

## BOS Report May 7, 2024

### Business & Economic Development Report

1. The Corporate Transparency Act is a little-known bill signed into law on January 1, 2021, to curb trillions of dollars that are laundered in the U.S every year, from foreign and domestic companies. This includes companies from China and the Mexican Cartels. To curb this, the government is requiring most businesses to submit Beneficial Ownership Information reports within 90 days of the first of the year. If not filed by the end of this year, fines can be levied at \$591 per day up to a maximum of \$10,000. If compliance is not reached by then, the government can file a Cease and Desist against your business.

To comply with the law, businesses have to file a Beneficial Ownership Information report if their business was started after January 1, 2021. The report is due within 90 days after January 1<sup>st</sup> of this year, and non-compliance after December 31<sup>st</sup> of this year will be costly. The government has done a terrible job of letting businesses know about the law and the required compliance. To help businesses comply, the Sierra SBDC and the IVIH is distributing a 50-page Small Entity Compliance Guide to all the Chambers, the Chamber Coalition, and businesses. There are 23 exemptions (see page 4 of the Guide); non-profits and large companies with more than 20 employees or gross more than \$5 M a year don't have to comply because they already have additional reporting requirements. I sent Dennis a link to print off the Compliance Guide for your convenience. I hate to be the bearer of bad news, but this is something you will have to look at seriously and soon.

2. Two more insurance companies have announced leaving CA: Toyoko Marine and Trans Pacific Insurance. Together, they will cancel about 12,000 policy holders. Allstate Insurance has announced that it will return to CA and write policies providing the State Legislature change insurance regulations. That may be a heavy lift and it most likely won't happen soon. While I was not insured by the two companies, I had my homeowners policy canceled last week!
3. While Plumas County has critical housing problems, Reno has its too. The Median price for a three-bedroom home in Reno is now \$613,000. Maybe that will push more people like me to Plumas County. I know people from Incline Village that have moved their business to Portola. There may be Renoites looking for work in Plumas County – Tesla just laid off 700 employees.

4. Last week, I interviewed Colette Curtis, the Recovery and Economic Development Director from the Town of Paradise. She attributes the success of Paradise's recovery to several things: After the Camp Fire, they made the decision to write every grant they could get their hands on, whether they had the capacity to write the grants and administer them or not – they found it. Before the Fire, they had a full array of housing programs such as Down Payment Assistance Programs, First-time Homebuyers Programs, and more. After the Fire, the City really stepped up and expanded those programs greatly. The City also meets with its FEMA Rep once a week and they get the latest information on FEMA and CalOES Grants. Consequently, the City of Paradise is ahead of its projects. The power of investments is definitely paying off for Paradise.
5. In January of this year, Susanville created its first Economic Development Department and hired its first-ever Economic Development Director. I met with her last week, and she informed me that businesses are closing every week in Susanville. The new Rite Aide that opened several years ago closed recently, and houses are for sale all over town. Lassen County is projected to lose 45% of its population by the year 2060. It's a tall order to reverse that projection, but the City made its first investment in years for its future. To hopefully, stop the bleeding on that scale.
6. The IVIH has published its 3<sup>rd</sup> edition of its Business and Economic Development Newsletter. There are a lot of data articles in it, including the Costs of Depopulation and the new Fictitious Business Name Certificates. For the month of April, there were numerous filings and refilings: District 1: 5; District 2: 3; District 3: 7; District 4: 3, and in District 5: 11.
7. Supervisor Goss, you are most likely aware of the failure of the Tax Bill to pass yet, that would exempt wildfire survivors from State and Federal Taxes, plus allow them to deduct their attorney fees. We certainly appreciate your efforts and the efforts of After the Fire to lobby on behalf of our wildfire survivors. If this Bill doesn't pass in this Legislative Session, the three-year window to amend your taxes will pass. Also, the State Legislature exempted all Presidential Declared Wildfire Disasters except for the Dixie Fire, which I find as incredulous! A Bill has been proposed to fix that, but it is doubtful to pass before August, which puts residents of Plumas County basically on their own. If there is anything we can do to help with your efforts, please let

**us know. The failure of these Bills could seriously affect the recovery of our Burn Scar areas and damage economic recovery for years to come.**

8. Next week, I hope to have a presentation on a Relocation Package put together by the Lost Sierra Chamber of Commerce and strongly supported initially by the IVIH. It's about 10 minutes long but it is well-worth your time. I will shorten or defer my report to accommodate the presentation. There are still hundreds of unfilled employee vacancies in Plumas County. Listing the jobs and the employer contact information may be a good start in bringing people back to Plumas County! Go to: <https://lostsierrachamber.org>, click on Economic Development, then click on Move In, to view the new site.

**Thank you for your time.**

**Clint Koble**

