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## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2019 - 2020 Regular Session

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**AB 323 (Blanca Rubio) - Newspapers: state agency advertising: worker status: independent contractors**

**Version:** August 7, 2020

**Urgency:** No

**Hearing Date:** August 20, 2020

**Policy Vote:** L., P.E. & R. 5 - 0

**Mandate:** No

**Consultant:** Robert Ingenito

**Bill Summary:** AB 323 would (1) extend an existing exemption for newspaper distributors from the 'ABC Test' from January 1, 2021 to January 1, 2023, and (2) grant a preference to local news organizations, including ethnic and community news organizations, when state agencies are placing marketing and outreach advertisements.

**\*\*\*\*\* ANALYSIS ADDENDUM – SUSPENSE FILE \*\*\*\*\***

**The following information is revised to reflect amendments  
adopted by the committee on August 20, 2020**

**Fiscal Impact:**

- The enacted 2020-21 state budget provides resources to implement AB 5 (see below), including \$17.5 million for the Department of Industrial Relations (DIR), and \$3.4 million for the Employment Development Department (EDD). Both agencies indicate that they can implement this bill's requirements with the above provided resources.
- The Department of General Services (DGS) indicates that it would incur annual General Fund costs of \$152,000 to implement its provisions of the bill.
- The Franchise Tax Board (FTB) indicates that the bill would have an unknown impact on revenues. FTB's implementation costs would be minor and absorbable.

**Author Amendments:** Amend per author to add coauthors and address chaptering issues.

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