



## APAPA POLICY STATEMENTS

**Access to Capital:** It is fundamental for business of all sizes to have access to capital when they need it. Asian businesses, especially small business, do not want to be reliant on government programs as the sole means of business and personal loans. It is important to have a healthy private sector loan market not only for those with good credit, but also for those with credit scores that are less than prime. We support legislation and regulation that expands credit opportunities so long as there is full disclosure to the borrower regarding terms, it is a regulated product, it provides the opportunity to build credit, and the interest rate and fees reflect the risks associated with the borrower. We oppose legislation that restricts private sector loan options.

**Tobacco Products:** The sale of tobacco has been part of our economy for countless years. Many small Asian businesses sell tobacco products as part of their total sales through convenience stores and small markets where a substantial amount of their revenue comes from tobacco products. We recognize that tobacco, like a lot of other products people consume, is not without detrimental health effects; however, that is the consumer's choice. We support policies that encourage tobacco harm reduction products to ameliorate the harmful health effects of tobacco. We oppose unreasonable taxation on existing tobacco products that unfairly targets tobacco consumers, impacts the licensed retailers of tobacco products, and results in a "black market" underground economy that has proven difficult to enforce and increases youth access.

**Climate Change:** Policies that mitigate climate change through state action for the betterment of our environment are goals we support to protect future generations. However, we support these goals with the caveat that Asian businesses and our community are not disproportionately adversely impacted in economic terms. California policymakers have set lofty goals such as the prohibition of the sale of all new internal combustion passenger vehicles by 2035. To achieve these types of goals, it is important to determine what infrastructure is in place before imposing future mandates. In addition, the cost implications on communities of color and their ability to access such vehicles needs to be critical factors for policy makers.

**Cannabis:** The sale of cannabis for recreational purposes has been in effect since 2016. The law created a framework to regulate and tax cannabis products for sale to adult consumers. The law has created a complicated regulatory structure which has resulted in a vast majority of those in the industry to be issued temporary permits. In addition, the tax structure should be streamlined, and a tax reduction on the product needs to be reexamined. Given the significant regulatory burden and high taxes it has resulted in an illicit cannabis market to flourish. Social equity issues are of concern given this difficult market to enter. We support a broad approach to reforming the current regulatory and tax structure to remedy these problems.

**Water:** Climate change is going to be with us for many years to come. This reality brings with it very dry conditions and years with higher-than-average rainfall. Water conservation, although important, is not a substitute for expanding upon our water infrastructure. If our economy is to



thrive and flourish for future generations, we need additional water storage as a critical component to our water infrastructure.

**Taxes:** California is an excessive cost of living state in part driven by our tax structure. We rely heavily on personal income tax which depending on our economy, creates significant highs and lows. The Asian businesses would be significantly affected if their property taxes were increased at a higher rate than other property. We oppose attempts to create a "Split Roll" property tax taxing business at a higher rate. Tax incentives for other types of taxation can prove effective when targeted to meet a particular objective. We, in general, support such policies.

**Public Safety:** It is incumbent upon every civilized society to enact laws that protect persons and property. Enforcement and prosecution for those who break the law after a fair trial is axiomatic for perpetrators to face meaningful consequences. In 2021, certain areas of our country have seen a dramatic increase in crime directed at retail businesses in the form of theft, vandalism, and property damage resulting in mental and physical harm to law abiding citizens. Arrest and prosecution of many of these crimes continues to go unabated.

Compounding such crimes has been an alarming increase in hate crimes focused at the Asian Pacific Islander American community.

APAPA supports actions aimed at reducing such crimes, and meaningful legislation that sentences persons committing these crimes against other individuals or property with enhanced penalties where crimes are hate driven targeting racial or ethnic groups.

<https://www.nbcnews.com/news/asian-america/anti-asian-hate-crimes-rose-73-last-year-updated-fbi-data-says-rcna3741>