



ORANGE COUNTY
BUSINESS COUNCIL



2026 STATE POLICY GUIDE

ECONOMIC DEVELOPMENT

ISSUE

Orange County is an economic engine for the state. Orange County is home to some of the most highly concentrated industry clusters in the country, including medical device, information technology and hospitality/tourism. Job creation should be protected by

implementing policies that support business as the county addresses increased fiscal challenges. Sustained economic growth is fundamentally dependent on reliable infrastructure that supports competitiveness and innovation.

STRATEGIES

- Oppose and reform regulatory policies that intentionally or unintentionally inhibit economic opportunities and job growth in California, such as building moratoriums.
- Support policies that encourage private investment and public-private partnerships in Orange County, including efforts that accelerate the growth of the region's core innovation clusters by supporting local research and development, venture capital and technology commercialization.
- Support new businesses and business expansion by maintaining and increasing funding for key incentive programs - such as the California Competes Tax Credit, the Manufacturing, Research and Development Sales and Use Tax Exemption and the New Employment Credit - to ensure California remains competitive with other states actively recruiting companies.
- Strengthen relationships with foreign countries and business organizations whose top industries are exploring expansion and/or relocation to Southern California.
- Continue funding from the California Jobs First Initiative to follow through on regional commitments for equitable and sustainable economic development.
- Champion policies that accelerate the growth of Orange County's core innovation clusters, including medical device and information technology, by supporting local research and development, venture capital and technology commercialization in partnership with local universities and research institutions.
- Support state and federal investment in critical infrastructure, including transportation, goods movement, digital connectivity and water and energy reliability, to ensure the competitiveness of Orange County's economy.

WORKFORCE

ISSUE

Orange County is a leader in educational attainment and college eligibility, but there is a pressing need to re-skill or upskill

thousands of workers to provide the talent employers need in a fiercely competitive market. A skilled workforce also garners higher wages, which further supports our economy.

STRATEGIES

- Protect public higher education funding for California Community Colleges, the California State University and the University of California to ensure Orange County institutions are receiving appropriate funding on a per-student basis and equipped to fairly compensate faculty and staff.
- Protect and promote access to early childhood education and childcare for working families.
- Oppose and reform regulatory policies that intentionally or unintentionally inhibit student access to enrollment in high-performing healthcare profession schools.
- Support incentives for private companies to provide educational opportunities for employees.
- Protect affordable and accessible education and training programs, which support under-skilled workers, especially for disadvantaged populations.
- Review and update curriculum standards to incorporate artificial intelligence and align with in-demand industry skills and certifications, ensuring students are prepared for the 21st-century economy (particularly in medical technology, semiconductors, aerospace and defense, the clean economy, healthcare and hospitality and tourism, which are core economic drivers for Orange County).

ENERGY

ISSUE

California's economy and overall quality of life is dependent on a reliable, stable, diverse and competitively priced energy

supply. Further, progress toward California's 2030 and 2045 climate change mandates must be conducted with a plan in place to address cost and infrastructure challenges associated with achieving them.

STRATEGIES

- Create incentives to help businesses navigate California's clean energy transition without increasing or creating new fees, taxes or other costs to businesses.
- Support a modern and reliable grid to safely harness the full potential for zero or near-zero energy sources, infrastructure and uses, while facilitating more affordable customer choices.
- Support regulatory reform, including siting and permit streamlining, to accelerate grid infrastructure deployment.
- Support reasonable decarbonization policies that promote diverse zero and near-zero emission energy sources, infrastructure and uses, including electrification, hydrogen, carbon capture and sequestration and renewable natural gas.
- Support projects like battery storage that will provide affordable, reliable energy sources.
- Support critical public safety and wildfire mitigation reforms to ensure affordable and reliable electric service.

QUALITY OF LIFE

ISSUE

Orange County's premier healthcare providers, world-renowned tourism destinations, diverse nonprofits and businesses all work in

partnership to enhance the region's quality of life; however, challenging regulations targeting the healthcare and tourism sectors threaten improvements.

STRATEGIES

- Oppose the imposition of burdensome workers' compensation, unreasonable minimum wage policies and other mandates that unfairly target specific sectors or business sizes.
- Protect access to healthcare while avoiding an onerous and expensive single payer overhaul.
- Proactively collaborate with Orange County's business leaders to identify ways to support them during economic downturns.

PUBLIC SAFETY & RETAIL CRIME

ISSUE

Ensuring public safety and reducing retail crime are critical to maintaining a thriving business environment in Orange County. Retail crime, including theft and organized crime, significantly impacts local businesses by increasing costs, reducing profitability

and discouraging investments. With the recent passage and implementation of Proposition 36, prioritizing legislation that enhances retail security and deters crime is essential for preserving Orange County's economic vitality and quality of life while addressing emerging public safety threats that impact businesses and critical infrastructure.

STRATEGIES

- Support fully funding Proposition 36.
- Support legislation that increases penalties for organized retail theft and provides additional resources for law enforcement to address retail crime under the implementation of Proposition 36.
- Support programs and funding to support public-private partnerships aimed at crime prevention, such as technology-driven crime deterrents, cybersecurity protections and community policing initiatives.
- Oppose unfunded mandates that place the financial burden of crime prevention solely on businesses without government support while ensuring law enforcement agencies have tools to address evolving digital and cyber threats.

TELECOMMUNICATIONS

ISSUE

Closing the “digital divide” remains a top priority. Virtual participation in work, education and

healthcare brings many benefits but exacerbates problems for those unable to adopt broadband technologies due to affordability, lack of devices or other barriers. Telecommunications providers are equipped to bridge this divide in partnership with governments and stakeholders but would be limited by efforts to establish government-controlled or subsidized providers, rate regulations or technology standards/minimums.

STRATEGIES

- Oppose state-owned and operated utilities offering communications services and instead encourage the government to partner with private broadband providers to support digital equity.
- Incentivize permit streamlining by local governments and other efforts to reduce and remove barriers for private sector investment in broadband.
- Support and protect digital literacy initiatives that drive broadband adoption and strengthen access in unserved and underserved communities.
- Fair and equitable state regulations ensuring equal treatment for all communications providers, including the preservation of cable providers’ authority under the California Digital Infrastructure and Video Competition Act (DIVCA).
- Strategically direct state budget dollars to areas with the highest need and fund “last mile” projects.

TRANSPORTATION

ISSUE

Despite continued state investments and strong local management of public funding, transportation challenges persist in Orange County.

An integrated, multimodal transportation network of highways, transit, rail and other infrastructure must be improved and maintained throughout Orange County with the support of continued state and federal investments.

STRATEGIES

- Secure Orange County’s fair share of federal and state infrastructure funding.
- Oppose linking, re-prioritizing or aligning local and state transportation funding with policies that hinder a local agency’s ability to deliver transportation programs and projects.
- Preserve FY 2024-25 budget funding levels for transportation programs without diverting funds from future year or current year transportation accounts.
- Oppose efforts to limit transportation agencies’ ability to plan for multimodal transportation solutions in their communities.
- Support local discretion in programming expenditures of transportation funds for regional priorities.
- Dedicate funding and streamline permitting to support efforts related to resilient infrastructure and climate adaptation measures, including along the critically important coastal rail corridor.
- Support solutions to mitigate increased costs and challenges related to implementing zero-emission mandates.
- Maintain local control for toll agencies in the operation and management of toll facilities, consistent with existing financing and governance structures.
- Expedite processes, provide regulatory flexibility and support long-term investments for ports, rail and associated transportation links to resolve supply chain bottlenecks and prevent Southern California’s loss of competitive edge in goods movement.
- Seek to ensure funding, project delivery tools and necessary authority are provided to support transportation services in Orange County related to the 2026 FIFA World Cup and the 2028 Olympic and Paralympic Games in Los Angeles. Maintain appropriate funding for transit operations that support infrastructure investments, including protecting funding provided under Cap-and-Invest.

ARTIFICIAL INTELLIGENCE (AI) & CYBERSECURITY

ISSUE

Artificial Intelligence (AI) has the potential to transform industries, increase productivity and spur economic growth in Orange County. Leveraging AI technologies responsibly can help the business

community innovate and stay competitive in a global market. However, thoughtful policies are needed to ensure ethical AI development while avoiding overregulation that stifles innovation.

Protecting against massive and sustained cyberattacks that pose a threat to U.S. economic competitiveness and critical infrastructure resources is also key to business' success. Technological developments in interconnectivity promise great innovation opportunities, but also increased and novel cybersecurity risks that must be sufficiently addressed.

STRATEGIES

- Support initiatives to promote the research, development and deployment of AI technologies across industries, creating new business opportunities and enhancing productivity.
- Support policies that establish clear and consistent standards for ethical AI development, including data privacy and transparency.
- Advocate for public-private partnerships that foster innovation in AI and workforce development programs to prepare employees for AI-driven industries, while also developing frameworks for improving critical infrastructure cybersecurity.
- Support a voluntary approach to cybersecurity practices in the private sector, as opposed to a system of legally mandated practices.

HOUSING

ISSUE

Excessive regulation, permitting redundancies and legal delays continue to slow home construction, keeping housing supply far

below demand and prices-out much of the local workforce. Meanwhile, economic forces like tariffs place strains on housing resources - from lumber and construction materials to labor and permitting capacity - further complicating the ability to build homes efficiently in Orange County. To retain and attract a talented workforce, Orange County must accelerate housing production to increase supply in all levels of housing. Without action, the limitations on supply will exacerbate the housing issues and constrain economic growth.

STRATEGIES

- Modernize the California Environmental Quality Act (CEQA) to expedite and improve the environmental review process, reduce delays and costs of development.
- Advocate for regional application to the governor's executive actions to temporarily lift CEQA and Coastal Commission requirements for new construction. Advance legislation that reduces burdensome fees and removes other barriers discouraging developers from building.
- Support incentives for local governments to encourage overall increases to the housing supply, housing affordability and choices of home types for all of families and workers.
- Advocate for policies that incentivize insurance companies to do business in California.
- Address industry concerns related to Vehicle Miles Traveled (VMT) requirements under AB 130.

WATER

ISSUE

A reliable water supply is fundamental to the state's economic health. Business, therefore, supports activities leading to a cost-effective,

fair, timely, comprehensive and long-term solution to California's water challenges. The state's aging water delivery system is vulnerable to natural disasters and climate change. More than 27 million Californians, including Orange County's business community, depend on the successful implementation of the Delta Conveyance Project to modernize this system. Orange County has invested billions in conservation over several decades; additional regulatory efforts to conserve water must account for these infrastructure investments and the water resiliency investments Orange County continues to make.

STRATEGIES

- Support the ongoing development of the Delta Conveyance Project.
- Ensure areas that have invested in drought resilience are able to rely on their supplies during times of drought, including use and reliance on any emergency water supplies that have been developed.
- Continue investments that restore and rehabilitate existing water infrastructure and expand development of water supplies and infrastructure needed to adapt to climate change.
- Secure Orange County's fair share of approved and proposed state water bond funding and other state and federal water infrastructure funding.
- Achieve the co-equal goals of restoring the Delta ecosystem and improved water supply reliability.

Orange County Business Council's (OCBC) Policy Guide highlights key issues facing businesses and features solution-oriented actions to support a growing economy in Orange County. Detailed positions and specific priorities are further discussed in the 2025-2026 OCBC Legislative Action Guide.

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