the growing "cottage industry" of bad actors exploiting the ADA and small business owners.

HOSPITALITY IS WORKING

Hospitality is Working is an AHLA national awareness campaign that highlights the hotel industry's strong commitment to investing in our workforce, protecting our employees and guests, and supporting local communities across the country.

THE 5-STAR PROMISE

AHLA's 5-Star Promise, a voluntary commitment by AHLA members to enhance policies, trainings, and resources, including employee safety devices, is aimed at strengthening safety and security for hotel employees and guests. Nearly 60 member companies representing an estimated 20,000 hotel properties have made the pledge and, as a result, an estimated 1.2 million employees will be better protected on the job. Today, nearly all these hotels have

IMPACT OF COVID-19 ON LODGING

- Hotels will lose over **\$59 billion** in room revenue in 2021 compared to 2019
- California hotels are projected to lose **\$9,841,431,191** in 2021 compared to 2019
- **3.1 million** leisure and hospitality jobs were lost during the pandemic
- As of July, 21 of the top 25 U.S. hotel markets were in a depression or recession
- Hotel CMBS loan delinquency rates were at **13.6%** in July
- **10%** average drop in hotel occupancy since 2019
- **\$20 billion** lost in unrealized state and local tax revenue since 2019

implemented four pillars of the pledge. In addition, more than 5,000 hotels have implemented employee safety devices. The industry has taken additional measures to ensure the safety of our employees and guests in response to COVID-19.

AHLA'S LEGISLATIVE ACTION SUMMIT 2021

AHLA hosted a virtual Legislative Action Summit to provide hoteliers with access to members of congress. Given the continued impact of COVID-19 on the hospitality industry in 2021, this summit was an important opportunity for hoteliers to connect with their representatives and advocate for federal sup-

port. As AHLA's first virtual Legislative Action Summit, the event demonstrated that hoteliers are more engaged than ever and, given how easy telecommuting makes meeting with legislators, saw a fantastic turnout from the hospitality community.

AHLA'S POLITICAL ACTION COMMITTEE: HOTELPAC

HotelPAC is the American Hotel and Lodging Association's Political Action Committee. It is a voluntary, bi-partisan PAC with a national reputation as an effective organization that helps elect federal candidates who support the lodging industry.

Through its active fundraising, consistent member engagement, and efficient targeting,



HotelPAC ensures that the lodging industry continues to have an active and well regarded voice in federal policymaking.

HotelPAC raises more than \$1 million annually to support Democrat and Republican candidates who seek to create a fair business environment for lodging establishments. Using these funds,

HOTELPAC CONTRIBUTIONS TO CALIFORNIA CANDIDATES

Scott Peters	\$5,000
Maxine Waters	\$2,500
Lou Correa	\$1,000

**Note: The number of political contributions made by federal advocates were reduced in 2021 due to continued pandemic interruptions and political turmoil at the beginning of the year.*

HotelPAC supported California congressional candidates and elected officials that represent districts with lodging establishments across the state. The accompanying chart lists the federal California candidates HotelPAC supports.

AAHOA'S POLITICAL ACTION COMMITTEE: AAHOA PAC

AAHOA PAC is a bipartisan organization dedicated to supporting candidates' bids for federal office. Founded in 1998, AAHOA PAC raises more than \$1 million annually and is recognized as an industry leader in its work to support lodging interests. AAHOA PAC supports candidates by evaluating policy stances and committee positions for each potential recipient.

By engaging with candidates that have a solid track record, AAHOA PAC helps ensure that its efforts are put to best use, and the lodging industry receives the best representation possible.



GLOSSARY OF LEGISLATIVE TERMS

ADOPTION: Approval or acceptance of motions, amendments or resolutions.

ADVISE AND CONSENT: Confirmation by the Senate of certain appointees of the Governor.

AMENDMENT: An alteration made, or proposed to be made, in a bill, motion, resolution or clause, by adding, changing, substituting or omitting language. Amendments must be submitted to Legislative Counsel for drafting.

APPROPRIATION: The amount of money set aside for a specific purpose and designated from a specific source, such as the General Fund or the Environmental License Plate Fund.

APPROVED BY THE GOVERNOR: Indicating the signature of the Governor on a bill passed by the Legislature.

ASSEMBLY: The House of the California Legislature, consisting of 80 Members, elected for two-year terms, from districts apportioned on the basis of population.

AUTHOR: A Member of the Legislature who introduces a legislative measure.

BILL ANALYSIS: A summary of the purpose, content, and effect of a proposed measure or amendment, prepared for committee or floor proceedings.

BILL DIGEST: The legal synopsis of a measure; prepared by Legislative Counsel.

CHAPTER: After a bill has been signed by the Governor, the Secretary of State assigns the bill a Chapter Number, for example, "Chapter 123, Statutes of 1998," which subsequently may be used to refer to the measure.

COAUTHOR: Any member of either house, with the agreement of the author of a bill, may add his or her name on that bill as a coauthor, usually indicating support for the proposed legislation.

CONCURRENCE: Approval by the House of origin to changes made to a bill while it was in the second House.

CONSENT CALENDAR: A group of noncontroversial bills passed by a committee to another committee or the full

Assembly or Senate. Bills may be placed upon the Consent Calendar if they are reported to the Floor with that recommendation and (1) have received no "no" votes in committee and (2) have had no opposition expressed by any person present at the hearing.

DAILY FILE: The official document published by each House showing bills eligible for Floor action that day; it also includes a schedule of committee hearings and Officers and Committees of the House.

DAILY JOURNAL: A publication produced by each House for each legislative day that contains the official record of the Floor Session, vote information, motions, parliamentary inquiries, and letters of legislative intent.

DOUBLE REFERRED: Legislation referred by Rules Committee to two policy committees for hearing. Both committees must approve the measure to keep it moving in the process. This is typically used for issue areas that overlap the jurisdiction of more than one policy committee.

DROPPED: When an author has decided not to pursue the passage of a bill.

ENGROSSMENT: The process of comparing the printed bill to ensure it is identical to the original and to verify that any amendments have been correctly inserted.

ENROLLMENT: Occurs when bills are filed with the Governor and resolutions are filed with the Secretary of State, after they have been accepted by both Houses.

FIRST READING: The initial introduction of a bill. The clerk assigns it a number and reads its title and sends the bill to be printed. The bill is then referred by Rules committee to a standing committee for a future hearing.

GERMANE: Referring to whether a proposed amendment is relevant to the subject matter in the bill. Legislative Counsel may opine on germaneness, but the determination of germaneness is decided by the Presiding Officer, subject to an appeal by the membership.

GUT AND AMEND: When amendments to a bill remove the current contents in their entirety and replace them with different provisions.

HELD IN COMMITTEE: When a bill fails to get sufficient votes to pass out of committee, it is held in committee.

HOUSE OF ORIGIN: The House in which a measure begins; the Assembly is the House of Origin for all Assembly measures. As opposed to the "Second House"—the house which hears measures following the House of Origin.

INACTIVE FILE: The portion of the Daily File containing legislation that is ready for floor consideration, but, for a variety of reasons, is dormant. An author may move a bill to the inactive file if he or she wishes to take it up at a later date. Once a bill is on the inactive file, one day's public notice is needed to place it back on the agenda.

INTERIM: The period of time between the adjournment of the first year of the biennium and the reconvening of the second year of the biennium.

LEGISLATIVE ANALYST: Staff director of the Joint Budget Committee. The Legislative Analyst provides a thorough, nonpartisan analysis of the fiscal impact of the Governor's Budget.

LEGISLATIVE COUNSEL: The attorney for the Legislature, elected jointly by both houses. The Legislative Counsel and his or her legal staff is responsible for drafting all bills and amendments, preparing a digest (summary) of each bill, providing legal opinions, and generally representing the Legislature in legal proceedings.

LIEUTENANT GOVERNOR: The President of the Senate; designated by the State Constitution to preside over the Senate and cast a vote only in the event of a tie. If the Governor cannot assume his or her duties or is absent from the State, the Lieutenant Governor assumes the role of the Executive for the remainder of the term or during the absence.

MAJORITY FLOOR LEADER: In the Assembly, the Majority Floor Leader is an officer of the Assembly appointed by the Speaker. He or she represents the

Speaker on the floor and, in conjunction with the Presiding Officer, expedites Assembly Floor proceedings through parliamentary procedures such as motions and points of order. The Majority Floor Leader works directly with the Speaker pro Tempore, other members of the majority party's leadership team, and the Minority Leader, to facilitate positive interaction between the Members during floor sessions. In the Senate, the Majority Leader is a party leader chosen by the majority party caucus.

MAJORITY VOTE: A vote of more than half of the legislative body considering a measure. The full Assembly requires a majority vote of 41 and the full Senate requires 21, based on their memberships of 80 and 40, respectively.

MAJORITY WHIP: A member of the majority party's leadership team in the Assembly or Senate, responsible for monitoring legislation and securing votes for legislation on the Floor.

MINORITY FLOOR LEADER: Elected by the caucus having the second largest house membership. Generally responsible for making motions, points of order, and representing the minority caucus on the floor.

MINORITY WHIP: A member of the minority party's leadership team in the Assembly or Senate, responsible for monitoring legislation and securing votes for legislation on the Floor.

NONFISCAL BILL: A measure having no financial impact on the state and, therefore, not required to be heard in an Assembly or Senate fiscal committee as it moves through the legislative process. Nonfiscal bills are subject to later legislative calendar deadlines than fiscal bills.

OVERRIDE: An effort to reverse a Governor's veto by a vote of two-thirds of the members of each house. A successful override requires 54 votes in the Assembly and 27 votes in the Senate.

PASS AND RETAIN: When a bill stays on File until the next day without penalty. If a Member wishes to wait an additional day before taking up a bill, the Member may ask the House for unanimous consent to pass and retain his or her bill on File until the next legislative day.

PASS ON FILE: When the House refuses to "Pass and Retain" a measure on the agenda, it is "Passed on File." Although the bill remains on the agenda for the next day, if it is not taken-up the second

time, it will automatically be placed on the inactive file.

THE PEOPLES' HOUSE: The Assembly.

PRESIDENT PRO TEMPORE: The highest-ranking leader and most powerful member of the California State Senate.

PRINCIPAL COAUTHOR: A Member of either the house of origin or the second house, singled out to share credit as a coauthor below the author of a measure.

READING: Presentation of a bill before the House by reading its title. The Constitution requires a bill's title to be read three times in each House prior to its passage. A bill is either on First, Second, or Third Reading until it is passed by both Houses.

RECESS: (1) An official pause of any length in a committee hearing or Floor Session that halts the proceedings for a period of time but does not have the finality of adjournment. (2) A break of more than four days in the regular Session schedule such as the Spring Recess.

REFERRAL: Bill referrals are made by the Assembly and Senate Rules Committees to standing committees of their respective Houses.

RE-REFERRAL PURSUANT TO A.R. 77.2 OR S.R. 29.10: A bill that has been substantially amended may be re-referred to a committee by the Assembly Speaker (A.R. 77.2) or Senate Rules Committee (S.R. 29.10).

RESOLUTION: An opinion expressed by one or both houses which does not have the force of law. Concurrent and joint resolutions are voted on by both houses but do not require the Governor's signature.

SECOND READING: Each bill introduced must be read by title three times before final passage; this is the first order of business on the Daily File. The House approves or denies committee recommendations at Second Reading, usually without debate or vote.

SESSION: The period during which the Legislature meets. The California legislative session is biennial—it occurs over a two-year period.

SPEAKER: The highest-ranking officer of the Assembly; usually elected by the Assembly Members at the beginning of each two-year legislative session. The Speaker or his or her designee presides over Floor Session. The Speaker's powers and duties are established in the Assembly Rules.

SPEAKER PRO TEMPORE: The Speaker pro Tempore is appointed by the Speaker. He or she is an officer of the House who presides over Floor Sessions in the absence of the Speaker. As the presiding officer, the Speaker pro Tempore guides the Members through the daily business of the house, responds to parliamentary inquiries, and issues rulings on points of order when necessary.

SPONSOR: The legislator, private individual, or group who developed a piece of legislation and advocates its passage.

SPOT BILL: A bill that amends a code section in a nonsubstantive way. A spot bill may be introduced to ensure that a germane vehicle will be available at a later date. Assembly Rules provide that a spot bill cannot be referred to a committee by the Rules Committee without substantive amendments.

SUNSET DATE: A date included in a measure which causes the act to "sunset," or become ineffective, after a certain date.

SUSPENSE FILE: A bill or set of bills, with a fiscal impact, set aside in Appropriations Committee by a majority of Members present and voting. These bills may be heard at a later hearing.

THIRD HOUSE: Refers to Lobbyists.

THIRD READING: Each bill introduced must be read three times before final passage. Third reading is the stage at which bills are eligible for Floor debate and final vote.

UPPER HOUSE: The Senate.

URGENCY CLAUSE: Language in a bill which states the bill will take effect immediately upon enactment. A Floor vote on the urgency clause must precede a vote on the bill. A two-thirds vote is required for adoption of the clause and for passage of the bill.

URGENCY MEASURE: A bill affecting the public peace, health, or safety and requiring a two-thirds vote for passage. An urgency bill becomes effective immediately upon enactment.

VETO: The formal action of the Governor disapproving a measure by returning it to its House of origin. The Governor's veto may be overridden by a two-thirds vote of each House. The Governor can also exercise a line-item veto, where the amount of an appropriation is reduced or eliminated, while the rest of the bill is approved. A line-item veto may also be overridden by a two-thirds vote in each House.

PROTECTING THE RIGHTS AND INTERESTS OF THE CALIFORNIA HOTEL INDUSTRY



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