

What Should You Expect From the California Government in 2020?



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The question inherently posed by this article is one of prediction and anticipation. The 2020 year is Governor Gavin Newsom's second full year in office, and it is also an important election year for the U.S. President and a majority of legislative seats.

During his first year in office, Governor Newsom tackled several big-ticket items including taking on the Trump Administration's plans relating to climate change, dealt with the bankruptcy of a major utility and promised to fix the Department of Motor Vehicles, a state agency that has major issues with its technology and public perception. Governor Newsom had a very robust and ambitious first year in office, but it was one that will prove to be the roadmap for the direction California will take in his second year. I anticipate the governor to continue to lead the state's resistance efforts aimed at the Trump presidency by doubling down on climate change policies. I also predict that the governor will continue to make bold moves in taking on some of the biggest problems facing the state like homelessness, wildfires, privacy and the economy.

Let's not forget the upcoming elections, which are already shaping up to be a wild ride. During my 15-plus years of experience working in and around state government, an election year always brings the most out-of-the-box ideas and proposals forward. I like to think that legislators and governors are fighting for media coverage with and, often, against their campaigns. The public's focus always seems to be on the horse race nature of the coverage

surrounding campaigns; meanwhile, the legislative process is often perceived as too slow or confusing for most voters to follow. This comparison leads to some of the most interesting approaches to problems. While it is still too soon to tell what these may be relating to our industry, CNCDA stands diligently prepared to fight back any of these outside-the-box proposals that negatively impact your dealership.

What also complicates this year's November general election are the vast number of ballot initiatives that are being proposed. Topics include taxing commercial property differently than residential property, expanding the California Consumer Privacy Act (CCPA), an effort to ban the sale of gas-powered vehicles starting in 2040, and the employee versus independent contractor fight between Uber/Lyft and labor unions. With the legislature's authority to work with the initiative proponent to address the problem without going to the voters, I suspect that many of these topics will ultimately be addressed in the capital and not on the ballot. We saw this happen two years ago with the creation of the CCPA, which was quickly adopted but was then delayed to allow further clarifications and regulations. Many legislators and stakeholders were frustrated by this process, but the ability to leverage other industry groups is almost too good to pass up for some proponents.

I anticipate a big 2020 in the legislature, but many of you might think: "Well, it's more of the same!" You would not be wrong. ◀