



International Council of Shopping Centers

FLOOR ALERT

June 1, 2016

TO: Members, California State Assembly

FROM: California Chamber of Commerce
 Building Owners and Managers Association
 CAWA – Representing the Automotive Parts Industry
 California Business Properties Association
 International Council of Shopping Centers
 NAIOP – Commercial Real Estate Development Association
 National Federation of Independent Business
 Pacific Association of Building Service Contractors

**SUBJECT: AB 1978 (GONZALEZ) EMPLOYMENT: PROPERTY SERVICE WORKERS
 OPPOSE UNLESS AMENDED**

The California Chamber of Commerce and the organizations listed above are **OPPOSED UNLESS AMENDED** to **AB 1978 (Gonzalez)**, as amended on May 31, 2016, which seeks to create additional registration, investigation, enforcement, training, and criminal liability on employers and individuals in the janitorial business, as well as joint liability for businesses who contract for janitorial services.

One of our main concerns with the prior version of **AB 1978** was the unprecedented expansion of joint liability for any violation of the Fair Employment and Housing Act (FEHA). Recent amendments addressed this concern. We appreciate the author’s efforts to work with us on this issue.

However, **AB 1978** still includes other unprecedented standards that simply far exceed the need to address issues in the underground economy such as excessive daily penalties, onerous training and document retention requirements, and extensive registration disclosures. We are concerned that some of these provisions in **AB 1978** are so extreme, that it will either: (1) limit the participation of good acting businesses in the industry or, (2) encourage those unlawful actors to continue to operate in the underground economy, as the cost of compliance is too high. We are hopeful that we will be able to resolve these concerns with the author as well.

For these reasons, we are **OPPOSED UNLESS AMENDED** to **AB 1978**.

cc: The Honorable Lorena Gonzalez
 Camille Wagner, Office of the Governor
 Eric Swanson, Assembly Republican Caucus
 District Offices, Members, California State Assembly
 Department of Industrial Relations
 Labor and Workforce Development Agency