



PLANNING FOR 2018: NEW CALIFORNIA BUSINESS LICENSE LAWS IMPACTING LOCAL GOVERNMENT

AB 1379 (Chapter 667, Statutes of 2017)

Business License Fee and Building Permit Fees: Certified Access Specialists: Repeals the original December 31, 2017 Sunset and Increases the Fee from \$1 to \$4 until 2023. Applies to locals with and without a business license requirement.

http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB182

- **Applicants Impacted:** Any applicant for a local license (for locals with a BL, Government Code, Section 4467, (a) (2) (A)); applicant for building permits (locals w/out a BL, Government Code, Section 4467, (a) (2) (B))
- **What AB 1379 Does:** The author's office this week confirmed that AB 1379 does not change existing law with respect to what must be CASp-certified. The funds under the bill are to be used for increased CASp training and certification of building inspectors, and the bill makes changes to that administrative process. AB 1379 expands the sources of CASp funding by mandating building permit applications apply the fee when the local jurisdiction does not issue business licenses/equivalent instruments.
- **Implementation Agency:** Department of General Services: CASprogram@dgs.ca.gov
- **Resources:**
<http://www.dgs.ca.gov/dsa/Programs/programCert/casp/sb1186.aspx>

Two-State Funding Mechanism

Stage 1: From January 1, 2018, through December 31, 2023, the applicant for a local business license/equivalent instrument/building permit/renewal license/permit will be increasing from \$1 to \$4. The local jurisdiction shall retain 90% of all application fees collected, with those monies being deposited in a local "CASp Certification and Training Fund" to be used for increased CASp training and certification within the local jurisdiction and to facilitate compliance with construction-related accessibility requirements. The local jurisdiction will then transmit to the State Architect the remaining 10% for deposit in the Disability Access and Education Revolving Fund.

Stage 2: On and after January 1, 2024, local jurisdictions will collect \$1 on every application for a qualified business license, renewal or building permit. Same as is existing law, local jurisdictions retain 70% of every dollar collected, to be deposited in their CASp Certification and Training Fund, and used as outlined in Stage 1. The remaining 30% will be transmitted to the State Architect, as outlined in Stage 1.

Funding: The State Architect would receive approximately \$843,057 per year from 2018 through 2023 (which is the 10% in Stage 1). During stage 2, revenue is anticipated to revert to approximately \$632,760 per year from local jurisdictions (which is the 30% from Stage 2). The potential revenue may be slightly greater, given the additional 10% from collection of building permit application fees for local jurisdictions that do not issue business licenses. Though only 15 cities do not issue business licenses or similar instruments.

Mandate: If the Commission on State Mandates determines the bill contains a mandated by the State then reimbursements will be made.

Implementation and Suggestions for Form Revisions Prior to January 1, 2018

MuniServices for its respective clients will be updating the verbiage on all applicable business license administration documents and updating the fee from \$1.00 to \$4.00 in our business license administration system. Copies of the updated verbiage will be made available to you for reference.

We are also available to speak with other jurisdictions regarding implementation of this revised law.

Please review any form changes with your jurisdiction's attorney.

- "Effective January 1, 2018 until December 31, 2023 the CASp fee is \$4 fee per AB 1379 (Chapter 667, Statutes of 2017)." Note: use of this language would mean updating after 2023 to \$1. "Effective January 1, 2024 the CASp fee is \$1 as per AB 1379 (Chapter 667, Statutes of 2017)."
- To cover the full implementation as of today's law: "Effective January 1, 2018 until December 31, 2023 the CASp fee is \$4 fee per AB 1379 (Chapter 667, Statutes of 2017). Effective January 1, 2024 the CASp fee is \$1 as per AB 1379 (Chapter 667, Statutes of 2017)."



SB 182 (Chapter 769, Statutes of 2017)

Transportation Network Company: Single Business License. Includes provisions for locals with and without a business license requirement.

http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB1069

- Prohibits a local government from requiring business licenses from drivers for transportation network company (TNC) who do not reside in its jurisdiction. (B & P Code, Section 16550.2 (a))
- TNC drivers domiciled in a jurisdiction without a business license requirement are not to be required to obtain a business license. (B & P Code, Section 16550.2 (b))
- Requires TNC's to notify drivers of the bill's provisions.
- Applies to a city, county, city and county and charter cities.
- Allows for the sharing of business license data among local jurisdictions.
- http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180SB182

SB 182 prohibits a local jurisdiction from requiring any of the following

- A business license if the driver has a business license from another jurisdiction;
- More than one business license, regardless of the number of jurisdictions that the driver operates in;
- A business license if the driver has not operated as a driver for more than 30 days in the preceding fiscal year;
- A business license that applies for a period before January 1, 2018 or that imposes a penalty or fee on a driver related to the driver's failure to obtain a business license prior to January 1, 2018; and
- Prohibits the disclosure of TNC driver personally identifiable information on a publicly accessible Internet Web site, including, but not limited to: a first and last name; a residential address, including a street and city name; an email address; a telephone number; a social security number; driver income or tax information.

AB 1069 (Chapter 753, Statutes of 2017)

Local Government: Taxicab Transportation Services

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1069

- Would require cities and counties to regulate taxicabs if a taxicab provider is substantially located in the jurisdiction.
- Prohibit a city or county from requiring a taxicab company or driver to obtain a business license, service permit, car inspection certification, or driver permit, or to comply with any specified requirements, unless the company or driver is substantially located within the jurisdiction of that city or county.
- Under AB 1069, a taxicab company or taxicab driver is substantially located within the jurisdiction where the primary business address of the company or driver is located. A taxicab company or taxicab driver is also substantially located in the jurisdiction within a single county in which trips originating in that jurisdiction account for the largest share of that company or driver's total number of trips within that county over the past year and determined every five years thereafter. A taxicab company or taxicab driver may be substantially located in more than one jurisdiction.
- The bill includes findings that the changes proposed in AB 1069 are a matter of statewide concern and is not a municipal affair; AB 1069 Exempts the City and County of San Francisco.

CONTACT

Please contact your MuniServices client manager for specific assistance.

Government Relations Contact:
Brenda.Narayan@MuniServices.com or
Fran.Mancia@MuniServices.com

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