

# CBPA Weekly Update- October 29, 2021

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## **GOVERNOR ANNOUNCES PARTNERSHIP TO EASE PORT BACKLOG**

This week Governor Newsom announced a partnership with the U.S. Department of Transportation (USDOT) aimed at speeding up the process of modernizing our port operations and supply chain process as a whole. The partnership agreement includes:

- Port-specific upgrades;
- Expanding capacity for freight rail;
- Developing inland port facilities for increased warehouse storage;
- Railyard and truck electrification;
- Highway upgrades to improve truck travel time;
- Grade-separated crossings to reduce the number of rail-street intersections and improve safety and efficiency;
- Land ports of entry to expand trade capacity and cross-border commerce;
- Other projects identified by the California State Transportation Agency.

The Governor also signed an Executive Order on October 20, directing state agencies to propose long-term proposals that would ease the issue and support these operations going forward. These proposals would not be considered until the January 10 Governor's Budget, so our industry is calling for much needed immediate action (see below).

## **BUSINESS GROUPS CALL FOR IMMEDIATE ACTION ON PORT BACKLOG**

As the backlog at our California ports continues to grow, urgent action is needed. Along with our partners at the California Business Roundtable, California Retailers Association and California Manufacturers & Technology Association, we created a new goods-movement coalition to come up with solutions and call for action on this issue that challenges all parts of the California economy. Our coalition continues to grow as this problem persists.

This issue doesn't just challenge our ports, it impacts the availability of all goods from construction materials, to plumbing fixtures, to simply keeping stores shelves stocked for everyday Californian's upcoming holiday seasons.

The goods movement issue and slowdown at the ports has grown much worse over the last two years, accelerated by new laws and regulations and lack of Executive action, and must be addressed with the same alacrity and sense of urgency that natural disasters such as wildfires and earthquakes are dealt with. Pressure continues to mount as the Republican Leaders in the State Legislature have also joined the chorus of voices asking the Governor to take steps now and not wait until 2022.

The business community is calling on the Governor to take immediate steps to address the problem:

1. Declare a State of Emergency at the ports and the associated transportation links to enable quick action to resolve bottlenecks as they arise;
2. Suspend implementation of AB 701 until the supply chain has normalized and goods movement has been restored;

3. Suspend AB 5 and allow independent truckers to operate in and through California until the supply chain has normalized; 3
4. Provide flexibility on existing Air Resources and local port drayage truck regulations, and ensure upcoming deadlines on new regulations take into account delays in manufacturing and delivery of new trucks;
5. Suspend implementation of the Indirect Source Rule recently promulgated by the South Coast Air Quality Management District until the supply chain has normalized;
6. Suspend local and regional mandates that interfere or limit goods movement, including local prohibitions on unloading goods at stores after hours; and
7. Direct already appropriated state resources to clean up homeless encampments in and around goods movement corridors; and 8. Expedite the CEQA and permitting processes, including conditional use permits, for warehouses, rail line and other critical components of goods movement.

To read the full letter and as well as view the entire coalition, [click here](#).

#### **TEJON RANCH FUNDS \$11M FOR CONSERVANCY**

In 2008, Tejon Ranch Company entered a Ranchwide Agreement with major environmental organizations to conserve 90% of the ranch, 240,000 acres of open land, for future generations.

The Tejon Ranch Conservancy was created to help ensure the management of this land, and Tejon Ranch Company also agreed to provide major funding for the implementation of this agreement.

Just 13 years later, their financial obligations under the agreement have been met, totaling over \$11 million. The completed financial obligation and the creation of the Tejon Ranch Conservancy further underline their commitment to the community, the environment, and sustainability.

Tejon Ranch Company has an ethic of stewardship and a legacy of protecting ranch lands spanning more than 175 years. We applaud the Tejon Ranch Company for being yet another great example of good actors in our industry and thank them for being a member of CBPA.

To read the full release on Tejon Ranch's significant investment [click here](#).

## **2021 LEGISLATIVE SUMMARY**

This was once again another interesting year in the legislature. With COVID-19 still in the mix, and the Recall playing a role, we continued to work hard in Sacramento to stay at the table and on top of legislation impacting our industry.

On behalf of the industry, we followed over 570 bills this year and are happy to report not one of the bills specially targeting our industry survived the legislative process (bills to ban commercial eviction, ban on dual agency, EV Charger mandate, etc.)

However, several bills that will impact how you operate as an employer, interact with subs, and construction issues (new construction and tenant improvements), were passed.

While we had a successful year in the legislature, there is no reason to get comfortable. Our summary includes bills signed and vetoed by the Governor, but it also highlights important 2-year bills that could be back. These bills range across a variety of industry issues including earthquake building codes, commercial evictions, and warehouse pollution.

To read the full summary, [click here](#).

## **STRATEGIC ISSUES CONFERENCE – REGISTER NOW**

Several major groups have come together to host an event you don't want to miss! California Business Properties Association (CBPA), American Council for Engineering Companies (ACEC), Building Owners and Managers of California (BOMA CAL), California Alliance for Jobs (CAJ), California Building Industry Association (CBIA), California Business Roundtable (CBRT), California Manufacturers & Technology Association (CMTA), California Retailers Association (CRA), invite you to attend one of the premier California policy gatherings, 2021 Strategic Issues Conference.

California's leading home builders, retailers, manufacturers, business property owners, managers, and developers will come together to increase public policy and political awareness of state and national issues and foster collaborative efforts among business leaders from all sectors of the California economy. The topics of discussion

that impact California's economy are as follows – Upcoming 2022 Elections and Statewide Politics California's Response to the Drought, Storm Water Runoff, Housing in California, Goods Movement and the Supply Chain, and How Crime affects California.

[REGISTER HERE](#)

December 2-3, 2021

Embassy Suites by Hilton Napa Valley

1075 California Boulevard, Napa, CA – [CLICK HERE FOR HOTEL ROOM BLOCK](#)

The Strategic Issues Conference offers a unique opportunity, in an intimate setting, to enjoy significant exposure to key decision-makers and policymakers from both the public and private sectors. Your sponsorship will signal your strong support for improving the business climate in California.

[CLICK HERE](#) for sponsorship details or contact Melissa Stevens at [mstevens@cbpa.com](mailto:mstevens@cbpa.com)

To help you with logistics here is a full listing of events and meetings:

**Thursday, December 2**

- NAIOP California State Meeting, 10:30am
- CBPA Executive Committee Meeting, 11:30am

- CBPA Board Meeting, 1:00pm
- BOMA Board Meeting, 3:00pm
- Wine Reception, 5:30pm
- Dinner & Keynote Speaker, 6:30pm

### **Friday, December 3**

- Breakfast & Keynote Speaker, 8:00am
- Panel A, 9:30am
- Panel B, 10:30am
- Panel C, 11:15am
- Lunch & Keynote Speaker, 12:00pm