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California Legislature

June 5, 2020

Governor Gavin Newsom
State Capitol
Sacramento, CA 95814

Sent via email

SUBJECT: PROTECTING SMALL BUSINESSES FROM LIABILITY DURING STATE AND NATIONAL EMERGENCY

Dear Governor Newsom:

California's economic activity has plummeted in the wake of the coronavirus pandemic. The depth and speed of the decline will rival that of the Great Depression. It is imperative that we act thoughtfully and courageously to recover from this devastating toll by improving business confidence to operate. Increased confidence translates to business investment, which would limit the economic damage caused during the crisis.

As small businesses are the backbone of our economy and the financial engine that will allow the state to recover post-COVID-19, they need liability protection to continue serving the public and providing necessary jobs. This is a time to encourage entrepreneurs and support small, struggling enterprises. California is home to four million small businesses, according to a 2019 Small Business Administration Office of Advocacy report, and each one contributes significantly to our economic strength and employment. California cannot afford for these businesses to delay reopening because of fear from frivolous lawsuits.

California has recognized the need for protection from civil liability during times of crisis with the Emergency Services Act (Cal. Gov't. Code §§8550 et. seq.), while also allowing harmed individuals to seek redress for actions that rise to the level of gross negligence and willful misconduct. We join the Civil Justice Association of California, their member organizations, the Central Valley legislative delegation, and other entities across the state in seeking legal relief to address these concerns.

WHAT WE PROPOSE
A measure of the same kind of protection as the Emergency Service Act ought to be provided by Executive Order, urgency legislation or appropriated in the 2020-21 budget to protect and invest in small businesses as they contribute significantly during the unprecedented times caused by the COVID-19 state of emergency.

We, therefore, respectfully request the opportunity to discuss swift action to include the following:

- Protection from civil liability associated with third party claims that persons contracted the Covid-19 virus while at, or through, a place of business for small businesses with fewer than 25 employees, and their employees;

- Protection conditioned on such businesses implementing and abiding by the official health regulations and protocols of the State of California or respective county plans approved by the State;

- Protection limited to the duration of the declared state of emergency; and

- Protection that allows harmed individuals redress for actions by private entities if they engage in unlawful discrimination, in a grossly negligent act or omission, or in willful or wanton misconduct.

On behalf of the signatories below, we look forward to your response and to working with you on California's economic recovery. Please feel free to reach out to Assemblymember Ramos or his legislative director, Katherine Van Horn at his Capitol Office (916) 319-2040 or District Director Jeovana Sanchez Gonzalez at (909) 476-5023.

Sincerely,

James C. Ramos
Assemblymember, 40th District

Rudy Salas, AD 32

Blanca Rubio, AD 48

Sharon Quirk Silva, AD 65

Bob Archuleta, SD 32

Patrick O'Donnell, AD 62

Mike Gibson, AD 64

Chad Mayes, AD 42

Joaquin Arambula, AD 31

Jose Medina, AD 61

Scott Wilk, SD 21

Jay Obernolte, AD 33

Adam Gray, AD 21

Melissa Hurtado, SD 14

Timothy Grayson, AD 14

Jim Cooper, AD 9

Eduardo Garcia, AD 56

Tom Daly, AD 69

Sabrina Cervantez, AD 60

Susan Rubio, SD 22

Freddie Rodriguez, AD 52

Tom Lackey, AD 36

Mike Morrell, SD 23

Ling Ling Chang, SD 29

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L. Dennis Michael, Mayor
City of Rancho Cucamonga

Larry McCalla, Mayor
City of Highland

San Bernardino Chamber of Commerce

Mentone Chamber of Commerc

Jim Laroshe
AuditTel

TDX International

Inland Action

Inland Empire Lighthouse for the Blind
San Bernardino, California

Habitat for Humanity
San Bernardino Area

Jovis Diner
San Bernardino, California

W. Wood & Associates
San Bernardino, California

iStyle by Roxxi
Rancho Cucamonga, California

Citrograph Printing
The Oldest Print Shop in California
Redlands, California

Big Mike's Rooter & Plumbing
Loma Linda, California

Gracie Humaita Jiu Jitsu
Redlands, California

Pool Club Sports Bar & Grill
San Bernardino, California

CC:
Assemblymember Phil Ting, Chair- Assembly Budget Committee
Senator Holly Mitchell, Chair- Senate Budget Committee
Assembly Speaker Anthony Rendon
Senate Pro Tempore Toni Atkins