

# ALERT

VOLUME 42, NUMBER 27 • AUGUST 26, 2016



## Amended Leave Mandate Is Attack on Small Business



The California Chamber of Commerce is urging small business owners to contact their legislators and the Governor to express strong **opposition to SB 654 (Jackson; D-Santa Barbara)**.

The bill, identified as a job killer, threatens to significantly harm small businesses in California who employ as few as 20 employees within a 75-mile radius, by proposing yet another protected leave of absence mandate. The proposal requires 6 weeks of protected employee leave for child bonding, and exposes small employers to the threat of costly litigation.

Using the gut-and-amend process, SB 654 revives the language of a previously

dead job killer bill that failed because lawmakers recognized the harmful impact it would have on California's job climate.

In the final weeks of session and after some membership changes to the Assembly Labor and Employment Committee, Senator Hannah-Beth Jackson has brought the measure back.

Businesses are outraged because the bill imposes significant burdens as they attempt to manage a productive and profitable business while also juggling the cumulative impact of all available protected leaves in California.

SB 654 would make California the only known state in the nation to impose the lengthy list of protected leaves of absence available here (see graphic in August 19 *Alert*).

*See Amended Leave: Page 7*

## Job Creator Bills Headed for Governor



California Chamber of Commerce-supported job creator bills helping

entrepreneurs and small business passed the Legislature this week and are headed to Governor Edmund G. Brown Jr.

• **AB 2664 (Irwin; D-Thousand Oaks)** provides resources for California innovators, entrepreneurs, startups, investors, and industry and community partners by providing the University of California (UC) with funds to expand its capacity and increase access to its innovation and entrepreneurship centers, which provide incubator space, legal services, entrepreneur training and more

for researchers and other individuals looking to develop innovative solutions.

• **SB 936 (Hertzberg; D-Van Nuys)** encourages creation of small businesses by expanding their access to loans.

### **AB 2664: Entrepreneurship**

The Assembly unanimously concurred in Senate amendments to AB 2664 on August 24, advancing the bill for consideration next by the Governor.

AB 2664 will direct funding for the UC system to support activities to expand or accelerate economic development that benefits entrepreneurs.

The UC's innovation and entrepreneurship centers have a proven track record for helping to turn ideas into

*See Job Creator: Page 5*

## 2030 Carbon Caps to Become Law



The California Legislature moved swiftly this week to adopt legislation expanding climate change emission goals.

**SB 32 (Pavley;**

**D-Agoura Hills)** mandates a reduction in greenhouse gas emissions (GHG) of at least 40% below 1990 levels by 2030 with no consideration of the economic side effects or ongoing oversight for the Legislature.

The California Chamber of Commerce labeled SB 32 a job killer because it requires the California Air Resources Board (ARB) to impose severe command-and-control regulations to further reduce GHG emissions.

Also passed was a CalChamber-opposed companion measure, **AB 197 (E. Garcia; D-Coachella)**, which creates the guise of regulatory accountability and legislative oversight regarding the blank check granted to the ARB for implementing the post-2020 climate change goals.

Following final passage of both bills, Governor Edmund G. Brown Jr., Senate President Pro Tem Kevin de León (D-Los Angeles) and Assembly Speaker Anthony Rendon (D-Paramount), joined the authors of both bills at a press conference to tout the state's leadership in combating climate change.

The Governor has said he will sign both bills, which passed by simple majority votes.

Not included in the legislation is the market-based system for reducing emis-

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### Inside

**Teacher Tenure Ruling Stands: Page 3**

## Labor Law Corner

### Rest Breaks May Not Be Combined Except in Limited Circumstances



**David Leporiere**  
HR Adviser

*My employees all work an 8-hour day. It's my understanding that when an employee works an 8-hour day, he or she is entitled to two 10-minute rest breaks and a 30-minute meal break. As a convenience to my staff that schedules employee breaks, I'm*

*wondering if I can have my employees combine their two rest breaks into a single 20-minute rest break?*

Unfortunately, as the employer, in most circumstances you cannot require your employees to combine their rest breaks. The California Supreme Court in *Brinker Restaurant Corp. v. Superior Court* (53 Cal.4th 1004 (2012)) ruled that "rest breaks in an eight-hour shift should fall on either side of the meal break."

#### Combining Breaks

In a more recent California appellate court case, the court in *Rodriguez v. E.M.E. Inc.* expanded on the Brinker ruling and provided guidance on limited circumstances in which an employer might be able to combine rest breaks (2016; \_\_ Cal App 4th \_\_ (2016 WL 1613803 (2016))).

The court stated that an employer must meet two requirements in order to combine rest breaks:

- Scheduling the rest breaks at a time other than the middle of each 4-hour work period must not unduly affect employee welfare; and
- The employer must show that the

altered schedule would alleviate a material burden that would otherwise fall on the company.

#### Opinion Letter

The court's conclusion was consistent with a September 17, 2001 Opinion Letter from the California Labor Commissioner, which stated that rest breaks must be taken in the middle of the two different work periods "absent truly unusual circumstances." As a result, employers do not have the right, as a matter of law, to require their employers to combine their rest breaks.

Before attempting to require your employees to combine their rest breaks, employers should consult legal counsel to determine if they can meet the requirements outlined in the *Rodriguez* case.

*The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at [www.hrcalifornia.com](http://www.hrcalifornia.com).*

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### CalChamber-Sponsored Seminars/Trade Shows

More at [www.calchamber.com/events](http://www.calchamber.com/events).

#### Labor Law

HR Boot Camp. CalChamber. September 7, San Diego; September 22, Sacramento. (800) 331-8877.

Independent Contractor or Employee?

Costly Mistakes Employers Make. CalChamber. September 15, Webinar. (800) 331-8877.

Leaves of Absence. CalChamber. October 6, Pasadena. (800) 331-8877.

#### International Trade

Golden Autumn Trade Fair. Bay Area Council. September 12–13, Gulou District, Nanjing, China. (415) 946-8743.

Global Cultural and Business Practices. Port of Los Angeles. September 14, Santa Clarita. (310) 732-7765.

SBA Export Lender Roundtable. U.S. Small Business Administration. September 20, San Jose.

G-20Y Summit. G-20Y Association. September 21–25, St. Moritz, Switzer-

land.

2016 Public Forum on "Inclusive Trade." World Trade Organization. September 27–29, Geneva, Switzerland.

Diplomacy Begins Here: Northern California. September 30, Oakland. Northern California World Trade Center and Global Ties San Francisco. (415) 528-3541.

2016 Sima-Sipsa International Ag Expo. U.S.-Algeria Business Council. October 4–7, Algiers, Algeria. (703) 418-4150.

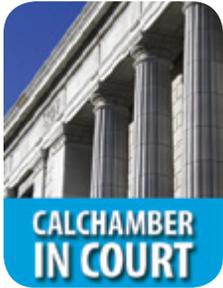
Think Canada Global Business Summit. Think Canada. October 19–20, Niagara Falls, Canada.

GetGlobal. Geoskope. October 20–21,

**Next Alert: September 9**



# State High Court Leaves Intact Decision Reversing Landmark Teacher Tenure Ruling



The California Supreme Court this week declined to review a decision by the Second District Court of Appeals overturning a landmark lower court ruling that had challenged teacher

tenure and dismissal laws.

The state high court's August 22 decision not to review the case leaves unchanged the April 14 appeals court ruling in *Vergara v. California*, which upheld the state's existing education laws.

Three of the seven Supreme Court justices disagreed, however, saying the court should have reviewed the decision.

In reversing the trial court decision, the three-judge Court of Appeal had found there was not enough evidence to show that minority students were more often subjected to ineffective teachers than other students.

The appellate judges acknowledged that problems exist in the school systems' employment practices, but did not find them unconstitutional.

Students Matter, the national nonprofit organization that brought the lawsuit on behalf of public school students, appealed the ruling to the California Supreme Court.

## Dissent

Arguing that the Supreme Court should have reviewed the appeals court ruling, Justice Goodwin H. Liu wrote: "Because the questions presented have obvious statewide importance, and because they involve a significant legal issue on which the Court of Appeal likely erred, this court should grant review. The trial court found, and the Court of Appeal did not dispute, that the evidence in this case demonstrates serious harms."

Also arguing for the Supreme Court review was Justice Mariano-Florentino Cuéllar: "There is a difference between the usual blemishes in governance left as institutions implement statutes or engage in routine trade-offs and those staggering failures that threaten to turn the right to education for California schoolchildren

into an empty promise. Knowing the difference is as fundamental as education itself. Which is why I would grant review."

"To have two lengthy, powerful dissenting opinions from the denial of review is extraordinary in California history," said plaintiffs counsel Theodore J. Boutros Jr. in a press release. "Even though the court denied review, the words of Justices Liu and Cuéllar will resonate across California and the nation, and hopefully help bring about the change we so desperately need."

## CalChamber Amicus Letter

The California Chamber of Commerce was among 50 signatories that filed more than a dozen *amicus curiae* (friend of the court) letters in June, urging the Supreme Court to hear the *Vergara* case and to strike down the laws at issue.

Among the *amicus* signatories were former California Governors Arnold Schwarzenegger and Pete Wilson and former California Supreme Court Justice Cruz Reynoso, as well as constitutional law scholars, civil rights organizations, and state and district superintendents from across the country.

The June 2 letter from CalChamber and other business groups, submitted by attorneys from *Horvitz & Levy LLP*, said the Court of Appeal "shortchanged" the state's low-income and minority students by reversing the trial court decision.

"As the trial court found, the statutes effectively force administrators to retain grossly ineffective teachers and to allow those teachers to accumulate in schools where the students are *most* in need of the *best* teachers. As long as these statutes

continue to tie the hands of administrators, our state's students will continue to suffer," the letter stated.

The Court of Appeal decision has economic consequences as well, the letter pointed out. "When the Court of Appeal disregarded the trial court's findings that the challenged statutes effectively preclude equal educational advancement of low-income and minority children, it acquiesced to a system that unduly undermines the chances for California's long-term economic prosperity."

## Superior Court Ruling

In 2014, Los Angeles County Superior Court Judge Rolf Treu held that California had deprived Beatriz Vergara and other students of their right to a decent education through the tenure and dismissal statutes.

Judge Treu found in particular that seniority-based layoffs, onerous firing processes, and a two-year evaluation period before entry-level teachers could be hired on permanent status led to ineffective tenured teachers to be highly concentrated in schools that served low-income and minority students.

## Students Matter

In a press statement released after the Supreme Court decision, Students Matter promised to continue seeking changes to California's teacher employment laws, working with parents, students, education leaders and lawmakers during the 2017–2018 legislative session.

For more information on the *Vergara* case, visit [StudentsMatter.org](http://StudentsMatter.org).  
Staff Contact: Heather Wallace

## CalChamber Calendar

### Water Committee:

September 8, La Jolla

### Fundraising Committee:

September 8, La Jolla

### Board of Directors:

September 8–9, La Jolla

### International Breakfast:

September 9, La Jolla

### Public Affairs Conference:

November 29–30, Huntington Beach

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## State Supreme Court Will Consider How to Deal With ‘De Minimis’ Time



Employers frequently run into questions regarding counting small, or “*de minimis*,” periods of time. Lawsuits have been filed over small amounts of uncompensated

time that is spent either before or after the employee clocks in.

The California Supreme Court has now agreed to hear the question of when an employer must pay employees for such *de minimis* time. A decision in this case could have important implications for employers and hopefully will provide much-needed guidance in this area.

### Background

The case before the California Supreme Court involves an employee of Starbucks, Douglas Troester, who sued Starbucks, claiming that he should have been compensated for the brief time he spent closing up the store after he clocked out.

For example, Troester argued that, after he clocked out, he engaged in the

following activities for which he was not paid:

- Exiting the store and locking the door after setting the alarm (he had to exit within a minute);



- Walking co-workers to their cars (pursuant to store safety guidelines) which took about 45 seconds;
- Occasionally reopening the store to let a co-worker grab a forgotten personal item;
- Bringing patio furniture in once every couple of months.

Based on these allegations, Troester brought a lawsuit under the California Labor Code for unpaid wages and over-

time. A federal district court, however, granted Starbucks’ motion to have the case dismissed before trial (a motion for summary judgment), ruling that the time spent was *de minimis* and that Troester was not entitled to payment for it.

Troester appealed the denial of his claim to the Ninth Circuit. In part, he argued that the *de minimis* doctrine does not apply to California wage claims.

### Question

As a result, the Ninth Circuit asked the California Supreme Court to decide whether the federal Fair Labor Standards Act’s *de minimis* doctrine also applies to claims for unpaid wages in California, noting that California wage and hour laws often provide greater protections to employees than federal laws.

The California Supreme Court has agreed to decide this important question, and California employers will want to stay tuned.

A decision could take some time. Employers with specific questions regarding employee compensation for time spent before clocking in and after clocking out should consult legal counsel.

**Staff Contact:** [Gail Cecchetti Whaley](#)

## 2030 Carbon Caps to Become Law

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sions that was part of AB 32, the 2006 legislation calling for GHG emissions to be reduced to 1990 levels by 2020.

The Governor acknowledged the need to find the most cost-effective way to reduce carbon emissions.

Since a market-based system could have been included in the legislation and passed by a simple majority, it appears that proponents of the bills are seeking to leverage a legitimate and legal revenue stream from the auction system, which would require support from two-thirds of the Legislature.

The CalChamber supported the mar-

ket-based cap-and-trade program set up by AB 32, but is litigating the auction the state is using to distribute many of the emission allowances under the system.

The ARB allocates to itself up to half of the allowances and then auctions them off to raise revenues for various state programs and subsidies.

Because the auction is not needed for a successful cap-and-trade program, the CalChamber argues the auction is an illegal tax because AB 32 did not pass with the two-thirds legislative supermajority that Proposition 13 requires for tax increases. The case is being considered by the Third District Court of Appeal.

### Cleanup Needed

In addition to providing a market-based program to find the most cost-effective way to reduce emissions, the ARB should be required to publicly review the procedures that have worked best so that economic and quality of life concerns can be considered in establishing the 2030 regulatory process.

AB 32 has been in place for nearly 10 years without a transparent evaluation of which parts of the program have been costly and not worked as well as others.

**Staff Contact:** [Amy Mmagu](#)

# CalChamber Urging Congress to Act on Trans-Pacific Partnership Agreement



The California Chamber of Commerce is urging the California congressional delegation to

prevent the loss of U.S. jobs to foreign competitors by supporting the Trans-Pacific Partnership (TPP).

After Labor Day, Congress will return from its summer break for four more weeks of pre-election action.

Delaying congressional approval of TPP for just one year would cost the U.S. economy \$94 billion.

## Asia-Pacific Market

The large and growing markets of the Asia-Pacific already are key destinations for U.S.- and California-manufactured goods, agricultural products, and services suppliers, and the TPP will further deepen this trade and investment.

U.S. goods exports to TPP nations totaled \$680.1 billion in 2015, representing 45.2% of total U.S. goods exports.

In 2015, California exports in goods with TPP members were \$68.9 billion, making California the second largest exporting state to the region. Furthermore, 41.6% of California's exports in goods went to TPP nations, supporting 1.9 million jobs in the state.

The Asia-Pacific region is a key driver

of global economic growth, representing nearly half of the Earth's population, one-third of global gross domestic product and roughly 50% of international trade. The International Monetary Fund estimates that nearly two-thirds of world economic growth in 2016–2017 will be in Asia.

As U.S. Secretary of State John Kerry pointed out in April 2016: "Ultimately, this whole debate—about TPP, T-TIP [Transatlantic Trade and Investment Partnership], trade generally—comes down to a fundamental question: Will we bind our nation closer to partners and allies in the Asia Pacific and Europe, and strengthen our existing and emerging relationships in key markets and regions? Or will we pull back from our role as the indispensable global leader and leave others to fill the void, and delude ourselves into somehow believing that will make us safer?"

The nonpartisan Peterson Institute estimated in January that access to the Asia-Pacific region could increase U.S. exports by \$357 billion annually by 2030, and boost overall U.S. annual real income by \$131 billion in the same timeframe.

## Trans-Pacific Partnership

The TPP contains 30 chapters of trade, labor, intellectual property, and environmental regulations. Those chapters will eliminate 18,000 foreign taxes on U.S.

products, boost exports, protect intellectual property rights, and strengthen labor rights and human rights abroad.

TPP puts American workers first by establishing the highest labor standards of any trade agreement in history, helping small and medium-sized businesses benefit from trade, promoting anticorruption and transparency, and protecting U.S. workers from unfair competition. All the negotiating 12 countries also have agreed to adopt high standards in order to ensure that the benefits and obligations of the agreement are fully shared.

Trade ministers representing the TPP countries—Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States and Vietnam—signed the TPP in Auckland, New Zealand on February 4, 2016, after more than five years of negotiations.

## CalChamber Position

The CalChamber supports allowing California companies to compete more effectively in foreign markets, as well as to attract foreign business to California. The CalChamber supports expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

**Staff Contact: Susanne T. Stirling**

## Job Creator Bills Headed for Governor

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companies that provide jobs for Californians and help drive the state's economy. AB 2664 would help the centers expand to keep up with the growing need for workspace and training for startups, and help attract private sector investors.

In exchange, the state will benefit from increased economic activity and job growth, as well as from the innovative solutions new companies are able to bring to market due to the help they receive from the UC system.

## SB 936: Loan Access

SB 936 also has moved through the

Legislature with unanimous support.

SB 936 encourages small business growth by expanding the availability of loans through the Infrastructure and Economic Development Bank's (IBank) California Small Business Loan Guarantee Program.

The loan guarantee program helps businesses create and retain jobs. It promotes statewide economic development by supporting loans issued to small businesses that otherwise would not qualify. Small businesses establish a favorable credit history with a lender under this program and then are able to obtain future loans on their own. The program

has been in place since 1968 with almost no defaults.

SB 936 increases the IBank's ability to leverage state and federal funding, thus incentivizing private lending and economic investments. The loan guarantee program uses state and federal funding to create a loan loss reserve, which reduces the risk of lending to small businesses.

## Action Needed

The CalChamber is encouraging members to contact the Governor and urge him to **sign AB 2664** and **SB 936**. **Staff Contacts: Karen Sarkissian, Valerie Nera**

## List of Shame Bill for Commercial Water Users Held on Senate Floor



### OPPOSE

The Senate has refused to pass a California Chamber of Commerce-**opposed** bill that would have inappropriately made industrial, institutional, and commercial water use public information.

**AB 1520 (M. Stone; D-Scotts Valley)** was an attempt to shame business under the guise of ensuring that large users are meeting conservation goals. The bill removed protections that safeguard production capacity and other sensitive production data from disclosure to competitors by requiring commercial, industrial and institutional water users to publicly disclose usage, supposedly to enforce compliance with water and energy conservation goals.

The current privacy protections for commercial, industrial and institutional water customers serve an important purpose. These protections help prevent competitors from gaining information and knowledge about water usage, which could be used to find out production capacity and other production knowledge for others in that same industry.

Giving this information to the public serves no purpose. Without knowing how an industry uses water and the regulatory

requirements under which that industry operates, the volume of usage is not useful and serves no purpose other than to exploit a business' operation. Allowing this information to be made public would have served no purpose other than to shame businesses that may be deemed as unfavorable to some and provide an avenue for protest.

In addition, current law also levels the playing field between customers of private investor-owned utilities and utility customers of local agencies. In 1997, SB 448 (Sher; D-Palo Alto; Chapter 276) determined that utility usage information from local agencies was not public information. Yet, AB 1520 deliberately tried to overturn that safeguard, picking and choosing which information should remain private.

Most large commercial, industrial, and institutional users of water pay based on the volume they use. Under existing regulations, local water districts, for example, are able to determine if conservation goals have been met. If the conservation goal is not met, the local agency could have imposed fines of up to \$10,000 per violation, and \$500 per day thereafter for every day the violation continues to enforce compliance.

It was unclear how the information required by AB 1520 would have helped reduce water usage.

### Key Vote

AB 1520 was held on the Senate Floor with a vote of 15-20. The bill was granted reconsideration and is now on the Senate Inactive File.

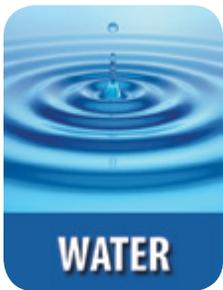
**Ayes:** Allen (D-Santa Monica), Beall (D-San Jose), Block (D-San Diego), de León (D-Los Angeles), Hall (D-Los Angeles), Hertzberg (D-Van Nuys), Hill (D-San Mateo), Jackson (D-Santa Barbara), Leno (D-San Francisco), Leyva (D-Chino), Mitchell (D-Los Angeles), Monning (D-Carmel), Pavley (D-Agoura Hills), Wieckowski (D-Fremont), Wolk (D-Davis).

**Noes:** Anderson (R-Alpine), Bates (R-Laguna Niguel), Berryhill (R-Twain Harte), Cannella (R-Ceres), Fuller (R-Bakersfield), T. Gaines (R-El Dorado Hills), Galgiani (D-Stockton), Glazer (D-Contra Costa), Huff (R-San Dimas), Lara (D-Bell Gardens), McGuire (D-Healdsburg), Mendoza (D-Artesia), Moorlach (R-Costa Mesa), Morrell (R-Rancho Cucamonga), Nguyen (R-Garden Grove), Nielsen (R-Gerber), Pan (D-Sacramento), Roth (D-Riverside), J. Stone (R-Temecula), Vidak (R-Hanford).

**No Vote Recorded:** Hancock (D-Berkeley), E. Hernandez (D-West Covina), Hueso (D-San Diego), Liu (D-La Cañada Flintridge).

**Staff Contacts:** Valerie Nera, Amy Mmagu

## Majority of Water Suppliers Project Adequate Supplies for Dry Years



A majority of urban water suppliers in California are projecting they will have enough potable water to handle three additional years of drought, according to the State Water

Resources Control Board.

The State Water Board released on August 16 the results of the water suppliers' self-certified assessments.

Of the 411 urban water suppliers, 343 said they would have enough water, which means they would not have a state-mandated conservation standard compared to 2013.

Thirty-six suppliers projected a water supply shortfall, resulting in new conservation standards.

Another 32 water suppliers chose to stay with their existing conservation standard, adopted in March 2016.

The State Water Board said it will continue to monitor and require reporting of water use and conservation results monthly throughout the year.

Among the water suppliers reporting water savings above 25% in June 2016 compared to June 2013, according to the State Water Board, were San Francisco Bay Area districts: Contra Costa Water District, Dublin-San Ramon Services District, and Alameda County Water District.

The board noted that the City of Burbank saved 27.8% in June 2016 and the

Dublin-San Ramon Services District saved 32.5%, as well as continuing to promote conservation and expanded public access to recycled water for irrigation.

The board also called attention to the City of Sacramento for its well-documented assessment, pointing out that the city chose to maintain restrictions on outdoor irrigation and deserves credit for showing leadership.

Other districts submitting "A-grade" assessments and keeping conservation levels high, according to the board, were East Bay Municipal Utility District, San Jose Water Company, Yuba City, Beverly Hills, Lemoore, and Eastern Municipal water districts.

**Staff Contact:** Valerie Nera

## CalChamber Fall Public Affairs Conference

# Co-Creator of Showtime Hit Series on 2016 Presidential Election to Speak



Mark McKinnon, the co-creator and co-host of Showtime's hit documentary series *The Circus: Inside the Greatest Political Show on Earth* on this year's presidential election, will be the special guest luncheon speaker at the California Chamber of Commerce annual Public Affairs Conference on November 30.

The two-day conference is set for Tuesday, November 29–Wednesday, November 30 and will take place at the Hyatt Regency in Huntington Beach.

The Austin, Texas-based McKinnon is a longtime political ad maker who has found a new role as the star of the first-ever political reality show that has used the presidential campaign, the candidates, their staff and supporters in an entertaining and informative series that has met with rave reviews and lots of water cooler conversations among political junkies.

### Agenda

The conference opens on Tuesday with a review of the CalChamber annual survey of California voter attitudes, followed by a recap of the California 2016 election.

Next, the conference will reprise its “New Kids on the Block” panel, inviting newly elected freshman legislators from both parties to talk about their backgrounds and priorities. Tuesday will conclude with a reception honoring the 2016 freshman class.

Wednesday will open with a breakfast burrito buffet and a morning panel discussion on tales from the federal 2016 campaigns.

The luncheon address by McKinnon will be followed by a public policy panel discussion on “Tax Reform: Simple Is Better; Is It Possible?”

A second afternoon discussion will provide a legislative forecast with “voices of experience” from among currently seated legislators.

### Mark McKinnon

McKinnon is a reform advocate, media columnist and television producer. He was the chief media adviser for five successful presidential primary and general election campaigns, and is co-founder of No Labels, an organization dedicated to bipartisanship, civil dialogue and political problem solving.

*The Circus* documentary series presents key characters and events from individual campaigns in real time. The show is produced in cooperation with

Bloomberg Politics, and is a nonpartisan, never-before-attempted take on what promises to be one of the most fascinating and consequential elections in modern history.

McKinnon worked for 20 years at Public Strategies, Inc., where he was an owner and vice chair. Public Strategies merged in 2010 with Hill+Knowlton Strategies, where McKinnon served as global vice chair. He currently is an adviser to the firm. He has received more than 30 Pollie and Telly awards honoring the nation's best political and public affairs advertising.

He serves on the boards of numerous organizations dedicated to reforming the influence of money in politics. In 2014, McKinnon launched Mayday PAC with others to force ethics reform in the U.S. Congress. He co-chaired Southerners for the Freedom to Marry before the historic U.S. Supreme Court ruling affirming the right of all Americans to wed.

McKinnon was appointed by President George W. Bush to serve on the Broadcasting Board of Governors. In addition to lecturing frequently at universities, he has been a regular columnist for *The Daily Beast* and *The Daily Telegraph* (U.K.), and a consultant to Aaron Sorokin's HBO show *The Newsroom* and Netflix's *House of Cards*.

### Register Today

Sign up by October 21 to qualify for the early registration fee discount. Registration information is available at <https://www.regonline.com/2016CalChamberPAConf>.

## Amended Leave Mandate Is Attack on Small Business

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Existing programs California employees may access now include the Family Medical Leave Act (FMLA), the California Family Rights Act (CFRA), paid family leave, pregnancy disability, military spouse leave, organ donation, bone marrow, school activities, volunteer firefighting, reserve peace officer and emergency rescue personnel leave, civil air patrol and paid sick leave.

### Key Vote

SB 654 passed the Assembly Labor and Employment Committee on August 22, 4-2.

Ayes: Thurmond (D-Richmond), Chu (D-San Jose), Lopez (D-San Fernando), McCarty (D-Sacramento).

Noes: **Patterson (R-Fresno), O'Donnell (D-Long Beach).**

Not voting: Linder (R-Corona).

### Action Needed

As *Alert* went to print, SB 654 awaited action by the Assembly Appropriations Committee.

Contact your legislators and the Governor and ask them to **oppose SB 654**. An easy-to-edit sample letter is available at [calchambervotes.com](http://calchambervotes.com).

**Staff Contact: Jennifer Barrera**

## Protect your business and employees.



California companies with 50 or more employees are required to provide two hours of sexual harassment prevention training to all supervisors **within six months of hire or promotion**, and every two years thereafter. That's not all. Effective April 1, 2016, new Fair Employment and Housing Act (FEHA) requirements highlight an **employer's affirmative duty to take reasonable steps** to prevent and promptly correct harassing, discriminatory and retaliatory conduct in the workplace, **regardless of the number of employees.**

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