

Administrators

March 2, 2021

The Honorable Tom Umberg California State Senate State Capitol Building, Room 5097 Sacramento, California 95814

Re: Senate Bill 49 (Umberg). Business license fees: Coronavirus (COVID-19) pandemic: waiver: tax credit.
Oppose – As Amended February 1, 2021
Set for Hearing – March 8, 2021 – Senate Business, Professions and Economic Development Committee

Dear Senator Umberg:

On behalf of the California State Association of Counties, Urban Counties of California, Rural County Representatives of California, League of California Cities, and California Association of Environmental Health Administrators we write in respectful opposition to your Senate Bill 49, which would prohibit state and local agencies from collecting any license fees imposed on eligible businesses that have been temporarily closed due to COVID-19 stay-at-home orders.

Counties and cities have been, and continue to be, on the front lines of responding to the COVID-19 pandemic. As such, it is more important than ever that local governments have reliable revenue to continue to assist their constituents. We acknowledge the hardships that many businesses have faced due to pandemic restrictions, however, without a backfill to make up for lost revenue, this bill would have a terrible impact on local services.

Many of fees that would be waived fund the very county departments that are responsible for protecting businesses, their employees, and their customers from communicable diseases, such as COVID-19. Furthermore, many of these activities are mandated by the state with the promise that the activities could be funded through these fees. A number of local agencies have waived fees, or deferred fees until after the current health emergency ends. However, counties and cities that have chosen to do so have been able to take local factors and budget implications in to account, including how long the businesses have been closed and how dire their budget situation is. By mandating local governments waive fees without backfilling the cost, SB 49 could force cuts to important services.

For the reasons stated above, we respectfully must oppose SB 49. Please do not hesitate to reach out with any questions about our position.

Sincerely,

Geoff Neill

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cc: The Honorable Richard Roth, Chair, Senate Business, Professions and Economic
Development Committee
Members and Consultants, Senate Business, Professions and Economic Development
Committee