

AMENDED IN SENATE APRIL 15, 2021

AMENDED IN SENATE FEBRUARY 17, 2021

AMENDED IN SENATE JANUARY 25, 2021

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 80

Introduced by Assembly Member Burke

(Principal coauthors: Assembly Members Rendon, Aguiar-Curry, Cooper, Cristina Garcia, Cunningham, Low, Quirk, Villapudua, Reyes, Blanca Rubio, Eduardo Garcia, Cooley, Cervantes, Gipson, Calderon, Petrie-Norris, Santiago, Kalra, Irwin, O'Donnell, Lorena Gonzalez, Robert Rivas, Quirk-Silva, Stone, Friedman, Boerner Horvath, Flora, Wood, Bloom, Chiu, Salas, Bonta, Mathis, Kiley, Fong, Valladares, Davies, Voepel, Maienschein, Choi, Lackey, Grayson, Mullin, Gallagher, Nguyen, Gabriel, Carrillo, and Waldron)

(Principal coauthors: Senators Atkins, Allen, Archuleta, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, Limón, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Wieckowski, and Wiener)

December 7, 2020

An act to amend Sections 17131.8 and 24308.6 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 80, as amended, Burke. Taxation: Coronavirus Aid, Relief, and Economic Security Act: Federal Consolidated Appropriations Act, 2021.

The Personal Income Tax Law and the Corporation Tax Law, in conformity with federal income tax law, generally define “gross income” as income from whatever source derived, except as specifically excluded, and provide various exclusions from gross income. Existing law, in conformity with the federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act), and its subsequent amendments in the Paycheck Protection Program and Health Care Enhancement Act and the Paycheck Protection Program Flexibility Act of 2020, among other things, excludes any amounts of covered loans forgiven under the CARES Act from gross income for purposes of the Personal Income Tax Law and the Corporation Tax Law. Existing law reduces the amount of any credit or deduction otherwise allowed under the Personal Income Tax and the Corporation Tax Law for any amount paid or incurred by the taxpayer upon which this exclusion is based by the amount of the exclusion allowed. Existing law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives the tax expenditure will achieve, detailed performance indicators, and data collection requirements.

Existing federal law, the Consolidated Appropriations Act, 2021, prohibits reductions in tax deductions, denials of basis adjustments, and reductions in tax attributes for federal income tax purposes based on the exclusion from gross income provided in the federal CARES Act and its subsequent amendments.

This bill would exclude, for taxable years beginning on or after January 1, 2019, from gross income any advance grant amount, as defined, issued pursuant to specified provisions of the CARES Act or the Consolidated Appropriations Act, 2021, and covered loan amounts forgiven pursuant to the Consolidated Appropriations Act, 2021.

This bill would adopt, except as provided, the provisions of the Consolidated Appropriations Act, 2021, prohibiting any reduction in tax deductions, denials of basis adjustments, and reductions in tax attributes based on the exclusion from gross income provided for any loan amount forgiven in modified conformity with the federal CARES Act and its subsequent amendments.

This bill would provide findings to comply with the additional information requirement for any bill authorizing a new tax expenditure.

This bill would also make findings and declarations related to a gift of public funds.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17131.8 of the Revenue and Taxation
2 Code is amended to read:

3 17131.8. (a) For taxable years beginning on or after January
4 1, 2019, gross income does not include any covered loan amount
5 forgiven pursuant to Section 1106 of the Coronavirus Aid, Relief,
6 and Economic Security Act (Public Law 116-136), pursuant to the
7 Paycheck Protection Program and Health Care Enhancement Act
8 (Public Law 116-139), pursuant to the Paycheck Protection
9 Program Flexibility Act of 2020 (Public Law 116-142), or pursuant
10 to the Consolidated Appropriations Act, 2021 (Public Law
11 116-260).

12 (b) For taxable years beginning on or after January 1, 2019,
13 gross income does not include any advance grant amount issued
14 pursuant to Section 1110(e) of the Coronavirus Aid, Relief, and
15 Economic Security Act (Public Law 116-136), or pursuant to
16 Section 331 of the Consolidated Appropriations Act, 2021 (Public
17 Law 116-260).

18 (c) (1) Notwithstanding Section 17280, for taxable years
19 beginning on or after January 1, 2019, *subsection (a) of* Section
20 276 of Division N of the Consolidated Appropriations Act, 2021
21 (Public Law 116-260) shall apply, except as ~~provided in this~~
22 ~~subdivision~~ *provided*.

23 (2) Paragraph (1) of subsection (a) of Section 276 of Division
24 N of the Consolidated Appropriations Act, 2021 (Public Law
25 116-260) is modified by inserting “, not to exceed \$150,000,” after
26 “exclusion”, and by inserting “, not to exceed \$150,000,” after
27 “tax exempt income”. *substituting the phrase “For purposes of*
28 *the Internal Revenue Code of 1986” with “For purposes of this*
29 *part”*.

1 (3) *The provisions of paragraph (1) of subsection (a) of Section*
 2 *276 of Division N of the Consolidated Appropriations Act, 2021*
 3 *(Public Law 116-260), relating to paragraphs (2) and (3) of*
 4 *subsection (i) of Section 7A of the Small Business Act, shall not*
 5 *apply to an ineligible entity.*
 6 ~~(3)~~
 7 (4) Paragraph (2) of subsection (a) of Section 276 of Division
 8 N of the Consolidated Appropriations Act, 2021 (Public Law
 9 116-260) shall not apply.
 10 ~~(4) Subsection (b) of Section 276 of Division N of the~~
 11 ~~Consolidated Appropriations Act, 2021 (Public Law 116-260) is~~
 12 ~~modified by substituting the phrase “For purposes of the Internal~~
 13 ~~Revenue Code of 1986” with “For purposes of this part”.~~
 14 ~~(5) Paragraph (2) of subsection (b) of Section 276 of Division~~
 15 ~~N of the Consolidated Appropriations Act, 2021 (Public Law~~
 16 ~~116-260) is modified by inserting “, not to exceed \$150,000,” after~~
 17 ~~“exclusion”.~~
 18 ~~(6) Subparagraph (A) of paragraph (3) of subsection (b) of~~
 19 ~~Section 276 of Division N of the Consolidated Appropriations Act,~~
 20 ~~2021 (Public Law 116-260) is modified by inserting “, not to~~
 21 ~~exceed \$150,000,” after “tax exempt income”.~~
 22 (d) (1) *Notwithstanding Section 17280, for taxable years*
 23 *beginning on or after January 1, 2019, subsection (b) of Section*
 24 *276 of Division N of the Consolidated Appropriations Act, 2021*
 25 *(Public Law 116-260) shall apply, except as provided.*
 26 (2) *Subsection (b) of Section 276 of Division N of the*
 27 *Consolidated Appropriations Act, 2021 (Public Law 116-260) is*
 28 *modified by substituting the phrase “For purposes of the Internal*
 29 *Revenue Code of 1986, in the case of any taxable year ending after*
 30 *the date of the enactment of this Act” with “For purposes of this*
 31 *part”.*
 32 (3) *Paragraphs (2) and (3) of subsection (b) of Section 276 of*
 33 *Division N of the Consolidated Appropriations Act, 2021 (Public*
 34 *Law 116-260) shall not apply to an ineligible entity.*
 35 ~~(d)~~
 36 (e) (1) *Notwithstanding Section 17280, for taxable years*
 37 *beginning on or after January 1, 2019, subsection (a) of Section*
 38 *278 of Division N of the Consolidated Appropriations Act, 2021*
 39 *(Public Law 116-260) shall apply, except as provided in this*
 40 *subdivision. provided.*

1 (2) Subsection (a) of Section 278 of Division N of the
 2 Consolidated Appropriations Act, 2021 (Public Law 116-260) is
 3 modified by substituting the phrase—“UNITED STATES
 4 TREASURY PROGRAM MANAGEMENT AUTHORITY.”—For
 5 “For purposes of the Internal Revenue Code of 1986” with “For
 6 purposes of this part”.

7 (3) Paragraph (2) of subsection (a) of Section 278 of Division
 8 N of the Consolidated Appropriations Act, 2021 (Public Law
 9 116-260) is modified by inserting “, not to exceed \$150,000,” after
 10 “exclusion”.

11 (4) Subparagraph (A) of paragraph (3) of subsection (a) of
 12 Section 278 of Division N of the Consolidated Appropriations Act,
 13 2021 (Public Law 116-260) is modified by inserting “, not to
 14 exceed \$150,000,” after “tax exempt income”.

15 (3) Paragraphs (2) and (3) of subsection (a) of Section 278 of
 16 Division N of the Consolidated Appropriations Act, 2021 (Public
 17 Law 116-260) shall not apply to an ineligible entity.

18 (f) (1) Notwithstanding Section 17280, for taxable years
 19 beginning on or after January 1, 2019, subsection (b) of Section
 20 278 of Division N of the Consolidated Appropriations Act, 2021
 21 (Public Law 116-260) shall apply, except as provided.

22 (5)

23 (2) Subsection (b) of Section 278 of Division N of the
 24 Consolidated Appropriations Act, 2021 (Public Law 116-120) is
 25 modified by substituting the phrase—“EMERGENCY EIDL
 26 GRANTS AND TARGETED EIDL ADVANCES.”—For “For
 27 purposes of the Internal Revenue Code of 1986” with “For purposes
 28 of this part”.

29 (6) Paragraph (2) of subsection (b) of Section 278 of Division
 30 N of the Consolidated Appropriations Act, 2021 (Public Law
 31 116-260) is modified by inserting “, not to exceed \$150,000,” after
 32 “exclusion”.

33 (7) Subparagraph (A) of paragraph (3) of subsection (b) of
 34 Section 278 of Division N of the Consolidated Appropriations Act,
 35 2021 (Public Law 116-260) is modified by inserting “, not to
 36 exceed \$150,000,” after “tax exempt income”.

37 (8) Subsections (c), (d), and (e) of Section 278 of Division N
 38 of the Consolidated Appropriations Act, 2021 (Public Law
 39 116-260) shall not apply.

40 (e)

1 (g) For purposes of this section, ~~both~~ all of the following
2 definitions shall apply:

3 (1) “Covered loan” has the same meaning as in Section 1106
4 of the Coronavirus Aid, Relief, and Economic Security Act (Public
5 Law 116-136), or pursuant to the Consolidated Appropriations
6 Act, 2021 (Public Law 116-260).

7 (2) “Advance grant amount” means an emergency *Economic*
8 *Injury Disaster Loan* grant pursuant to Section 1110(e) of the
9 Coronavirus Aid, Relief, and Economic Security Act (Public Law
10 116-136), or a targeted Economic Injury Disaster Loan advance
11 pursuant to Section 331 of *Division N* of the Consolidated
12 Appropriations Act, 2021 (Public Law 116-260).

13 (3) “Ineligible entity” means a taxpayer that either:

14 (A) Is a publicly-traded company.

15 (B) Does not meet the reduction from the gross receipts
16 requirements of Section 636(a)(37)(A)(iv)(bb) of Title 15 of the
17 United States Code, as added by Section 311 of *Division N* of the
18 Consolidated Appropriations Act, 2021 (Public Law 116-260).

19 (4) “Publicly-traded company” means a publicly-traded entity
20 as described in Section 342 of *Division N* of the Consolidated
21 Appropriations Act, 2021 (Public Law 116-260).

22 ~~(f) Any amount disallowed as a deduction pursuant to this~~
23 ~~section may not be included in the computation of net operating~~
24 ~~loss deductions pursuant to Article 6 (commencing with Section~~
25 ~~17201) of Chapter 3.~~

26 ~~(g)~~

27 (h) The Administrative Procedure Act (Chapter 3.5
28 (commencing with Section 11340) of Part 1 of Division 3 of Title
29 2 of the Government Code) shall not apply to any standard,
30 criterion, procedure, determination, rule, notice, guideline, or any
31 other guidance established or issued by the Franchise Tax Board
32 pursuant to this section.

33 ~~(h)~~

34 (i) The amendments made by the act adding this subdivision
35 shall be operative for taxable years beginning on or after January
36 1, 2019.

37 SEC. 2. Section 24308.6 of the Revenue and Taxation Code
38 is amended to read:

39 24308.6. (a) For taxable years beginning on or after January
40 1, 2019, gross income does not include any covered loan amount

1 forgiven pursuant to Section 1106 of the Coronavirus Aid, Relief,
2 and Economic Security Act (Public Law 116-136), pursuant to the
3 Paycheck Protection Program and Health Care Enhancement Act
4 (Public Law 116-139), pursuant to the Paycheck Protection
5 Program Flexibility Act of 2020 (Public Law 116-142), or pursuant
6 to the Consolidated Appropriations Act, 2021 (Public Law
7 116-260).

8 (b) For taxable years beginning on or after January 1, 2019,
9 gross income does not include any advance grant amount issued
10 pursuant to Section 1110(e) of the Coronavirus Aid, Relief, and
11 Economic Security Act (Public Law 116-136), or pursuant to
12 Section 331 of the Consolidated Appropriations Act, 2021 (Public
13 Law 116-260).

14 (c) (1) Notwithstanding Section 24425, for taxable years
15 beginning on or after January 1, 2019, *subsection (a) of Section*
16 *276 of Division N of the Consolidated Appropriations Act, 2021*
17 *(Public Law 116-260) shall apply, except as provided in this*
18 ~~subdivision.~~ *provided.*

19 (2) Paragraph (1) of subsection (a) of Section 276 of Division
20 N of the Consolidated Appropriations Act, 2021 (Public Law
21 116-260) is modified by inserting “, not to exceed \$150,000,” after
22 “exclusion”, and by inserting “, not to exceed \$150,000,” after
23 “tax exempt income”. *substituting the phrase “For purposes of*
24 *the Internal Revenue Code of 1986” with “For purposes of this*
25 *part”.*

26 (3) *The provisions of paragraph (1) of subsection (a) of Section*
27 *276 of Division N of the Consolidated Appropriations Act, 2021*
28 *(Public Law 116-260), relating to paragraphs (2) and (3) of*
29 *subsection (i) of Section 7A of the Small Business Act, shall not*
30 *apply to an ineligible entity.*

31 ~~(3)~~

32 (4) Paragraph (2) of subsection (a) of Section 276 of Division
33 N of the Consolidated Appropriations Act, 2021 (Public Law
34 116-260) shall not apply.

35 ~~(4) Subsection (b) of Section 276 of Division N of the~~
36 ~~Consolidated Appropriations Act, 2021 (Public Law 116-260) is~~
37 ~~modified by substituting the phrase “For purposes of the Internal~~
38 ~~Revenue Code of 1986” with “For purposes of this part”.~~

39 ~~(5) Paragraph (2) of subsection (b) of Section 276 of Division~~
40 ~~N of the Consolidated Appropriations Act, 2021 (Public Law~~

1 116-260) is modified by inserting “, not to exceed \$150,000,” after
2 “exclusion”.

3 ~~(6) Subparagraph (A) of paragraph (3) of subsection (b) of~~
4 ~~Section 276 of Division N of the Consolidated Appropriations Act,~~
5 ~~2021 (Public Law 116-260) is modified by inserting “, not to~~
6 ~~exceed \$150,000,” after “tax exempt income”.~~

7 *(d) (1) Notwithstanding Section 24425, for taxable years*
8 *beginning on or after January 1, 2019, subsection (b) of Section*
9 *276 of Division N of the Consolidated Appropriations Act, 2021*
10 *(Public Law 116-260) shall apply, except as provided.*

11 *(2) Subsection (b) of Section 276 of Division N of the*
12 *Consolidated Appropriations Act, 2021 (Public Law 116-260) is*
13 *modified by substituting the phrase “For purposes of the Internal*
14 *Revenue Code of 1986, in the case of any taxable year ending after*
15 *the date of the enactment of this Act” with “For purposes of this*
16 *part”.*

17 *(3) Paragraphs (2) and (3) of subsection (b) of Section 276 of*
18 *Division N of the Consolidated Appropriations Act, 2021 (Public*
19 *Law 116-260) shall not apply to an ineligible entity.*

20 ~~(d)~~

21 *(e) (1) Notwithstanding Section 24425, for taxable years*
22 *beginning on or after January 1, 2019, subsection (a) of Section*
23 *278 of Division N of the Consolidated Appropriations Act, 2021*
24 *(Public Law 116-260) shall apply, except as ~~provided in this~~*
25 *subdivision: provided.*

26 *(2) Subsection (a) of Section 278 of Division N of the*
27 *Consolidated Appropriations Act, 2021 (Public Law 116-260) is*
28 *modified by substituting the phrase—“UNITED STATES*
29 *TREASURY PROGRAM MANAGEMENT AUTHORITY.—For*
30 *“For purposes of the Internal Revenue Code of 1986” with “For*
31 *purposes of this part”.*

32 ~~(3) Paragraph (2) of subsection (a) of Section 278 of Division~~
33 ~~N of the Consolidated Appropriations Act, 2021 (Public Law~~
34 ~~116-260) is modified by inserting “, not to exceed \$150,000,” after~~
35 ~~“exclusion”.~~

36 ~~(4) Subparagraph (A) of paragraph (3) of subsection (a) of~~
37 ~~Section 278 of Division N of the Consolidated Appropriations Act,~~
38 ~~2021 (Public Law 116-260) is modified by inserting “, not to~~
39 ~~exceed \$150,000,” after “tax exempt income”.~~

1 (3) Paragraphs (2) and (3) of subsection (a) of Section 278 of
2 Division N of the Consolidated Appropriations Act, 2021 (Public
3 Law 116-260) shall not apply to an ineligible entity.

4 (f) (1) Notwithstanding Section 24425, for taxable years
5 beginning on or after January 1, 2019, subsection (b) of Section
6 278 of Division N of the Consolidated Appropriations Act, 2021
7 (Public Law 116-260) shall apply, except as provided.

8 (5)

9 (2) Subsection (b) of Section 278 of Division N of the
10 Consolidated Appropriations Act, 2021 (Public Law 116-120) is
11 modified by substituting the phrase “EMERGENCY EIDL
12 GRANTS AND TARGETED EIDL ADVANCES” for “For
13 purposes of the Internal Revenue Code of 1986” with “For purposes
14 of this part”.

15 (6) Paragraph (2) of subsection (b) of Section 278 of Division
16 N of the Consolidated Appropriations Act, 2021 (Public Law
17 116-260) is modified by inserting “, not to exceed \$150,000,” after
18 “exclusion”.

19 (7) Subparagraph (A) of paragraph (3) of subsection (b) of
20 Section 278 of Division N of the Consolidated Appropriations Act,
21 2021 (Public Law 116-260) is modified by inserting “, not to
22 exceed \$150,000,” after “tax exempt income”.

23 (8) Subsections (c), (d), and (e) of Section 278 of Division N
24 of the Consolidated Appropriations Act, 2021 (Public Law
25 116-260) shall not apply.

26 (e)

27 (g) For purposes of this section, both all of the following
28 definitions shall apply:

29 (1) “Covered loan” has the same meaning as in Section 1106
30 of the Coronavirus Aid, Relief, and Economic Security Act (Public
31 Law 116-136), or pursuant to the Consolidated Appropriations
32 Act, 2021 (Public Law 116-260).

33 (2) “Advance grant amount” means an emergency *Economic*
34 *Injury Disaster Loan* grant pursuant to Section 1110(e) of the
35 Coronavirus Aid, Relief, and Economic Security Act (Public Law
36 116-136), or a targeted Economic Injury Disaster Loan advance
37 pursuant to Section 331 of *Division N* of the Consolidated
38 Appropriations Act, 2021 (Public Law 116-260).

39 (3) “Ineligible entity” means a taxpayer that either:

40 (A) Is a publicly-traded company.

1 (B) Does not meet the reduction from the gross receipts
2 requirements of Section 636(a)(37)(A)(iv)(bb) of Title 15 of the
3 United States Code, as added by Section 311 of Division N of the
4 Consolidated Appropriations Act, 2021 (Public Law 116-260).

5 (4) “Publicly-traded company” means a publicly-traded entity
6 as described in Section 342 of Division N of the Consolidated
7 Appropriations Act, 2021 (Public Law 116-260).

8 ~~(f) Any amount disallowed as a deduction pursuant to this~~
9 ~~section may not be included in the computation of net operating~~
10 ~~loss deductions pursuant to Article 1 (commencing with Section~~
11 ~~24341) of Chapter 7.~~

12 ~~(g)~~
13 (h) The Administrative Procedure Act (Chapter 3.5
14 (commencing with Section 11340) of Part 1 of Division 3 of Title
15 2 of the Government Code) shall not apply to any standard,
16 criterion, procedure, determination, rule, notice, guideline, or any
17 other guidance established or issued by the Franchise Tax Board
18 pursuant to this section.

19 ~~(h)~~
20 (i) The amendments made by the act adding this subdivision
21 shall be operative for taxable years beginning on or after January
22 1, 2019.

23 SEC. 3. For the purposes of complying with Section 41 of the
24 Revenue and Taxation Code, with respect to Sections 17131.8 and
25 24308.6 of the Revenue and Taxation Code as amended by this
26 act (hereafter “the deductions, tax basis, and other attributes”), the
27 Legislature finds and declares all of the following:

28 (a) The specific goal, purpose, and objective that the deductions,
29 tax basis, and other attributes will achieve is to provide assistance
30 to small businesses operating in the state that have been harmed
31 economically by the COVID-19 pandemic.

32 (b) Detailed performance indicators for the Legislature to use
33 in determining whether the deductions, tax basis, and other
34 attributes meet the goal, purpose, and objective described in
35 subdivision (a) is the extent to which the businesses that received
36 the Payroll Protection Program (PPP) loans and subsequently used
37 the deductions, tax basis, and other attributes reflect the industries,
38 regions, and businesses by type of ownership that were most
39 substantially harmed by the COVID-19 pandemic, and whether
40 any particular industries, regions, or businesses by type of

1 ownership in the business community were not able to participate
2 in the PPP loans and the deductions, tax basis, and other attributes.

3 (c) The Legislative Analyst’s Office shall collaborate with the
4 Franchise Tax Board, as well as reviewing other publicly available
5 data, to analyze whether the PPP loans and the tax benefits of the
6 deductions, tax basis, and other attributes were distributed evenly
7 over industries, regions, and businesses by type of ownership
8 harmed by the COVID-19 pandemic and report by January 1, 2024,
9 and in compliance with Section 9795 of the Government Code, to
10 the Legislature.

11 (d) The data collection requirements for determining whether
12 the deductions, tax basis, and other attributes meet, or fail to meet,
13 the specific goal, purpose, and objective described in subdivision
14 (a) are:

15 (1) To assist the Legislature in determining whether the
16 deductions, tax basis, and other attributes meet the specific goal,
17 purpose, and objective described in subdivision (a), and in order
18 to carry out its duties pursuant to subdivision (c), the Legislative
19 Analyst’s Office may request information from the Franchise Tax
20 Board.

21 (2) (A) The Franchise Tax Board shall provide any available
22 data requested by the Legislative Analyst’s Office pursuant to this
23 subdivision.

24 (B) The disclosure provisions of this paragraph shall be treated
25 as an exception to Section 19542 under Article 2 (commencing
26 with Section 19542) of Chapter 7 of Part 10.2 of Division 2 of the
27 Revenue and Taxation Code.

28 SEC. 4. The Legislature hereby finds and declares that the
29 deductions and other tax benefits authorized by the amendments
30 to Sections 17131.8 and 24308.6 of the Revenue and Taxation
31 Code made by this bill serve the public purpose of securing the
32 financial condition of businesses that were economically harmed
33 by the COVID-19 pandemic and do not constitute a gift of public
34 funds within the meaning of Section 6 of Article XVI of the
35 California Constitution.

36 SEC. 5. This act is an urgency statute necessary for the
37 immediate preservation of the public peace, health, or safety within
38 the meaning of Article IV of the California Constitution and shall
39 go into immediate effect. The facts constituting the necessity are:

1 In order to provide, as soon as possible, much needed tax relief
2 in conformity with federal tax relief enacted due to the COVID-19
3 pandemic and to assist California businesses struggling under the
4 economic strain thereof, it is necessary that this act go into
5 immediate effect.

O