

The City Club was the site for the second of the Leadership Roundtable Series on Friday, February 2<sup>nd</sup>, 2018. Senator Bob Hertzberg, SD18, pinch hit for our scheduled guest, Senate Pro Tem Elect Toni Atkins (SD39) when a family emergency occurred. He hit a home run since our Founding Chair David Fleming said that "this was the best Leadership Roundtable he has attended."





Maybe it was the surprise drop by visit from Los Angeles County Supervisor Kathryn Barger as the members were waiting for Hertzberg to arrive. Or maybe it was the other surprise drop by visit from Senator Steven Bradford (SD35), who stayed for a while and participated in the Roundtable on a couple of specific issues. Most likely it was a combination of those two surprise visits and the thoughtful, stimulating discussions on

many different issues that are important to BizFed and its members.

The conversation turned to several initiatives that are in circulation, bonds for drinking water and quality improvements (and more), regulation of kidney dialysis clinics, repealing transportation funding under SB1, rent control, and "split role". Sen. Hertzberg shared changes in the initiative process that allow for even those that have qualified for the ballot to be pulled at proponent's request. The Legislature



works with proponents to reach agreements rather than adopt competing ballot measures that don't make sense and waste funds.



Hilary Norton, BizFed Chair, made a strong case to Senator Pro Tem Elect Atkins via Sen.



Hertzberg to support the reappointment of Fran Inman, current Vice Chair of the California Transportation Commission and BizFed Officer, Commissioner Lucy Dunn and Yvonne Brathwaite Burke. The Senate Pro Tem makes many appointments to state boards, commissions and regional bodies. Business leaders and BizFed

members will be active participants in the governing of California and will seek appointments to these bodies.



Sen. Hertzberg stated that "SB1 must be

implemented and it will put people to work." Goods movement contributes to a resilient economy. Keeping the economy going requires road improvements and other investments in the State's infrastructure. Senator Steven Bradford added his support for SB1 when diversity in contracting opportunities was included in the legislation.

With the wildfires and mud slides on the minds

of Californians, the liability issues of these destructive events threatens the business

model of the investor owned utilities. Senator Bradford, former Assembly Chairman of the Utilities and Energy Committee, said that the liability risk is an issue for the utilities. The State's forests need better management practices. California's climate change goals for 2030 includes increasing electric vehicles by at least 5 million. Our electric grid isn't ready yet.





Funding for higher education brought forth the need to increase the state's budget allocation to the California State University (CSU) system by at least #171 million. That was the figure given by CSUN President Dr. Dianne Harrison. Most of the colleges are impacted (programs are full and can't accept more students), will have to turn down for admissions qualified applicants and



in the process graduate a millions students less. The state's economy needs these educated residents to fill our jobs. Joe Ahn of Northrop Grumman stated the need to also



invest in technical education. The jobs are there, but need qualified applicants.

In response to the new cannabis industry, cities in California (and other states) are exploring charter banks to handle the transactions that are not eligible for federal banking services. This is also a public safety issue as dispensaries are a cash business. Senator Hertzberg's SB930 seeks to establish a state-chartered bank to engage in

banking activities with cannabis industry. It will improve the tracking needed for tax

collection, audits and other compliance measures.

Will Wright and Sen. Hertzberg engaged in the complex concept of "blockchain technology" in the banking industry. Blockchain technology has the potential to provide solutions to provide greater access to financing for the unbanked, and can shift the nature of risk in bond markets, as well as, help manage supply chains and even perhaps serve as a way to expand the implementation of smart contracts for infrastructure projects. Wright said that "Los



Angeles has a genuine opportunity to take a leadership role in further developing applications for Blockchain distributed ledger technology."



There is great need and urgency for more housing units and CEQA is abused in efforts to stop development. Advocacy Committee Co-Chair Sandy Sanchez shared with Senator Hertzberg the new BizFed committee on CEQA. The Committee will vet AB1905 (Grayson) which seeks to advance road or transit projects included in a state-approved regional growth plan to begin construction before any CEQA litigation is resolved.





Participants: Joe Ahn, Zanku Armenian, Betsy Brien, Peter Brightbill, Steve Bullock, Diana Coronado, Gina DeRosa, Donna Duperron, Roozbeh Farahanipour, David Fleming, Christine Frey, Ted Green, Dr. Diane Harrison, Randal Hernandez, Brad Jensen, Lara Larramendi, George Mihlsten, Hilary Norton, Schenae Rourk, Steve Samuleian, Sandy Sanchez, Lupita Sanchez-Cornejo, Carmel Sella, Elizabeth Shapiro, M.C. Townsend, Will Wright, Ellen Zaman.