



May 9, 2019

F2019-04 (updated)

TO: All Fair CEO's and Board of Directors

SUBJECT: Implementation of Assembly Bill 1499

On February 25, Fairs and Exposition (F&E) released a letter to the Network of California Fairs (Fairs) regarding the implementation of Assembly Bill 1499 (Chapter 798, 2017) (AB1499). Since the release of the letter, F&E has received inquiries, so this follow up letter provides answers and/or clarification.

Why are regulations being developed?

The Department is currently developing regulations to clarify the provisions of AB1499. Regulations are needed to supplement, interpret, and clearly specify the requirements of AB1499. The Department will share the draft regulations with the CDFA Fair Committee and CEOs before introducing the regulations for formal approval. Workshops will be conducted in the Spring to engage the industry regarding the regulatory language.

When does a fair need to implement the non-management working conditions?

To be eligible for an allocation of AB1499 funds, Fairs need to have implemented the required working conditions anytime during FY1920 (i.e., July 1, 2019 through June 30, 2020). Please note that enhanced benefits detailed in the legislation cannot be provided to civil service employees until CalHR and bargaining units have approved.

Part of the bargaining process includes identifying a specific date to start offering the enhanced working conditions. At this time, it is anticipated that will be in Spring 2020. The Department will engage CalHR in the next few months and F&E will update the Fairs as to bargaining unit negotiation progress. Also, F&E is developing programs and will introduce these programs later this calendar year.

Must vendors provide the non-management working conditions to their employees?

We are evaluating whether fairs need to require tenants and certain vendors to offer the working conditions outlined in AB1499. The definition of certain vendors and tenants, and AB1499 applicability to these groups, will be clarified during the regulatory development process. Please note that full-time carnival ride operators employed by a traveling carnival are exempt from these conditions.



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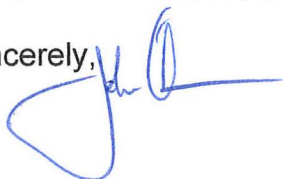
Page 2

What should a DAA be doing to prepare for the possible receipt of AB1499 funds?

At this time, in order to estimate the specific fiscal impact, fairs should conduct a cost analysis to determine the expense of providing the specific working conditions to their non-management employees, as outlined in AB1499. A table identifying impacted employees was included in the February 25<sup>th</sup> letter.

In addition, to assist the Fairs, a Frequently Asked Questions (FAQs) document will be developed and updated on a regular basis. If you have other questions, please email or call me and the questions will be added to the FAQ. I can be reached at 916-900-5025 or by email at [john.quiroz@cdfa.ca.gov](mailto:john.quiroz@cdfa.ca.gov).

Sincerely,



John Quiroz, Chief  
Fairs & Exposition Branch