

Meeting of the South Bay Association of Chambers of Commerce

Submitted by Olivia Valentine

The South Bay Association of Chambers of Commerce had its monthly meeting on June 4, 2020. Here are the highlights of that meeting:

1. The Small Business Working Group is a small task force, which speaks on behalf of the business community and works with the County. This group is working to address such areas as confusion from the businesses about when and how they should open, whether and how to perform temperature checks, financing, and potential liability if someone who patronizes the business contracts Coronavirus.

Government Affairs Report:

- In the next few weeks, the SBACC will review a packet of bills that are considered 2020 job killers.
- The Governor's May Revise budget has been issued. California has a \$54B deficit because of the State's response to Coronavirus. The State is in a recession, with 25% unemployment. It is expected that there will be a 10% decrease in personal income tax. The governor has asked legislators to pull back on legislation that has a big spending component. There should be \$14B coming in relief from the federal government. However, if we do not get it, there will be cuts coming to K-12 schools, Med-Cal, Medicaid, and the pre-school programs.
- The California App-Based Driver's Regulation Initiative is the ballot initiative on the gig economy. If passed, it will classify app-based drivers as independent contractors and not as employees.

2. The U.S. Chamber of Commerce reported that the Paycheck Protection Program (PPP) passed the House and is headed to the Senate. It provides flexibility to those who have already received PPP funds. The deadline for applications has also been extended. The PPP, which was established by the CARES Act, provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. The U.S. Chamber is very concerned about potential liability of businesses for Covid-19. It sent a letter to Congress requesting that, if businesses follow the federal and state guidelines, they should have a safe harbor.

3. Jacki Bacharach and Wally Siembab presented the South Bay COG Policy Recommendations on State housing Legislation.

4. There was a report on the results of a Survey by BizFed, to determine the impact of Coronavirus on the business community. The majority of the responses came from small businesses. There appears to be a great deal of optimism, even though the businesses have been heavily impacted by the virus: 90% say the Stay-at-Home order severely impacted their revenue, and, because of confusing government messages, they are uncertain, with only 51% feeling they have a clear understanding of what is expected of them as to monitoring their employees' health, including screening, testing, and social distancing. Only 52% can affirmatively state that they can bring back laid-off employees. However, the good news is that 80% feel they are prepared to open if given the green light.