



“We’re not going to be the cheapest place to do business, but you knew that 50 years ago. We’re making progress, and I hope you’ll start focusing on that rather than the 13.3% damn tax rate.”

— Gov. Gavin Newsom, speaking to the editorial board of the San Francisco Chronicle in June 2019

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California

Pop. (2019): 39,813,541
Median household income (2019): \$74,520
Credit Rating: AA-/Stable

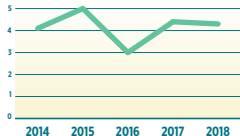
Pop. growth 2019–2024: 0.67%
Median age (2019): 36
Right-to-work state: No

Legislative Update

- Gov. Newsom in September signed legislation requiring companies to treat “gig” workers as employees, triggering federal and state tax withholding and obligations for health care, pensions, workers’ compensation, anti-discrimination and unemployment insurance. San Francisco-based Uber is among those lining up to challenge the law in court.
- Eighteen new laws addressing California’s housing crisis include a measure to discourage frivolous environmental lawsuits, and laws to streamline permitting and approval processes and encourage density in affordable housing construction. In November, Apple committed \$2.5 billion to address the state’s housing crisis.
- The state created a \$21 billion fund to help PG&E and other investor-owned utilities cover liabilities from future wildfires caused by their equipment.
- California made two years of community college tuition-free, increased financial aid for parents pursuing a college education and froze tuition at state colleges and universities. Legislation signed in October encourages secondary schools to adopt career training in addition to college preparation to address workforce challenges.

GDP

1st



2018 GDP
(in millions of current US\$)
\$2,721,651



48th

Business Tax Climate Rank Change 2019–2020: 1



1st

Higher Ed. R&D Expenditure in \$000s: **10,175,248**



29th

Number of NCRCs: **15,268** | Percent Improvement 2019–2020: **15.42%**



49th

2019 Workers’ Comp Index Rate: **2.87**



7th

Industrial power cost per kWh: **\$13.12**



41st

Total Revenue as Share of Total Expenses, FY 2004–2018: **100.0%**