

ALERT

CALIFORNIA CHAMBER OF COMMERCE

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Governor's Reforms to Go to People for Vote on Nov. 8

Long-Term Benefit to California Economy

The California Chamber of Commerce this week praised Governor Arnold Schwarzenegger for his leadership in calling a special election for this November to consider initiatives important for the future of the state's economy.

Key reform measures supported by the Governor and the Chamber that will appear on the special election ballot are:

- the California Live Within Our Means Act, an essential step toward fixing California's broken budget process;
- the Put the Kids First Act, extending from two years to five the number of years a teacher must have served in order to receive tenure;
- the Voter Empowerment Act, turning redistricting over to a panel of retired judges.

Road to Fiscal Recovery

"A special election is a key component to keeping California on the road to fiscal recovery," said Chamber President Allan Zaremberg, proponent and co-author of the California Live Within Our Means Act. "We cannot wait until the next election to enact the reforms needed to keep jobs in California because the longer we wait, the more tenuous our economic situation can become. We need these

reforms, and we need them now.

"Employers rely on a stable tax structure and the ability to plan and look at trends in areas where they locate or expand their businesses. We need to get California's budget crisis under control. We are confident that when educated on the essential nature of the measure, Californians will support the Live Within Our Means Act this November.



Governor Arnold Schwarzenegger

"To know that California must have a balanced budget is important to investors — making the passage of the Live Within Our Means Act in just five months an immediate, predictable reform that will quickly help California's economy by giving employers the stability they need to bring jobs to our state.

"The next five months will be a busy campaign season, and we will work hard to educate voters on the true merits of these measures."

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'Fantastic Bargain'

In announcing his decision to call the special election, the Governor said the state should not wait to decide on the reform measures: "How can we just stand around while our debt grows each year by
See Chamber: Page 4

Chamber-Opposed 'Job Killer' Bills Still Moving



Although the California Chamber of Commerce helped to stall many "job killers," there are still 27 "job killers" that remain alive for consideration this year.

"Employers and other job supporters still have a big fight ahead of us on these remaining 'job killer' bills," said Dominic DiMare, Chamber vice president of government relations. "Members of the Legislature need to understand how harmful these bills will be to California's recovering economy. We will continue to strongly oppose these bills and work to educated lawmakers on the damaging effects these bills will have on our state."

The Coalition for California Jobs (CCJ), a Chamber-led coalition of employer groups focused on stimulating job creation in California, released this year's list of 41 "job killer" bills last month. CCJ releases this list annually to shine a light on legislation that will hamper California's economic growth and cost jobs. CCJ and the Chamber will continue to track these bills and work to ensure legislators understand the severe impact they would have on California's economy.

Of the original 41 "job killer" bills, 11 were stalled with the help of strong opposition.
See Chamber-Opposed: Page 5

Inside

Assembly Members Balance Environment/Economy: Page 3

Cal/OSHA Corner

Cal/OSHA Adopts New Federal Regulations for Fit Testing of Respirators



Mel Davis
Cal/OSHA Advisor

What effect will the Cal/OSHA Standards Board's adoption of the new federal protocols for fit testing respirators have on my respirator program?

The U. S. Department of Labor, Occupational Safety and Health Administration (OSHA) promulgated standards

addressing protocols for testing respirators on August 4, 2004. California, as required by law, had six months to adopt the federal regulations if there were no counterpart regulations presently within Title 8. The standards were adopted into Appendix A of Section 5144 of the new federal regulations. These regulations were placed in Part I: OSHA-Accepted Fit Test Protocols.

Primary Revisions

When using the controlled negative pressure (CNP) and CNP REDON (re-donning) protocols (removing and replacing a respirator on/by the employee), employers may use one of two procedures:

- The first is the existing CNP quantitative fit testing procedure contained in I.C.4(b) of Appendix A.
- The second is the newly adopted procedure contained in I.C.5(b) of Appendix A.

In I.C.5(b), the employer must ensure that the test subjects perform specified test procedures (i.e., facing forward, bending over and head shaking) with specific measurement procedures (i.e., holding breath for 10 seconds while facing forward).

Section 4 has been revised to substitute the existing CNP instrument manufacturer reference to Dynatech Nevada with Occupational Health Dynamics of Birmingham, Alabama, as a supplier of attachments that replace the filter cartridges to permit fit testing in an employee's own respirator.

Additional Revisions

The employer **must** (emphasis added):

- train the test subject to hold his/her breath for 10 seconds (reduced from 20 seconds);

- prohibit adjusting the respirator once the fit-test exercises begin;
- permit use of a screen tracing on the test instrument as a visual-warning device

should the subject fail to hold his/her breath during the test;

- add language requiring the tests be restarted from the beginning should the subject fail to hold his/her breath "during the test";
- follow the exercise and measurement procedures in the order listed in Table A-1 — CNP REDON Quantitative Fit Testing Protocol; and
- add a new formula for determining the overall fit factor.

The Labor Law Helpline is a service to California Chamber 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 e-mail: helpline@calchamber.com.

Seminars

For more information on the seminars listed below, visit www.calchamber.com/events.

Business Resources

Annual Conference. Society for Human Resource Management. June 19-22, San Diego. (800) 283-7476.

Effective Board Dynamics for Non-Profit and For-Profit Directors. National Association of Corporate Directors, Northern California Chapter. June 22, Sacramento. (916) 977-3700.

International

Luncheon with His Excellency Dr.

Tarek Kamel, Egyptian Minister of Communications and Information

Technology. American Chamber of Commerce in Egypt. June 27, San Jose. www.amcham.org.eg/OnlineRegistration/san_register

Mexico and China Conference, Offshore Manufacturing — Country Analysis. *Mexico Now Magazine*. June 28-29, San Diego. www.mexico-now.com.

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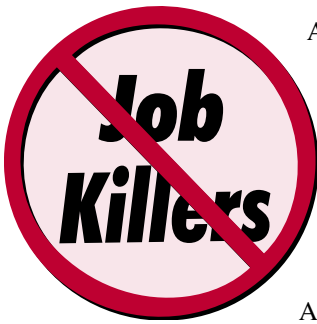
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Assembly Members Vote to Balance Environmental, Economic Considerations



A key in preventing a number of California Chamber-opposed “job killer” bills from moving out of the Assembly this month has been

the combined actions of Republicans and moderate Democratic legislators in favor of balancing environmental and economic considerations.

The combination resulted in a narrow defeat of the “job killer” bill increasing regulatory complexity at ports and other distribution centers, AB 1101 (Oropeza; D-Long Beach), as well as a move to the inactive file for a bill eliminating a pro-jobs environmental program, AB 1430 (Goldberg; D-Los Angeles).

“California needs policies that both stimulate jobs and protect the environment,” said Bruce Magnani, Chamber legislative advocate. “The California Chamber will continue to urge legislators to balance those concerns when passing new laws.”

Both bills were granted reconsideration and therefore remain eligible to be brought up again next year.

AB 1101

The Chamber **opposed** AB 1101 because it hampers operations at ports, rail yards, distribution centers and airports by shifting regulatory authority over emissions from state to local entities, creating a patchwork of potentially inconsistent regulations statewide, creating conflicts with federal law.

AB 1101 failed to pass the Assembly on a vote of 31-33:

Ayes: Bass (D-Los Angeles), Berg (D-Eureka), Bermúdez (D-Norwalk), Chan (D-Oakland), Chu (D-Monterey Park), De La Torre (D-South Gate), Dymally (D-Compton), Evans (D-Santa Rosa), Goldberg (D-Los Angeles), Hancock (D-Berkeley), Jones (D-Sacramento), Karnette (D-Long Beach), Klehs (D-Cas-

tro Valley), Koretz (D-West Hollywood), Laird (D-Santa Cruz), Leno (D-San Francisco), Lieber (D-Mountain View), Liu (D-La Cañada Flintridge), Montañez (D-San Fernando), Mullin (D-South San Francisco), Nation (D-San Rafael), Nava (D-Santa Barbara), Oropeza (D-Long Beach), Pavley (D-Agoura Hills), Ridley-Thomas (D-Los Angeles), Ruskin (D-Palo Alto), Saldaña (D-San Diego), Salinas (D-Salinas), Umberg (D-Santa Ana), Wolk (D-Davis), Núñez (D-Los Angeles).

Noes: Aghazarian (R-Stockton), Baca (D-Rialto), Benoit (R-Riverside), Blakeslee (R-San Luis Obispo), Bogh (R-Beaumont), Cogdill (R-Modesto), Coto (D-San Jose), Daucher (R-Brea), DeVore (R-Irvine), Emmerson (R-Redlands), Harman (R-Huntington Beach), Haynes (R-Murrieta), Houston (R-Livermore), Huff (R-Diamond Bar), Keene (R-Chico), La Malfa (R-Richvale), La Suer (R-La Mesa), Leslie (R-Tahoe City), Matthews (D-Tracy), Maze (R-Visalia), McCarthy (R-Bakersfield), Mountjoy (R-Monrovia), Nakanishi (R-Lodi), Niello (R-Fair Oaks), Parra (D-Hanford), Plescia (R-La Jolla), Richman (R-Northridge), S. Runner (R-Lancaster), Strickland (R-Thousand Oaks), Tran (R-Garden Grove), Villines (R-Clovis), Walters (R-Laguna Niguel), Wyland (R-Del Mar).

Absent/abstaining/not voting: Arambula (D-Fresno), Calderon (D-Montebello), Canciamilla (D-Pittsburg), Chavez (D-La Puente), Cohn (D-Saratoga), Frommer (D-Glendale), Garcia (R-Cathedral City), Gordon (D-El Segundo), J. Horton (D-Inglewood), S. Horton (R-Chula Vista), Levine (D-Van Nuys), Negrete McLeod (D-Chino), Spitzer (R-Orange), Torrico (D-Newark), Vargas (D-San Diego), Yee (D-San Francisco).

AB 1430

Defeated on a vote of 26-37 before the roll call was expunged from the record at the request of the bill’s author was Chamber-**opposed** AB 1430. At the author’s request, the bill was placed on the Assembly Inactive File.

The vote on the bill was:

Ayes: Bass (D-Los Angeles), Berg (D-Eureka), Chan (D-Oakland), Chu (D-Monterey Park), De La Torre (D-South Gate), Evans (D-Santa Rosa), Goldberg (D-Los Angeles), Hancock (D-Berkeley), Koretz (D-West Hollywood), Laird (D-Santa Cruz), Leno (D-San Francisco), Levine (D-Van Nuys), Lieber (D-Mountain View), Liu (D-La Cañada Flintridge), Montañez (D-San Fernando), Nation (D-San Rafael), Nava (D-Santa Barbara), Negrete McLeod (D-Chino), Oropeza (D-Long Beach), Pavley (D-Agoura Hills), Ridley-Thomas (D-Los Angeles), Ruskin (D-Palo Alto), Saldaña (D-San Diego), Umberg (D-Santa Ana), Yee (D-San Francisco), Núñez (D-Los Angeles).

Noes: Aghazarian (R-Stockton), Arambula (D-Fresno), Baca (D-Rialto), Benoit (R-Riverside), Blakeslee (R-San Luis Obispo), Bogh (R-Beaumont), Calderon (D-Montebello), Canciamilla (D-Pittsburg), Cogdill (R-Modesto), Daucher (R-Brea), DeVore (R-Irvine), Emmerson (R-Redlands), Garcia (R-Cathedral City), Harman (R-Huntington Beach), Haynes (R-Murrieta), S. Horton (R-Chula Vista), Houston (R-Livermore), Huff (R-Diamond Bar), La Malfa (R-Richvale), La Suer (R-La Mesa), Leslie (R-Tahoe City), Matthews (D-Tracy), Maze (R-Visalia), McCarthy (R-Bakersfield), Mountjoy (R-Monrovia), Nakanishi (R-Lodi), Niello (R-Fair Oaks), Parra (D-Hanford), Plescia (R-La Jolla), Runner (R-Lancaster), Spitzer (R-Orange), Strickland (R-Thousand Oaks), Tran (R-Garden Grove), Villines (R-Clovis), Walters (R-Laguna Niguel), Wolk (D-Davis), Wyland (R-Del Mar).

Absent/abstaining/not voting: Bermúdez (D-Norwalk), Chavez (D-La Puente), Cohn (D-Saratoga), Coto (D-San Jose), Dymally (D-Compton), Frommer (D-Glendale), Gordon (D-El Segundo), J. Horton (D-Inglewood), Jones (D-Sacramento), Karnette (D-Long Beach), Keene (R-Chico), Klehs (D-Castro Valley), Mullin (D-South San Francisco), Richman (R-Northridge), Salinas (D-Salinas), Torrico (D-Newark), Vargas (D-San Diego).

Staff Contact: Bruce Magnani

State Seeks Business Volunteers to Keep Energy Demand Under Control



In preparation for the anticipated summer increase in both the need for electricity and the risk that demand could exceed supply, the California Independent System Operator (ISO) is urging businesses across the state to sign up for the Voluntary Load Reduction Program (VLRP).

When the ISO declares a power emergency, it will ask the volunteer businesses in the VLRP to reduce their energy consumption by an amount of their own choosing.

By reducing electrical consumption when requested, businesses in the program can help prevent an interruption in service, and avert the cost and inconvenience associated with an unplanned electrical outage.

Advance Notice

When a business participates in the VLRP, it receives advance notice that energy reserves are low and a request to reduce electricity consumption by any amount the business is willing to make available.

The ISO will alert the participating business via e-mail, pager, telephone or whatever notification method the business prefers.

VLRP participants generally receive alerts on the day before or the morning of a “peak” day, when energy usage is anticipated to be atypically high and supply may not meet the demand for power.

In a simulation of normal/expected conditions for this August, the ISO forecast peak use may reach 46,668 megawatts — more than 1,000 megawatts greater than the 2004 peak use. ISO estimates that the VLRP program could help cut energy use by 120 megawatts.

Sign-Up Sheet on Web

Businesses interested in signing up for the voluntary program can download the sign-up sheet from the Voluntary Load Reduction Program section on the California ISO website, www.caiso.com.

For more information, call (888) 516-6397.

Chamber-Backed Reforms Offer Long-Term Benefit to State Economy

From Page 1

billions of dollars? If you break your arm, you don't wait until your next physical. You get it fixed now.”

He noted that even if he and legislators reach a bipartisan agreement on reform, “constitutionally the people still must vote.”

As for the cost of the election, the Governor commented “for a buck and a quarter per citizen, you can fix a broken system and save the state billions and billions of dollars. Now remember this is your money. That is a fantastic bargain.”

Secretary of State Bruce McPherson said county election officials estimate a special statewide election consolidated with already-scheduled local elections will cost an additional \$44.686 million — a little more than half the figure cited by critics of the special election.

Already scheduled for November 8 are 61 local elections in parts or all of 34 counties, McPherson said in a letter responding to an inquiry from state Finance Director Tom Campbell.

In his televised address, the Governor reminded viewers that in his State of the State speech in January, he had said if the Legislature did not act on reforms this year, the people would.

“The people are the ones who wield the power. The people are the ones who can cut through the chains of politics and the past. It is from the people that a democracy gets its strength,” the Governor said. “And millions of people have signed the petitions to reform the budget, education and redistricting.”

More information on the California Live Within Our Means Act and other Chamber-supported initiatives is available at www.calchamber.com.

Staff Contact: Sara Lee



California Chamber President Allan Zaremberg comments on the special election in an interview with Fox News. Zaremberg is emphasizing that the Chamber-supported reforms appearing on the special election ballot are critical to California's continued economic recovery in interviews to local television stations in various markets, as well as major daily newspapers throughout California, including the *Los Angeles Times*, *Sacramento Bee*, *San Francisco Chronicle* and *San Diego Union Tribune*, among others.

Chamber-Opposed ‘Job Killer’ Bills Still Moving

From Page 1

position from the Chamber and other interest groups and remain in their house of origin. Three “job killer” bills have been amended or are proposed to be amended, thereby removing Chamber opposition.

Still Alive

The 27 “job killer” bills still moving are:

- **AB 48 (Lieber; D-Mountain View) Minimum wage increase.** Provides significant disincentive for employers to create jobs in California by giving our state the highest minimum wage in the country. Increases the cost of doing business by over \$9 billion annually by raising the state minimum wage to \$7.25 in 2006 and to \$7.75 in 2007, and indexing increases every year thereafter.

- **AB 169 (Oropeza; D-Long Beach) Excessive litigation.** Negatively distinguishes California from the rest of the country by exposing every business to excessive litigation and increases the cost of doing business by mandating damage awards and new civil penalties for gender pay equity violations.

- **AB 391 (Koretz; D-West Hollywood) UI benefit expansion.** Increases the cost of doing business in California by forcing California employers to subsidize a strike against their own company by providing unemployment insurance benefits to workers unemployed due to a strike.

- **AB 875 (Koretz; D-West Hollywood) Government agency potential harassment of employers.** Opens the door to potential harassment by government labor and taxing agencies by requiring the referral of an unspecified labor violation to the taxing agency for a tax audit and requiring the referral of an unspecified tax violation to the labor regulator, exposing employers to an expensive, time-consuming fishing expedition for possible employer tax or labor code violations.

- **AB 1310 (Núñez; D-Los Angeles) Severance offers; increased litigation.** Establishes new reasons to sue certain private sector employers by setting in statute a very detailed notice process that an employer must follow exactly in order to be able to utilize any severance agreement.

- **SB 2 (Speier; D-San Francisco/San**



- **Mateo/SB 518 (Kehoe; D-San Diego) Homeowner’s insurance cost increase.**

Drives up the cost of homeowner’s insurance, contributing to the problem of unaffordable housing by mandating excessive claims payments to a small group of policyholders.

- **SB 44 (Kehoe; D-San Diego) Affordable housing development impediment.** Slows development of affordable housing and increases the opportunities for unnecessary litigation by forcing local government to integrate two incompatible planning processes.

- **SB 109 (Ortiz; D-Sacramento) Excessive litigation.** Increases litigation costs and potential lawsuits by allowing for both civil and criminal penalties for minor air quality violations.

- **SB 150 (Escutia; D-Norwalk) Additional insurance requirements; cost increase.** Increases the cost of insurance for business and individuals by adding new burdensome and unnecessary requirements on insurance carriers.

- **SB 174 (Dunn; D-Garden Grove) New “sue your boss” lawsuits.** Increases employer liability by providing new incentives for plaintiffs and their attorneys to file lawsuits by establishing new types of “sue your boss” lawsuits.

- **SB 300 (Kuehl; D-Santa Monica) Leave law abuse.** Opens California’s leave law to potential abuse by removing controls that require that the employee actually provides the care, among other provisions.

- **SB 399 (Escutia; D-Norwalk) Health care cost increase.** Increases litigation costs on insurers and the self-insured by requiring medical payments in

excess of Medi-Cal reimbursement rates and increasing non-economic damage awards.

- **SB 409 (Kehoe; D-San Diego) General plans; increased complexity.** Slows development of affordable housing by adding increased complexity and delay to the planning process and creates another opportunity for legal challenges to new housing by inserting new water supply requirements into general plans.

- **SB 459 (Romero; D-Los Angeles) Goods movement; cost increase.** Increases the cost of goods movement and discourages job creation by imposing a fee on railroad companies that operate in the counties of Los Angeles, Riverside and San Bernardino.

- **SB 600 (Ortiz; D-Sacramento) Biomonitoring.** Makes California unfriendly to business by establishing a biomonitoring program that could potentially lead to the elimination or reduction of use of certain chemicals which have not been scientifically proven harmful, based on mere detection.

- **SB 646 (Kuehl; D-Santa Monica) Water discharge.** Jeopardizes jobs and agriculture and timber industry revenues by imposing mandatory annual fees for water discharge waivers with no accountability requirements.

- **SB 757 (Kehoe; D-San Diego) Gas tax.** Introduces a new mandate to reduce gasoline use without taking population growth into consideration, which would likely lead to a massive gas tax causing higher gasoline prices, increased costs for consumer goods and thousands of lost jobs for California.

- **SB 760 (Lowenthal; D-Long Beach) Ports: Goods movement cost increase.** Increases the cost of goods movement in California by assessing a \$30 fee per 20-foot equivalent unit on containers processed through the Los Angeles and Long Beach ports.

- **SB 762 (Lowenthal; D-Long Beach) Ports: cost increase.** Makes California ports less competitive by assessing a fee on motor carriers and creating a government-run bureaucracy to regulate truck movement in and out of the ports.

- **SB 764 (Lowenthal; D-Long Beach) Ports: Goods movement cost increase.** Increases the costs of goods movement and drives business and jobs

See Chamber-Opposed: Page 7

Legislative Outlook

An update on the status of key legislation affecting businesses. Visit www.calchamber.com/position_letters for more information, sample letters and updates on other legislation. Staff contacts listed below can be reached at (916) 444-6670. Address correspondence to legislators at the State Capitol, Sacramento, CA 95814. Be sure to include your company name and location on all correspondence.

Chamber-Opposed 'Job Killer' Fax Bill on Move in Assembly



The California Chamber of Commerce **opposed** bill restricting organizations' ability to send faxed communications has passed the Assembly Judiciary Committee.

The Chamber considers **SB 833 (Bowen; D-Redondo Beach)** a "job killer" because it increases costs by placing onerous administrative and economic burdens on associations and employers by requiring express written consent from their own members and/or customers prior to sending certain fax communications.

The Chamber believes SB 833 intrudes into legitimate business communications between customers and businesses as well as business-to-business relationships. These business relationships rely on faxes as a main source of communication and marketing to meet customer needs. Many trade organiza-

tions also depend on faxes to communicate with members.

Key Vote

SB 833 passed Assembly Judiciary on a 6-2 vote:

Ayes: Jones (D-Sacramento); Goldberg (D-Los Angeles); Laird (D-Santa Cruz); Levine (D-Van Nuys); Lieber (D-Mountain View); and Montañez (D-San Fernando).

Noes: Harman (R-Huntington Beach); and Haynes (R-Murrieta).

Absent/abstaining/not voting: Leslie (R-Tahoe City).

Action Needed

SB 833 will be heard next by the Assembly Business and Professions Committee on June 21. Write members of the committee to **oppose** SB 833.

Staff Contact: Valerie Nera

Biomonitoring Bill Still Moving in Assembly



The California Chamber of Commerce **opposed** bill that creates a scientifically flawed biomonitoring program passed the Assembly Environmental Safety and Toxic Materials Committee this week.

"By simply collecting data and establishing no meaningful health risk correlation, this bill will produce only a jumble of results that fails to distinguish between trivial levels of exposure and those of potential concern to public health," said Bruce Magnani, Chamber legislative advocate. "It would result in questionable public health benefits and would incorrectly label chemicals as harmful without a sound scientific process for assessing risk."

The Chamber considers **SB 600 (Ortiz; D-Sacramento)** a "job killer" because it makes California unfriendly to business by establishing a biomonitoring program that could potentially lead to the elimination or reduction of use of certain chemicals which have not been scientifically proven harmful, based on mere detection.

SB 600 is based on a flawed premise that chemicals can be presumed to be harmful by mere detection, without considering the degree of exposure. It also fails to acknowledge that for any chemical there is likely to be a low exposure level that doesn't pose a significant health risk.

Key Vote

SB 600 passed Assembly Environmental Safety and Toxic Materials 5-2:

Ayes: Chu (D-Monterey Park); De La Torre (D-South Gate); Goldberg (D-Los Angeles); Lieber (D-Mountain View); and Ruskin (D-Palo Alto).

Noes: Strickland (R-Thousand Oaks); and Tran (R-Garden Grove).

Action Needed

SB 600 will be heard next by the Assembly Health Committee. Write letters **opposing** SB 600 to members of the committee.

Staff Contact: Bruce Magnani

Central American Trade Agreement Gets Positive Feedback in Congress



The U.S. Senate Finance Committee voted this week on a “mock” mark-up to move forward with the California Chamber of Commerce-supported U.S.-Dominican Republic/Central American Free Trade Agreement (DR-CAFTA).

The “mock” mark-up is a symbolic gesture that demonstrates where the Senate stands and what concerns it might have regarding the trade agreement. The final vote on the “mock” passage of the agreement was 11-9.

The U.S. House Ways and Means Committee also voted this week on a “mock” mark-up to move forward with the agreement. The final vote was 25-16, with California Republicans on the committee voting “aye” and California Democrats on the committee voting “no.”

Key Vote

Ayes: Wally Herger (R-Marysville), Devin Nunes (R-Visalia), Bill Thomas (R-Bakersfield), committee chairman.

Noes: Xavier Becerra (D-Los Angeles), Fortney “Pete” Stark (D-Fremont), Mike Thompson (D-St. Helena).

President George W. Bush is now set to send final implementing language to Congress, which will have 90 days to vote up or down on the agreement.

The White House hopes to have a final vote before the July 4 Congressional recess.

The CAFTA was signed on May 28, 2004. On August 5, 2004, the Dominican Republic was formally included in the agreement.

DR-CAFTA Benefits

When the DR-CAFTA is implemented, more than 80 percent of U.S. exports will be able to enter the DR-CAFTA countries duty-free, with all products having duty-free access in 10 years.

The six nations represented by the DR-CAFTA (Dominican Republic, Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua) will be the second largest U.S. export market in Latin America, behind Mexico.

The United States exported more than \$15 billion in goods to the five Central American countries included in the agree-

ment in 2004, more than U.S. exports to Russia, India and Indonesia combined.

With the Dominican Republic added to this group, total two-way trade with the United States topped \$1 trillion.

Stronger Economies

The DR-CAFTA is expected to contribute to stronger economies, the rule of law, sustainable development, and more accountable institutions of governance, complementing ongoing domestic, bilateral and multilateral efforts in the region.

A study by the U.S. International Trade Commission has indicated that the DR-CAFTA will increase U.S. exports worldwide by \$1.9 billion upon implementation, more than any other recent free trade agreement.

Action Needed

Write U.S. Senators Barbara Boxer (D-Greenbrae) and Dianne Feinstein (D-San Francisco), and your representative in Congress. Urge them to **support** the DR-CAFTA.

For a sample letter, please visit www.calchamber.com.

Staff Contact: Susanne Stirling

Chamber-Opposed ‘Job Killer’ Bills Still Moving



From Page 5

from California ports by requiring the City of Los Angeles and the City of Long Beach to prohibit any growth at their respective ports unless that growth can be accom-

plished with no air pollution increases.

● **SB 840 (Kuehl; D-Santa Monica) Government-run health care.** Imposes a government-run health care system on all Californians.

● **SB 852 (Bowen; D-Redondo Beach) Business cost increase.** Imposes unworkable requirements governing non-electronic data on government agencies, education institutions, businesses and non-profits.

● **SB 833 (Bowen; D-Redondo Beach) Onerous fax communication restrictions.** Increases costs by placing onerous

administrative and economic burdens on associations and employers by requiring express written consent from their own members and/or customers prior to sending certain fax communications.

Tax Bills

Four “job killer” bills deal with tax levies and, therefore, do not have the same policy deadlines as other bills. These bills are still considered to be moving because they could be taken up at any time and passed out of the committee or off the floor.

The four tax bills are:

● **AB 6 (Chan; D-Oakland) Personal income tax increase.** Increases the tax burden on small business by increasing personal income tax rate to 10 and 11 percent and the alternative tax rate to 8.5 percent.

● **AB 9 (Coto; D-San Jose) Sales**

tax increase. Increases the cost of doing business by placing a sales tax on certain services.

● **ACA 7 (Nation; D-San Rafael) Tax vote.** Gives local governments unprecedented authority to enact a special tax assessed at local level with a simple majority of voters, adding complexity and uncertainty to California’s already complex and uncertain tax structure.


● **SB 27 (Escutia; D-Norwalk) Tax liability increase.** Increases taxes on California employers by reducing the amount of tax credits that a corporation may use to reduce its liabilities, making California less competitive for jobs.

For up-to-date information on the 2005 “job killers” or to see sample letters, visit www.calchamber.com/jobkillers.

Staff Contact: Dominic DiMare

Sexual Harassment Training Is Now Mandatory

California law, AB 1825, now mandates two hours of sexual harassment training for supervisors before January 1, 2006 for companies with 50 or more employees. Online training is an easy, cost-effective way to protect your company.

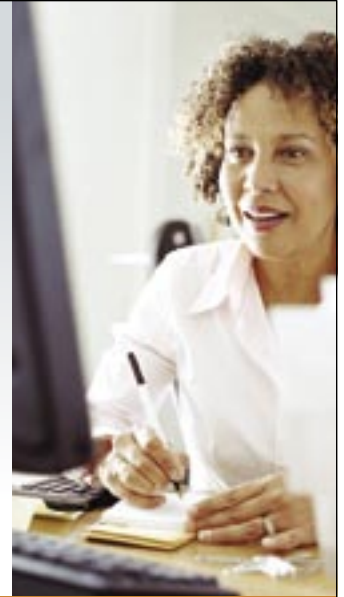
 **Preventing Harassment**
in the Workplace
(2 Hour Supervisor Version)

Here's why **Preventing Harassment in the Workplace** online training is the easy way to meet the mandatory requirements:



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