

ALERT

CALIFORNIA CHAMBER OF COMMERCE

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‘Job Killer’ Update: Chamber Helps Stop More than Half

Many ‘Job Killers’ Pending When Legislators Return



As the Legislature began its summer recess, opposition from the California Chamber of Commerce had helped stop more than half the bills identified as

“job killers” so far this year.

Only 20 “job killers” remain of 45 identified to date (several “job killers” were identified after release of the initial list). Thirteen “job killers” have been delayed for consideration until next year; six failed to pass, but may be reconsidered next year; five have been amended to remove their most onerous provisions, so the Chamber is now neutral; and one has been amended so it is no longer a “job killer,” but the Chamber still opposes it.

‘Job Killers’ Still Moving

A number of “job killer” bills are still moving and will be taken up for consid-

eration again after the summer recess. The status report in this issue shows the location of these bills as the Legislature began its recess.

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

● **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 billions 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

See Many: Page 16

Correction on Minimum Wage Hike Analysis



Accuracy is important to the California Chamber of Commerce. We regret the fact that the Chamber erred in calculating the cost impact of **AB 48 (Lieber;**

D-Mountain View), the proposed minimum wage increase, on the salaries of exempt workers.

Although we are unable to determine the exact cost, we do believe the total

impact, including exempt and minimum wage workers, is significantly less than the \$9 billion reported in earlier stories.

When informed of the erroneous basis for the Chamber’s calculations of the cost impact of AB 48 on exempt worker salaries, Chamber staff members proactively contacted and met with Assembly Member Sally Lieber to correct the mistake and ensure that debate on the bill includes the correct figures.

AB 48 increases the state minimum

See Correction: Page 4

Chamber Recaps Positions on November Ballot Measures



The California Secretary of State has assigned proposition numbers to the measures that have qualified for the November 8 ballot, including those supported and opposed

by the California Chamber of Commerce.

Support

The Chamber **supports** the following measures:

● **Proposition 74: Put the Kids First Act.** This measure extends from two years to five the number of years a teacher must have served in order to receive tenure and allows school boards the authority to dismiss a permanent teaching employee who receives two consecutive unsatisfactory performance evaluations.

● **Proposition 76: California Live Within Our Means Act.** This measure takes an essential step toward fixing the state’s broken budget process by placing caps on government spending to balance future state budgets, while assuring funding for necessary transportation projects.

● **Proposition 77: Voter Empowerment Act.** This measure turns redistricting over to a panel of retired judges. The Board supports implementation of redistricting as soon as possible unless

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Cal/OSHA Corner

Cal/OSHA May Cite Employers for Employee Exposure to Heat Stress



Mel Davis
Cal/OSHA Advisor

Will Cal/OSHA cite employers when employees are afflicted with heat stress?

July has arrived, and we have been treated to our first series of over 100-degree days. With the rising temperatures, employees may be subject to a condition known as heat stress. Certain operations

have a high potential for inducing heat stress in employees engaged in them, including those involving:

- high air temperatures;
- radiant heat sources;
- high humidity;
- direct physical contact with hot objects; or
- strenuous physical activities.

During the summer, workers employed in outside jobs, such as construction and agriculture, are subjected to many of these conditions, and those who ignore the signs and symptoms can become victims of heat stress.

General Duty Clause

While there are no specific Cal/OSHA standards relating to heat stress, it has long been recognized as a condition/illness that can become life threatening. Labor Code Section 6400 states, "Every employer shall furnish employment and a place of employment which are safe and healthful for the employees therein."

Section 6400 is as close as California comes to the federal OSHA General Duty Clause, which federal OSHA will use when there is no regulation that is applicable for a specific unsafe condition.

Federal OSHA can, and will, use the General Duty Clause to cite employers for employee illness related to heat stress. Cal/OSHA could use General Industry Safety Orders, Section 3203 (injury and illness prevention program), in a like manner.

Causal Factors

There are several causal factors that may affect a person's sensitivity to heat. Age, weight, degree of physical fitness, degree of acclimatization, metabolism, the type of clothing worn, use of alcohol or drugs, and a variety of medical conditions, such as hypertension, all affect a person's sensitivity to heat. Prior heat injury predisposes an individual to additional injury.

Heat Stress Conditions

Four conditions must be recognized by employees potentially exposed to heat stress:

- **Heat rash or prickly heat** occurs when the body is exposed to hot and hu-

mid conditions. A rash develops that can substantially reduce the ability to sweat, thereby reducing the employee's tolerance to heat.

Treatment: Wash the affected area with soap and water and dry thoroughly. Apply calamine lotion or powder to relieve discomfort.

- **Heat cramps** usually occur when performing hard physical labor in a hot environment. Heat cramps usually affect the stomach muscles, but can involve the muscles of the arms and legs. The cramps are very painful and occur intermittently after prolonged exposure to hot conditions.

Treatment: Thirst cannot be relied on as a guide to the need for water; instead, water must be taken every 15 to 20 minutes in hot environments. Workers experiencing heat cramps are to be removed from the hot conditions, rest and drink plenty of water. These cramps have been attributed to an electrolyte imbalance caused by sweating. Recent studies have shown that drinking commercially available carbohydrate-electrolyte replacement liquids is effective in minimizing physiological disturbances during recovery.

- **Heat exhaustion** signs and symptoms are headache, nausea, vertigo, weakness, thirst and giddiness. Fortunately, this condition responds readily to prompt treatment. Heat exhaustion should not be dismissed lightly, however, for several reasons. One is that the fainting associated with heat exhaustion can be dangerous because the victim may be operating machinery or controlling an operation that should not be left unattended; moreover, the victim may be injured when he/she faints. Also, the signs and symptoms seen in heat exhaustion are similar to those of heat stroke, a medical emergency.

Treatment: Workers suffering from heat exhaustion should be removed from
See Cal/OSHA: Page 19

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Next Alert:
August 5

Chamber Praises Governor for Budget with No New Taxes or New Borrowing

Urges Support for Fiscal Controls in Prop. 76 — ‘Live Within Our Means’ Act

Once again, Governor Arnold Schwarzenegger has signed a state budget that includes no new taxes or new borrowing.

The \$117.3 billion budget plan for 2005-06 restores about \$1.3 billion in transportation funding, as called for by Proposition 42, the California Chamber-supported and voter-approved measure passed in 2002 to require that the sales tax on gasoline be used for transportation.

In addition, the budget increases K-14 education funding by nearly \$3 billion and pays back some \$1.2 billion owed to local government a year ahead of schedule.

The Governor’s signature on the budget “is yet another step towards keeping California’s economy growing and creating new jobs,” said Chamber President Allan Zarembeg. “By signing a budget with no new taxes and no new

borrowing, Governor Schwarzenegger is helping give investors across the country reason to bring their jobs to California. This new budget sends the message that California doesn’t automatically raise taxes or create new deficits when times are tough.”

Zarembeg pointed out, however, that “more must be done. We must implement tight fiscal controls that fix California’s still broken budget system. California is locked into autopilot spending that almost guarantees the state spends more money than it takes in



each year. We need controls that stop the overspending in good years, which creates deficits during bad times.”

The Chamber is supporting a measure on the special election ballot in November that will provide voters with a tool to stop out-of-control spending. The measure, Proposition 76, the “Live Within

Our Means” act, will enable the state to stabilize California’s fiscal situation and budget process for future generations.
Staff Contact: Sara Lee

Chamber-Backed Tourism Funding Stays in Final Budget



California Chamber of Commerce-supported investment in tourism won approval from legislators and the Governor as part of the 2005-06 budget accord.

SB 80, which contained the tourism funding, was introduced as a trailer bill by the Senate Budget and Fiscal Review Committee. The bill passed the Senate (31-0) and the Assembly (64-13) on July 7, and was signed by Governor Arnold Schwarzenegger on July 11.

In the final weeks of budget discussions, the Chamber sent out a number of action alerts to members, encouraging them to ask the budget conference committee and legislative leaders to restore the funding for tourism marketing.

Support from Governor

Earlier this year, Governor Schwarzenegger recommended that the

state boost its investment in tourism promotion by \$7.3 million and asked the Legislature to approve the increase so that the state can match the dollars the travel and tourism industry has been generating from a voluntary self-assessment.

This additional funding to promote the travel and tourism industry is needed to stimulate the economy — generating new spending, jobs and tax revenues for California.

“The tourism industry is important to California’s economy and brings billions of dollars to the state,” said Charles Bacchi, Chamber legislative advocate. “By providing the money recommended by Governor Schwarzenegger and creating a robust public-private sector partnership, the Legislature has taken a huge step in putting California in competition with other states for tourism dollars that will create jobs for California.”

Historically, the tourism industry has assessed itself to raise private funds for marketing California. Before the recent

budget shortfalls, the state matched these private funds in recognition of the increased tax revenue the state receives from visitors by promoting tourism through this public-private partnership.

Tourism Impact on Economy

The travel, tourism and entertainment industries all play an important role in helping California’s economy get back on track. California tourist attractions are a major draw for state residents as well as residents from the rest of the nation and the world.

A recent study commissioned by the state shows that every dollar invested in promoting travel to California returns \$19 in state and local taxes.

Restoring the state’s share of funding this public-private partnership for tourism marketing will benefit the California economy, the travel, tourism and entertainment industries, and ultimately will yield added revenues for the state.

Staff Contact: Charles Bacchi

State Fax Bill at Odds with Federal Proposal Signed into Law by President Bush

California Legislation Ignores Existing Business Relationships



Earlier this month, President George W. Bush signed federal legislation outlining sweeping new rules governing fax communications.

Nevertheless, the California Legislature is still considering **SB 833 (Bowen; D-Redondo Beach)**, a “job killer” bill that would again place California at odds with the rest of the country.

The California Chamber of Commerce has labeled SB 833 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 federal bill restricts so-called “junk faxes,” but maintains an exemption for existing business relationships.

Unique Burden

“If SB 833 becomes law, it will provide yet another unique burden on

California employers that does not exist elsewhere in the country,” said Chamber President Allan Zarembeg. “With President Bush’s signature on federal law that addresses the issue already, California legislators must stop the ‘job killer’ that is being considered in California — especially because it is an intrusion into legitimate business communications between employers and their customers.”

President Bush signed S. 714, the Junk Fax Prevention Act of 2005, on July 8. The legislation, relating to unsolicited advertisements via telephone facsimile machines, makes it clear that there is an exception to rules requiring a signature by the recipient for each individual fax sent to them before the fax is sent if there is a pre-existing business relationship.

SB 833 does not provide for this essential exemption, putting California out of step with the rest of the country.

“We hope that the Legislature will use common sense to stop this ‘job killer,’” Zarembeg said. “Federal law is now addressing the issue, and to make another California-only rule that only

hurts their relationship with existing customers will simply confuse employers and add additional costs to their ability to do business in our state.”

Key Vote

SB 833 passed the Assembly Appropriations Committee on July 13, 12-5:

Ayes: Chu (D-Monterey Park); Bass (D-Los Angeles); Berg (D-Eureka); KARNETTE (D-Long Beach); Klehs (D-Castro Valley); Laird (D-Santa Cruz); Leno (D-San Francisco); Mullin (D-South San Francisco); Nation (D-San Rafael); Oropeza (D-Long Beach); Saldaña (D-San Diego); Yee (D-San Francisco).

Noes: S. Runner (R-Lancaster); Emmerston (R-Redlands); Haynes (R-Murrieta); Nakanishi (R-Lodi); Walters (R-Laguna Niguel).

Absent/abstaining/not voting: Calderon (D-Montebello).

Action Needed

Urge your Assembly representative to **oppose** SB 833 when it comes before the full Assembly after the summer recess.

Staff Contact: Valerie Nera

Correction on Chamber’s Minimum Wage Hike Impact Analysis

From Page 1

wage to \$7.25 per hour in 2006 and \$7.75 in 2007, indexing the cost every year thereafter.

Because 1999 legislation permanently linked exempt worker status to the level of the minimum wage, the Chamber believes AB 48 also will affect the salaries of managerial and other exempt workers. To be exempt from state overtime requirements, executive, administrative and professional employees must earn at least two times the state minimum wage for full-time employment, as well as meet a detailed duties test.

The Chamber used too high an estimate of the number of exempt workers for whom employers might be forced to

increase salaries solely to meet the base salary requirement for exempt worker status in calculating the cost impact of AB 48. Consequently, the Chamber’s estimate of the total impact of the bill was inflated.

As a practical matter, an employee who makes less than \$28,080 per year today must be classified as a non-exempt worker. If AB 48 becomes law, the exempt worker annual base salary requirement will increase by \$4,160 — to no less than \$32,240 per year.

The calculation error does not negate the fact that AB 48 provides a significant disincentive for employers to create jobs in California by giving the state the highest minimum wage in the nation, and will cost at least \$2 billion because of the direct

impact on minimum wage workers.

Given the many factors employers must consider when setting salary levels for a position, the full cost of a mandated minimum wage increase is difficult to calculate, but the combination of higher salaries for minimum wage workers plus the indirect impact on other workers’ salaries means AB 48 will increase the cost of doing business by billions of dollars annually.

The Chamber believes policymakers should be seriously concerned that AB 48 contains a significant, but unknown, cost increase for both public and private employers. Lawmakers would do well to keep AB 48 on the Senate Appropriations Committee Suspense File, where the committee placed it before the summer recess.

California Chamber Status Report on Major Legislation for Business

The following list summarizes top priority bills for the California Chamber of Commerce and their status as of July 15, the day the Legislature began its summer recess.

Within each subject area, the list presents bills in order of priority, with the higher priorities at the top.

The Chamber will publish a second

status report in September, showing the status of priority bills when the Legislature begins its interim recess on September 9. The final status report on major business bills will be published in October. The last day for the Governor to sign or veto bills passed by the Legislature before it adjourns for the interim recess is October 9.

Each fall, the Chamber also publishes a record of legislators' votes on key bills affecting California's business climate. Generally, the bills selected for the vote record have appeared in one of the status reports. This year's vote record will be published on November 4.

Federal bills are marked with an *.

Status of bills as of July 15, 2005, the day the Legislature began its summer recess. Dates listed are the latest date of committee action, the next hearing date or when the bill reached the floor, unless action is stated. Status description key on Page 15.

Subject and Bill — Chamber Position	Status
Agriculture and Natural Resources	
Development Projects: Disclosure Requirements. AB 648 (Jones) creates new hurdles for development project applicants by requiring additional applicant information and includes changes in ownership as a reason for a supplemental environmental impact report. Oppose.	Senate Third Reading 7/13/05
Pest Control: Violations. SB 879 (Escutia) inappropriately imposes civil penalties for any pesticide violations that may pose a health or environmental hazard. Oppose.	Assembly Rules 7/7/05
California Coastal Commission: Administrative Actions. SB 929 (Kehoe) limits open communications between permit applicants and Coastal Commission members. Oppose.	Senate Third Reading 6/2/05
Central Valley Rural Crime Prevention Program. SB 453 (Poochigian) reduces thefts of crops, livestock and agricultural equipment by extending the sunset date of the Central Valley Rural Crime Prevention Program from July 1, 2005, to indefinitely. Support.	Assembly Appropriations Suspense File 6/29/05
Motor Vehicle Fee Increase. SB 658 (Kuehl) increases the cost of doing business for vehicle fleet owners and businesses in coastal counties by permitting a new vehicle registration tax without a vote of the people. Oppose.	Assembly Appropriations Suspense File 6/29/05
Endangered Species: Crimes. AB 734 (Parra) benefits California retailers by allowing the importation and sale of products made from non-endangered kangaroos, which are sold in other states. Support.	Failed passage in Senate Natural Resources & Water 6/28/05; Reconsideration granted
Air and Waste Management	
Gas Tax. SB 757 (Kehoe) 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. Oppose/ Job Killer.	Failed passage in Assembly Transportation 6/27/05; Reconsideration granted
Ports: Goods Movement Cost Increase. SB 764 (Lowenthal) increases the costs of goods movement and drives business and jobs 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 accomplished with no air pollution increases. Oppose/ Job Killer.	Assembly Transportation 6/20/05

Subject and Bill — Chamber Position	Status
<p>Biomonitoring. SB 600 (Ortiz) 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. Oppose/Job Killer.</p>	<p>Assembly Appropriations 6/29/05</p>
<p>Construction Industry; Cost Increase. SB 497 (Simitian) potentially destroys California’s construction industry by requiring specified off-road equipment engines be repowered with newer engines within a specific time frame in order to be eligible to bid for a state infrastructure contract. Oppose/Job Killer.</p>	<p>Held in Senate Appropriations 5/26/05</p>
<p>Ports: Regulatory Complexity. AB 1101 (Oropeza) hampers operations at ports, rail yards, distribution centers and airports by shifting regulatory authority over mobile emissions from state to local entities, creating a patchwork of potentially inconsistent regulations statewide, creating conflicts with federal law. Oppose/Job Killer.</p>	<p>Failed passage in Assembly 6/2/05; Re-consideration granted.</p>
<p>Air Quality: Alternative Fuels. AB 1007 (Pavley) This former job killer would have created the potential for a significant fuel cost increase and required the California Air Resources Board to develop and adopt a plan to transition away from petroleum-based products, abandoning the state’s policy of fuel neutrality. As proposed to be amended, the bill will only require that specified agencies develop plans on how to increase the use of alternative fuels and decrease the state’s dependency on petroleum. Neutral/Former Job Killer.</p>	<p>Senate Appropriations Hearing 8/15/05</p>
<p>Elimination of Pro-Jobs Environmental Program. AB 1430 (Goldberg) limits job creation and worsens the state’s air quality problems by eliminating current emissions reduction trading programs, which provide balance between job growth and the environment. Oppose/Job Killer.</p>	<p>Assembly Inactive File 6/2/05</p>
<p>Excessive Litigation. SB 109 (Ortiz) increases litigation costs and potential lawsuits by allowing for both civil and criminal penalties for specified air quality violations. Oppose/Job Killer.</p>	<p>Assembly Appropriations 6/28/05</p>
<p>Goods Movement; Cost Increase. SB 459 (Romero) increases the cost of goods movement and discourages job creation by imposing an air quality mitigation fee on railroad companies that operate in the counties of Los Angeles, Riverside and San Bernardino. Oppose/Job Killer.</p>	<p>Assembly Transportation 6/27/05</p>
<p>Employer Penalties. SB 870 (Escutia) restricts flexibility for local agencies to assess penalties that fit the infraction for certain air quality violations, and directs the majority of those revenues to an unrelated program. Oppose/Job Killer.</p>	<p>Held in Senate Appropriations 5/26/05</p>
<p>Fuel Tax. AB 1407 (Oropeza) When introduced this former job killer would have added a 5 cents per gallon tax on the sale of off-road diesel fuel. As amended, the measure requires the State Air Resources Board to study the impacts of imposing a 5 cents per gallon tax on off-road diesel. Neutral/Former Job Killer.</p>	<p>Senate Environmental Quality 6/15/05</p>
<p>Civil Litigation</p>	
<p>Predatory Litigation. AB 528 (Frommer) increases predatory lawsuits and opens the door to the very type of litigation the voters of California sought to stop through the passage of Proposition 64 by expanding the potential for frivolous litigation on alleged violations of permits, regulations and statutes. Oppose/Job Killer.</p>	<p>Assembly Inactive File 6/2/05</p>
<p>Proprietary Information. AB 1700 (Pavley) exacerbates an already-hostile legal environment by impeding a business’s ability to maintain the confidentiality of its proprietary information. Oppose/Job Killer.</p>	<p>Assembly Inactive File 6/2/05</p>
<p>Health Care Cost Increase. SB 399 (Escutia) 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. Oppose/Job Killer.</p>	<p>Passed Assembly Health 7/6/05</p>

Subject and Bill — Chamber Position	Status
Corporate Governance	
<p>Investment Plans: Mandatory Defined Contribution and Other Mandatory Retirement Plans. AB 310 (Umberg) may discourage financial institutions from offering their products and services to public employees in mandatory defined contribution plans by imposing significant new requirements and liabilities on persons performing investment or management services. Oppose.</p>	<p>Senate Appropriations Hearing 8/15/05</p>
Education	
<p>Vocational Education: Requirements. AB 1608 (Liu) promotes workplace readiness by providing middle school students with valuable information regarding the various choices in career technical education. Support.</p>	<p>Held in Assembly Appropriations 5/25/05</p>
<p>Vocational Education: Requirements. AB 1609 (Liu) promotes workplace readiness by informing the public of how many career technical classes are offered, the industries involved in the program, the number of students enrolled in these courses, and the graduation rates of students. Support.</p>	<p>Senate Appropriations Suspense File 7/11/05</p>
<p>California Career Resource Network. SB 665 (Migden) promotes workplace readiness by providing students with valuable information about career paths and opportunities by creating the California Career Resources Network. Support.</p>	<p>Passed Assembly Appropriations 7/13/05</p>
<p>Vocational Education: Requirements. SB 845 (Scott) improves workplace preparation by expanding the number of eligible instructors for career technical education programs and adult education programs. Support.</p>	<p>Assembly Education 6/29/05</p>
<p>Adult Education. SB 1080 (Campbell) improves California's workforce by allowing businesses and local schools to provide English language skills classes at the worksite. Support.</p>	<p>Held in Senate Appropriations 5/26/05</p>
<p>Education Courses: Preparation for Employment. SCA 10 (Runner) promotes workplace readiness by amending the Constitution to emphasize the importance of career technical education in our public schools. Support.</p>	<p>Senate Third Reading 7/14/05</p>
<p>Public School Textbooks: Adoption. SCAX1 4 (Perata) takes away the authority of the State Board of Education to approve textbooks, potentially leading to reduced quality of instructional materials. Oppose.</p>	<p>Senate Elections, Reapportionment & Constitutional Amendments 3/15/05</p>
Employee Relations	
<p>Employment: Work Hours. AB 640 (Tran) helps employees achieve greater flexibility in work schedules by allowing individual workers to request and their employers to mutually agree to a four-day workweek. Sponsor/Co-Sponsor.</p>	<p>Failed passage in Assembly Labor & Employment 4/20/05; Reconsideration granted</p>
<p>Employment. AB 822 (Benoit) expands employer's options for compensating employees to include electronic paycheck cards. Sponsor/Co-Sponsor.</p>	<p>Assembly Labor & Employment 5/4/05</p>
<p>Workplace Postings. AB 1709 (Wyland) reduces confusion and increases understanding of workplace rights and responsibilities by requiring all workplace posters to be written simply and in plain language. Sponsor/Co-Sponsor.</p>	<p>Failed passage in Assembly Labor & Employment 4/20/05; Reconsideration granted</p>
<p>New Reasons to Sue. AB 581 (Klehs) makes California less desirable as a place to establish or expand a business by opening new avenues to sue employers by establishing a broad new private right of action that permits joint labor management committees to sue any employer for certain Labor Code violations that may have occurred up to four years previously, among other provisions. Oppose/Job Killer.</p>	<p>Passed Senate Judiciary 7/12/05</p>

Subject and Bill — Chamber Position	Status
Minimum Wage Increase. AB 48 (Lieber) 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 billions annually by raising the state minimum wage to \$7.25 in 2006 and to \$7.75 in 2007, and indexing increases every year thereafter. Oppose/ Job Killer.	Senate Appropriations Suspense File 7/11/05
Excessive Litigation. AB 169 (Oropeza) 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. Oppose/ Job Killer.	Passed Senate Judiciary 7/14/05
New “Sue Your Boss” Lawsuits. SB 174 (Dunn) increases employer liability by providing new incentives for plaintiffs and their attorneys to file lawsuits by establishing new types of “sue your boss” lawsuits. Oppose/ Job Killer.	Passed Assembly Judiciary 7/5/05
Family Leave Law Abuse. SB 300 (Kuehl) opens California’s leave law to potential abuse by removing controls that require that the employee actually provides the care, among other provisions. Oppose/ Job Killer.	Assembly Appropriations 7/7/05
Severance Offers; Increased Litigation. AB 1310 (Núñez) 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. Oppose/ Job Killer.	Senate Third Reading 7/5/05
Government Agency Potential Harassment of Employers. AB 875 (Koretz) opens the door to potential harassment by government labor and taxing agencies by requiring the referral of an unspecified labor violation to taxing agencies for a tax audit, exposing employers to an expensive, time-consuming fishing expedition for possible employer tax code violations. Oppose/ Job Killer.	Senate Appropriations Suspense File 7/11/05
Employment: Wages. AB 1093 (Matthews) makes a number of sensible changes to current payroll practices benefiting both employers and employees. Support.	Senate Third Reading 7/13/05
Loss of Employer Rights: Wage and Hour Claims. AB 879 (Torrico) significantly reduces employer rights to appeal wage claims. Oppose.	Held at Senate Desk 7/13/05
Severance Pay Mandate. AB 985 (Torrico) is an anti-outsourcing measure that essentially creates an unreasonable severance pay mandate if jobs are outsourced while an employee is on military leave. Oppose.	Senate Appropriations Hearing 8/15/05
Overtime Compensation. AB 1012 (Nation) clarifies definition of computer programmer for purposes of overtime pay calculation. Support.	Senate Labor & Industrial Relations 6/22/05
Ban of Deductions on Unearned Commissions. AB 1172 (Chu) unreasonably forbids telecommunication industry employers from recouping commission payments for sales that were never completed. Oppose.	Senate Labor & Industrial Relations 6/22/05
Employer Reports. AB 1626 (Klehs) unnecessarily imposes new paperwork burdens on all California employers by adding new reporting mandate on new hire forms, among other provisions. Oppose.	Assembly Judiciary 4/26/05
Civil Rights Act of 2005. AB 1400 (Laird) originally exposed California businesses to nearly unlimited liability by providing the list of protected classes were only suggestions and could be expanded. Bill subsequently amended to eliminate unlimited liability provisions in order to remove Chamber opposition. Neutral.	Senate Third Reading 7/7/05
Paystubs: Social Security Numbers. SB 101 (Battin) is technical cleanup of law enacted in 2004 requiring employers to mask all but the last four digits of Social Security numbers on paychecks and paystubs. Support.	To Governor
Energy and Communications	
Antiquated Regulations. SB 1068 (Escutia) stifles innovation and limits consumer choices by imposing antiquated regulations developed for monopolistic landline telephone services on rapidly growing and competitive telecommunications industry. Oppose/ Job Killer.	Failed passage in Assembly Utilities & Commerce 7/6/05; Reconsideration granted

Subject and Bill — Chamber Position	Status
Antiquated Regulations. AB 1082 (Ruskin) stifles innovation and limits consumer choices by imposing antiquated regulations developed for monopolistic landline telephone services on rapidly growing and competitive telecommunications industry. Oppose/ Job Killer.	Assembly Utilities & Commerce 4/25/05
Energy: Renewable Energy Resources: Million Solar Roofs Initiative. SB 1 (Murray) increases energy costs significantly for small business and large industrial energy consumers by creating the Solar Homes Peak Energy Procurement Program to be funded by the existing public goods charge the purpose of which is to finance the development and implementation of renewable energy sources. Oppose.	Assembly Appropriations 7/12/05
State Energy Resources Conservation and Development Commission: Liquefied Natural Gas Plants. SB 426 (Simitian) possibly exacerbates potential energy shortages by establishing a new permitting process that adds delay to the approval of pending LNG facility permit applications. Oppose.	Assembly Appropriations 7/13/05
Energy Resources: Liquefied Natural Gas Terminals. SB 1003 (Escutia) delays critically needed liquid natural gas facilities to meet our energy needs by establishing a permitting process at the California Energy Commission to the exclusion of all other city, state or local authorities. Oppose.	Assembly Appropriations 7/13/05
Public Utilities Commission: State Energy Resources Conservation and Development Commission: Commission Memberships. SB 204 (Bowen) limits the Governor's ability to identify and appoint qualified candidates for the California Public Utilities Commission (PUC) by prohibiting anyone who received income from a corporation regulated by the PUC from being appointed as a member of the commission within two years of receiving such income. Further prohibits any commissioner from receiving income from regulated corporations while a member of the commission and for two years after leaving service as a commissioner. Moreover, prohibits commissioners from holding elected office and requires that civil service conflict of interest laws apply to commissioners. Oppose.	Failed passage in Assembly Elections & Redistricting 7/5/05; Reconsideration granted
Energy Resources: Certification: Environmental Documents. AB 1165 (Bogh) appropriately requires the use of the California Energy Commission's environmental documents as the controlling environmental document on proposed energy facilities. Support.	Senate Environmental Quality 6/28/05
Energy: Agency Consolidation. AB 1190 (Canciamilla) promotes more cohesive state approach to energy issues by consolidating the numerous agencies and commissions that regulate energy under an Energy Agency directed by a single secretary of energy for California. Support.	Failed passage in Assembly Utilities & Commerce 4/4/05
Electric Transmission Corridors. SB 1059 (Escutia) enables the California Energy Commission to identify the most appropriate locations for new transmission lines. Support.	Held at Assembly Desk 6/2/05
Government Procurement	
Public Contracts: Bid Preferences. AB 1654 (De La Torre) negatively affects California-based companies bidding on work in other states that will have points deducted from the bids in proportion to the preference they receive in California and may elicit retaliation from overseas trading partners by requiring state agencies to give a 5 percent bid preference to companies that bid on state contracts with the commitment that 90 percent of the work will be performed by California employees. Oppose.	Held in Assembly Appropriations 5/25/05
Public Contracts: Bidding Requirements. AB 524 (Chan) discourages businesses from bidding on state contracts, thereby reducing competition and increasing the costs of state contracts, by requiring businesses to provide information on work that would be conducted outside of the United States. Oppose.	Senate Appropriations Hearing 8/15/05
Health	
Government-Run Health Care. SB 840 (Kuehl) imposes a government-run health care system on all Californians. Oppose/ Job Killer.	Assembly Rules 7/12/05

Subject and Bill — Chamber Position	Status
Health Care Cost Increase. SB 593 (Alarcón) increases costs to California’s businesses by unfairly implementing a tax on certain employers to reimburse the state for the costs incurred in providing health care coverage to the employer’s employees and their dependents who are enrolled in the Healthy Families Program or Medi-Cal. Oppose/ Job Killer.	Senate Health 5/4/05
Health Care Coverage Limitations. AB 977 (Nava) reduces employer choice and options to purchase affordable health care coverage for their employees by requiring a health plan or health insurer to seek prior approval from its regulator before adjusting co-pays, deductibles and other out-of-pocket costs or limiting benefits or coverage on any of its products. Oppose.	Failed passage in Assembly 6/2/05
Health Care Rate Regulation. SB 425 (Ortiz) decreases competition in the health care insurance market by requiring a health insurer to obtain prior approval of premium rate increases which will lead to higher premiums, less consumer choice and a reduction in access to care. Oppose.	Senate Health 4/18/05
Health Care: Employer List of Shame. AB 89 (J. Horton) inappropriately places employers on a list of shame if any of their employees applies for public health care, even if the employer provides health care but the employee decides to apply for a government program. Oppose.	Senate Appropriations Hearing 8/15/05
Product Ban. AB 319 (Chan) bans a wide range of popular consumer products that are intended for use by children that may contain Bisphenol A and Phthalates, without a sound scientific basis and consideration of the potential dire economic impacts. Oppose.	Assembly Appropriations 5/11/05
Mandated Benefit. SB 189 (Chesbro) increases health care premiums by mandating health care service plans to cover substance-related disorders. Oppose.	Senate Banking, Finance & Insurance and Health 2/24/05
Increased Litigation. AB 73 (Frommer) undermines California’s biotech industry, puts California residents’ health and safety at risk, and makes the state vulnerable to costly lawsuits by facilitating importation of drugs from Canada, England and Ireland. Oppose.	Senate Appropriations Suspense File 7/11/05
Price Controls. AB 75 (Frommer) will lead to cost shifting to the private sector by establishing price controls on pharmaceuticals sold to the state of California by drug manufacturers. Oppose.	Senate Health 6/28/05
Mandated Benefit. SB 576 (Ortiz) increases health care premiums by mandating health care service plans to cover tobacco cessation services. Oppose.	Assembly Appropriations 7/5/05
Discount Health Program Disruption. AB 562 (Levine) completely disrupts the current operation and marketing of discount health care programs offered by legitimate associations, companies and organizations, and enjoyed by millions of persons across California by banning the offering of discounted physician and hospital services, and by severely hampering, and possibly eliminating altogether, the ability of consumers to receive pre-negotiated discounts on other critical health care services. Oppose.	Assembly Appropriations 5/25/05
Mandated Benefits. AB 1698 (Núñez) increases cost to employers purchasing dependent health care coverage for their employees by extending the age at which dependents are covered by as much as seven years. Oppose.	Senate Appropriations Hearing 8/15/05
Increased Health Care Costs. SB 363 (Perata) increases the costs of health care by mandating that hospitals implement a “zero lift” policy. Oppose.	Passed Assembly Labor & Employment 7/6/05
Mandated Benefit. AB 976 (Emmerson) increases health care premiums by mandating health care service plans to cover orthotic and prosthetic devices. Oppose.	Assembly Health 4/12/05
Housing and Land Use	
General Plans Cost Increase. AB 802 (Wolk) slows development of affordable housing and increases opportunity for unnecessary litigation by forcing local government to integrate two incompatible planning processes. Oppose/ Job Killer.	Failed passage in Assembly 5/19/05; Re-consideration granted.

Subject and Bill — Chamber Position	Status
Affordable Housing Development Impediment. SB 44 (Kehoe) slows development of affordable housing and increases the opportunities for unnecessary litigation by forcing local government to integrate two incompatible planning processes. Oppose/ Job Killer.	Passed Assembly Appropriations 7/13/05
General Plans; Increased Complexity. SB 409 (Kehoe) 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. Oppose/ Job Killer.	Failed passage in Assembly Water, Parks & Wildlife 6/28/05; Reconsideration granted.
Affordable Housing. AB 712 (Canciamilla) increases affordable housing availability by setting guidelines that must be followed by local agencies before they move to halt the construction of high-density developments. Support.	Senate Judiciary 7/12/05
Affordable Housing. AB 1460 (Umberg) reduces the costs for developing new homes by establishing a 30-day time frame for the release of improvement or performance bonds provided by developers to local governments to ensure that infrastructure is properly built and turned over to the public. Support.	Senate Appropriations Hearing 8/15/05
Industrial Safety and Health	
New Customer Reporting Mandate: Chemicals and Commercial Products. AB 816 (Lieber) is unreasonable mandate that orders all businesses to turn over names and addresses of customers who purchase certain chemical or commercial products containing certain chemicals. Oppose.	Senate Appropriations Hearing 8/15/05
Diminished Standards Board Authority. AB 815 (Lieber) is an unwarranted attempt to take away the ability of the Cal/OSHA Standards Board to craft and adopt consensus workplace safety and health standards. Oppose.	Senate Appropriations Suspense File 7/11/05
Cal/OSHA: New Compliance Mandate and New Crime: Heat Stress. AB 805 (Chu) is unreasonable mandate to force Cal/OSHA Standards Board to adopt unworkable heat stress standards for most industries, as well as establishing new employer crime. Oppose.	Senate Appropriations Suspense File 7/11/05
Insurance	
Insurance Affordability. SB 603 (Ortiz) threatens the availability and affordability of insurance by prohibiting the use of credit-related information in the rating, underwriting and pricing of homeowners and automobile insurance in California. Oppose.	Failed passage in Assembly Insurance 6/29/05; Reconsideration granted.
Insurance Affordability. SB 2 (Speier) would have driven 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. Amended to address Chamber concerns. Neutral/ Former Job Killer.	Assembly Appropriations Hearing 8/17/05
Additional Insurance Requirements; Cost Increase. SB 150 (Escutia) increases the cost of insurance for business and individuals by adding new burdensome and unnecessary requirements on insurance carriers. Oppose/ Former Job Killer.	Assembly Appropriations 7/7/05
Insurance Affordability. SB 518 (Kehoe) would have driven 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. Amended to address Chamber concerns. Neutral/ Former Job Killer.	Assembly Appropriations 7/6/05
International Trade	
*Trade Promotion Authority. S. Res. 100 (Dorgan) is a resolution disapproving the request of the President for extension of trade promotion authority until 2007. Oppose.	Died
*U.S.-Bahrain Free Trade Agreement. A bilateral free trade agreement that will foster increased trade and investment between both countries. This agreement is an important step in President Bush's plan to create a Middle East Free Trade Area by 2013. Support.	Pending Congressional Action

Subject and Bill — Chamber Position	Status
<p>*U.S.-Dominican Republic/Central American Free Trade Agreement (DR-CAFTA). H.R. 3045 (DeLay) is a regional free trade agreement that will reduce trade barriers and encourage business development and investment among the United States, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic. Support.</p>	<p>Passed U.S. Senate 6/30/05; Pending U.S. House vote</p>
<p>*World Trade Organization. HJ Res. 27 is a motion to withdraw congressional approval of the 1994 agreement establishing the Geneva-based trading body. Oppose.</p>	<p>U.S. House rejected 6/9/05</p>
<p>Other</p>	
<p>Duplicate Regulations. SB 484 (Migden) places unnecessary economic burdens and duplicative data regulations on cosmetics and personal care product manufacturers which result in no further public benefit. Oppose.</p>	<p>Assembly Appropriations 7/6/05</p>
<p>Additional Restrictions. SB 12 (Escutia) unnecessarily limits the sale of certain beverages and food items at schools, as well as placing portion size restrictions. Oppose.</p>	<p>Assembly Third Reading 7/13/05</p>
<p>Additional Restrictions. SB 965 (Escutia) further restricts the use of certain products by banning the sale of soda and other beverages not meeting specific standards in high schools. Oppose.</p>	<p>Passed Assembly Health 7/6/05</p>
<p>Limits on Protected Speech. AB 450 (Yee) ignores protected speech under the First Amendment as ruled by the courts by prohibiting the sale and rental of certain video games to individuals 16 years old and younger. Oppose.</p>	<p>Notice of intent to remove from Assembly Inactive File 7/13/05</p>
<p>Mandated Food Choices. SB 522 (Torlakson) ignores consumer demand by restricting what items can be sold in vending machines on state property according to certain nutritional guidelines. Oppose.</p>	<p>Senate Inactive File 5/26/05</p>
<p>Privacy and Confidentiality</p>	
<p>Onerous Fax Communication Restrictions. SB 833 (Bowen) 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. Oppose/Job Killer.</p>	<p>Passed Assembly Appropriations 7/13/05</p>
<p>Business Cost Increase. SB 852 (Bowen) imposes unworkable requirements governing non-electronic data on government agencies, education institutions, businesses and non-profits. Oppose/Job Killer.</p>	<p>Failed passage in Assembly Business & Professions 6/28/05; Reconsideration granted</p>
<p>Unnecessary Regulatory Burden. SB 550 (Speier) Exposes data brokers to onerous and costly disclosure regulations that are impractical. Oppose.</p>	<p>Failed passage in Assembly Banking & Finance 7/6/05; Reconsideration granted</p>
<p>Technology Restrictions. SB 682 (Simitian) jeopardizes use of technologies that ensure safety and security by limiting use of developing radio frequency identification devices in government identity documents. Oppose.</p>	<p>Assembly Appropriations 7/7/05</p>
<p>Consumer Access Limitations. SB 440 (Speier) decreases consumer access to free products by conditioning the offer on their agreement to disclose certain information. Oppose.</p>	<p>Failed passage in Assembly Judiciary 6/21/05; Reconsideration granted.</p>
<p>Consumer Credit Reports: Unreasonable Limits. SB 986 (Escutia) increases opportunity to file employment-related lawsuits by unreasonably limiting the use of credit reports by employers when making employment decisions, among other provisions. Oppose.</p>	<p>Senate Judiciary 5/3/05</p>

Subject and Bill — Chamber Position	Status
Small Business	
Stops Predatory Lawsuits. SB 855 (Poochigian) helps stop predatory shakedown Americans with Disabilities Act (ADA) lawsuits by requiring a specific notice of intent to sue and brief period of time where a business can repair an ADA access problem. Sponsor/Co-Sponsor.	Failed passage in Senate Judiciary 5/3/05; Reconsideration granted
Stops Predatory Lawsuits. AB 20 (Leslie) helps stop predatory ADA litigation by establishing much-needed definitions of what constitutes an ADA access barrier and to whom it constitutes a barrier, among other provisions. Sponsor/Co-Sponsor.	Assembly Judiciary 2/28/05
Reduces Regulatory Red Tape. AB 348 (Arambula) helps California small business reduce red tape burden by permitting state agencies to accept same local government small business contractor certification in lieu of state certification. Support.	Senate Third Reading 7/13/05
Taxation	
Personal Income Tax Increase. AB 6 (Chan) increases the tax burden on small business by increasing personal income tax rate and the alternative tax rate. Oppose/ Job Killer.	Assembly Floor 6/20/05
Sales Tax Increase. AB 9 (Coto) increases the cost of doing business by placing a sales tax on certain services. Oppose/ Job Killer.	Held in Assembly Revenue & Taxation 4/25/05
Property Tax Increase. SB 17 (Escutia) increases property taxes on business when more than 50 percent of ownership changes and imposes burdensome reporting requirements and harsh tax penalties for errors. Oppose/ Job Killer.	Senate Inactive File 6/2/05
Business Investment Incentive. AB 80 (Houston) encourages investment in California through a sales tax exemption on manufacturing and telecommunication equipment. Support.	Held in Assembly Revenue & Taxation 5/16/05
Business Investment Incentive. AB 344 (Villines) helps revitalize the manufacturing industry by reinstating manufacturer's investment credits that provide sales and use tax exemption for qualified personal property and allows a credit for certain personal income and corporation taxes. Support.	Held in Assembly Revenue & Taxation 5/16/05
Tax Vote. ACA 7 (Nation) 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. Oppose/ Job Killer.	Held in Assembly Appropriations 5/25/05
Tax Liability Increase. SB 27 (Escutia) 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. Oppose/ Job Killer.	Senate Revenue & Taxation 4/27/05
Tax Credit Elimination. AB 1644 (De La Torre) increases taxes, making California unattractive to cutting-edge industries by suspending certain tax credits for one year beginning January 1, 2006, and reduces California's business competitiveness by restricting the tax treatment of subchapter S corporations. Oppose/ Job Killer.	Assembly Revenue & Taxation 6/14/05
Tax Increase. AB 34 (Ruskin) increases taxes on many corporations by expanding the list of specified affiliated companies to include a corporation that is incorporated, headquartered or located in a tax haven country. Oppose.	Assembly Third Reading 6/20/05
Tax Increase. AB 441 (Chu) increases the cost of doing business in California by treating a legally structured foreign entity as a California domiciled company for purposes of the water's-edge election. Oppose.	Assembly Third Reading 5/27/05
Tax Increase. SB 663 (Migden) makes significant changes to the water's-edge election, thereby increasing the cost of doing business in California and negatively impacting California high tech and financial corporations. Oppose.	Assembly Third Reading 7/7/05

Subject and Bill — Chamber Position	Status
Tax Increase. SB 656 (Romero) increases the cost of doing business by authorizing counties to impose an additional 5 percent tax on the sale of beer, wine and distilled spirits. Oppose.	Senate Revenue & Taxation 4/13/05
Tax Increase. AB 1612 (Pavley) increases the cost of doing business by imposing a tax on cigarette manufacturers to fund the Cigarette Pollution Act of 2005. Oppose.	Held in Assembly Appropriations 5/25/05
Tax Increase. SB 942 (Chesbro) increases the cost of doing business by imposing a tax increase on tobacco manufacturers. Oppose.	Held in Senate Appropriations 5/26/05
Business Investment Incentive. AB 1580 (Torrico) encourages investment in California by creating a sales tax exemption for the use of manufacturing and telecommunication equipment. Support.	Assembly Revenue & Taxation 6/1/05
Business Investment Incentive. SB 552 (Alquist) encourages investment in California by providing for a sales tax exemption for manufacturing equipment and telecommunication activities. Support.	Senate Revenue & Taxation 4/27/05
Tourism	
Tax Increase. AB 655 (Leno) increases taxes on customers in California's entertainment venues, driving up ticket prices of a crucial economic sector. Oppose.	Held in Assembly Arts, Entertainment, Sports, Tourism & Internet Media 4/19/05
Costly Mandate. AB 768 (Nation) imposes costly new mandates on the travel industry. Oppose.	Assembly Inactive File 6/2/05
Transportation	
Ports: Goods Movement Cost Increase. SB 760 (Lowenthal) increases the cost of goods movement in California by assessing a \$30 fee per twenty-foot equivalent unit on containers processed through the Los Angeles and Long Beach ports. Oppose/ Job Killer.	Assembly Appropriations 6/28/05
Ports: Cost Increase. SB 762 (Lowenthal) 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 state's major ports. Oppose/ Job Killer.	Assembly Transportation 6/20/05
Ports and Harbors: Fee Increase. AB 1406 (Karnette) When introduced, this former job killer would have increased cost of goods movement by adding a \$10 fee on all containers moving through the ports. As amended, the measure no longer has fee authority and simply requires the Office of Homeland Security to establish a grant program to enhance security at the ports. Neutral/ Former Job Killer.	Senate Appropriations Suspend File 7/11/05
Unemployment and Disability Insurance	
Employment Tax Amnesty. AB 793 (Benoit) increases revenue level of the nearly insolvent Unemployment Insurance Trust Fund by creating a one-time unemployment insurance tax amnesty program. Sponsor/Co-Sponsor.	Assembly Insurance 4/20/05
UI Benefit Expansion. AB 391 (Koretz) 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. Oppose/ Job Killer.	Senate Appropriations Suspend File 7/11/05
Anti-UI Claim Fraud. SB 146 (McClintock) requires Employment Development Department to verify claims are legitimate before mailing UI benefit checks. Support.	Senate Labor & Industrial Relations 3/23/05
Water Supply and Quality	
Water Discharge. SB 646 (Kuehl) jeopardizes jobs and agriculture and timber industry revenues by imposing mandatory annual fees for water discharge waivers with no accountability requirements. Oppose/ Job Killer.	Assembly Appropriations Suspend File 6/29/05

Subject and Bill — Chamber Position	Status
New Reporting Requirements. SB 820 (Kuehl) burdens landowners by imposing new groundwater use reporting requirements; levies penalties for failure to report water usage; and requires small water districts to develop ag management plans. Oppose.	Passed Assembly Water, Parks & Wildlife 6/28/05
Unscientific Mandate. SB 187 (Soto) permits unscientific information to be used to force re-evaluation of perchlorate levels in drinking water. Oppose.	Assembly Environmental Safety & Toxic Materials 6/28/05
New Fee. AB 342 (Baca) intends to impose a fee on products containing perchlorate to fund cleanups of contaminated drinking water wells. Oppose.	Assembly 2/11/05
Workers' Compensation	
Workers' Compensation: Unqualified Medical Providers. AB 1549 (Koretz) increases costs and uncertainty in the workers' compensation system by allowing unqualified medical providers like acupuncturists to determine disability and inappropriately become Independent Medical Reviewers — giving them the power to overrule medical decisions by doctors. Oppose/ Job Killer.	Assembly Insurance 4/27/05
Workers' Compensation: Rate Regulation. SB 46 (Alarcón) regulates workers' compensation insurance rates, levies increased fees on employers and creates a litigious rate review process. Oppose.	Failed passage in Assembly Insurance 6/29/05; Reconsideration granted
Workers' Compensation: New Mandates. SB 538 (Kuehl) creates hasty and costly new mandates on the recently created workers' compensation Medical Provider Networks. Oppose.	Assembly Appropriations 6/28/05
Workers' Compensation: Unnecessary Penalty Structure. SB 1023 (Dunn) increases workers' compensation rates by encouraging litigation in the workers' compensation system. Oppose.	Assembly Third Reading 7/7/05
Workers' Compensation: Reducing Program Costs. SB 292 (Speier) reduces out-of-control pharmaceutical costs for repackaged drugs. Support.	Passed Assembly Insurance 6/29/05

Key to Status Descriptions

Note: In general, Senate bills that remain in a Senate committee and Assembly bills that remain in an Assembly committee are unlikely to see further action this year. These are “two year bills” and will not be considered again until next year. Fiscal (tax) bills, however, may be considered at any time.

- Senate Third Reading: Bill awaits action by full Senate.
- Assembly Third Reading: Bill awaits action by full Assembly.
- Held in a committee: No further action on bill expected this year, except tax bills.
- Held at Assembly or Senate desk: Awaiting assignment to an Assembly or Senate policy committee.
- Assembly or Senate Inactive file: In house of origin, no further action on bill expected this year.
- Assembly or Senate Appropriations Suspense file: Bills with fiscal impact are placed on the suspense file pending the Legislature's review of their overall financial impact.
- Reconsideration granted: No further action expected this year, but bill may be considered in the next legislative year.

Many 'Job Killer' Bills Pending When Legislature Returns

From Page 1

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 581 (Klehs; D-Castro Valley) Public works: wages.** Makes California less desirable as a place to establish or expand a business by opening new avenues to sue employers by establishing a broad new private right of action that permits joint labor management committees to sue any employer for certain labor code violations that may have occurred up to four years previously, among other provisions.

● **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 taxing agencies for a tax audit, exposing employers to an expensive, time-consuming fishing expedition for possible employer tax 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 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 specified air quality violations.

● **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)**

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

● **SB 600 (Ortiz; D-Sacramento) Bio-monitoring.** 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 760 (Lowenthal; D-Long Beach) Ports: Goods movement cost increase.** Increases the cost of goods movement in California by assessing a \$30 fee per twenty-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 state's major ports.

● **SB 764 (Lowenthal; D-Long Beach) Ports: Goods movement cost increase.** Increases the costs of goods movement and drives business and jobs 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 accomplished with no air pollution increases.

● **SB 833 (Bowen; D-Redondo Beach) Onerous fax communication restric-**

tions. 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.

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

Amended

Amended this month in the Assembly Insurance Committee was **SB 150 (Escutia; D-Norwalk) Additional insurance requirements; cost increase.** SB 150 still increases the cost of insurance for business and individuals by adding new burdensome and unnecessary requirements on insurance carriers and is **opposed** by the Chamber. As amended, however, the bill is no longer a "job killer." (See June 10 and July 1 *Alerts* for previously amended "job killers.")

Failed to Pass

Failing to move out of the Assembly Utilities and Commerce Committee this month and unlikely to be considered further this year was **SB 1068 (Escutia; D-Norwalk) Antiquated regulations.** The bill would have stifled innovation and limited consumer choices by imposing antiquated regulations developed for monopolistic landline telephone services on the rapidly growing and competitive telecommunications industry.

SB 1068 failed to pass Assembly Utilities and Commerce on July 6, 3-5:

Ayes: Levine (D-Van Nuys); Pavley (D-Agoura Hills); Jones (D-Sacramento).

Noes: Bogh (R-Beaumont); Baca (D-Rialto); Blakeslee (R-San Luis Obispo); Keene (R-Chico); Wyland (R-Del Mar).

Absent/abstaining/not voting: De La Torre (D-South Gate); J. Horton (D-Inglewood); Montañez (D-San Fernando).

Action Needed

The Chamber urges all employers to contact their legislators and members of the committees hearing the remaining "job killer" bills to **oppose** them.

For updates and sample letters, visit www.calchamber.com/jobkillers.

Staff Contact: Dominic DiMare

22 California Chamber Members Included on *Hispanic Business* Magazine 500 List

Twenty-two members of the California Chamber of Commerce have made *Hispanic Business* magazine's 21st annual list of the 500 largest Hispanic-owned companies in the nation.

Hispanic Business research staff gathered data for the list from the *Hispanic Business* company profile form in the December 2004 issue and on the magazine's website, and also mailed to more than 18,000 Hispanic-owned businesses in the United States.

Qualifying companies had to show at least 51 percent ownership by Hispanic U.S. citizens; headquarters had to be maintained in one of the 50 states or Washington, D.C. Non-profits, ad and public relations firms and Puerto Rico-based companies were not eligible. Revenue figures submitted for consideration had to be certified by the company chief executive officer, chief financial officer or a representative certified public accountant.

Chamber members on this year's list follow:

- **ABC Security Services, Inc. (Oakland)** — Ranked 380. This 400-employee private security firm, started in 1968, provides security services to corporate business operations, construction sites, ports and port facilities and government agencies. Clients include the City of Oakland, the City of Berkeley and Oakland International Airport. President and Chief Executive Officer Ana Chretien has headed the company since 1989.

- **Adorno & Yoss P.A. (Miami, FL)** — Ranked 99. This professional legal services firm, the largest certified minority-owned firm in the United States, has two affiliates in California. The Los Angeles affiliate is a Chamber member. Founded in 1986 and with 445 employees in 10 firms around the United States and Latin America, the company offers many services, from real estate and business law and litigation to international, industrial and intellectual property law.

- **Alvarez Lincoln Mercury Jaguar (Riverside)** — Ranked 111. Founded in 1995, this automotive dealership boasts

sales of well over 100 cars per month. In October 2001, founder and owner Ramon Alvarez (also a member of the Chamber Board of Directors) added Jaguar to his sales line, making his company the first Hispanic Jaguar dealership in the western United States.

- **Anita's Mexican Foods (San Bernardino)** — Ranked 268. Anita's was acquired and added to the La Reina, Inc.,



family of businesses in 1979. Anita's specializes in organic corn-based snacks and shells. The production plant is Kosher and organic certified, giving the company some effective niche marketing tools. Anita's was the first company to produce taco shell samples for Taco Bell.

- **Cisco Brothers Corporation (Los Angeles)** — Ranked 254. Cisco Brothers was founded in 1989 by Francisco Pinedo and his five siblings. This manufacturer of upholstered wooden household furniture produces around 100 high-end, designer, custom pieces per day. In 2003, Cisco Brothers opened the L.A. Design Center in South Los Angeles to showcase its pieces and to help revitalize the area.

- **Collection Bureau of America (Hayward)** — Ranked 156. A provider of accounts receivable management services for both small and large businesses since 1959, Collection Bureau of America is licensed to collect in all 50 states. Its 100 employees serve a variety of businesses, including telecommunications firms, medical clinics, cellular companies, newspapers and municipalities.

- **Consolidated Contracting Services (San Clemente)** — Ranked 128.

Childhood friends Joe Troya and Tony Elias-Calles started their construction management and general contracting firm in 1989. They specialize in seven primary areas of construction: commercial tenant improvements, construction management, industrial manufacturing, labs/clean rooms, self-storage structures, parks/recreation and restaurants/delis.

- **Duran Human Capital Partners (Campbell)** — Ranked 352. Since 1994, Duran HCP has provided human resources consulting, technical recruitment/staffing, and payroll and contingent workforce management services, primarily for Silicon Valley high tech and life sciences industries.

- **Gonzales Automotive (South Gate)** — Ranked 22. Also known as Casa de Gonzales, this multi-dealership automotive sales and services group offers the Chrysler, Kia and Jeep lines. A Five-Star-Ranked Chrysler and Jeep Dealership established in 1997 by Silvestre Gonzales, Gonzales Automotive sells both new and pre-owned vehicles.

- **Informatix, Inc. (San Francisco)** — Ranked 260. Founded in 1986, this computer systems integration firm specializes in technology applications for human services. Informatix is the creator and vendor of CASES, a computer system that enables collection of delinquent child support payments. By July 2005, local child support agencies in 55 of California's 58 counties — as well as jurisdictions in Montana, Alabama and Puerto Rico — will be using CASES.

- **La Amapola, Inc. (Los Angeles)** — Ranked 185. This family-owned Mexican deli and market began in 1961 as a "mom and pop" deli serving a few fresh, handmade, authentic Mexican food items. Today, it is well respected in the tortilla industry and has a tortilla factory, several markets and at least two planned restaurants in the Los Angeles area.

- **La Tortilla Factory, Inc. (Santa Rosa)** — Ranked 163. La Tortilla Factory

Chamber Recaps Positions on November Ballot Measures



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the Governor can work out a broader proposal.

Oppose

The Chamber opposes the following measure:

- **Proposition 79:** Prescription Drug Discounts. State-Negotiated Rebates. This measure will restrict access to certain prescription drugs and ultimately

drive up the price of prescription drugs.

To Be Considered

The Chamber has not taken positions on the following measures:

- **Proposition 73:** Termination of Minor's Pregnancy. Waiting Period and Parental Notification.
- **Proposition 75:** Public Employee Union Dues. Required Employee Consent for Political Contributions.
- **Proposition 78:** Prescription Drugs. Discounts.

- **Proposition 80:** Electric Service Providers. Regulation.

The Chamber Board of Directors will discuss possible action on these remaining ballot measures at its September meeting.

For more information on these ballot measures or the November 8 election, please visit the Secretary of State's website at www.ss.ca.gov.

Staff Contact: Sara Lee

22 Chamber Members Included on *Hispanic Business Magazine* 500 List

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has specialized in corn and flour tortilla production since 1977. Its tortilla varieties include traditional corn and flour, low-carb (introduced eight years before the low-carb craze), fat-free (the first company to produce them), flavored, organic and extra virgin olive oil. La Tortilla's products are Kosher and organic certified.

- **Macias Gini & Company LLP (Sacramento)** — Ranked 327. Founded in 1987, MGC provides accounting, auditing, management consulting and tax services to public and private industries, from biotechnology to manufacturing, education to health care. In 2002, founder and managing partner Kenneth Macias was appointed as the only West Coast member of the American Institute of Certified Public Accountants Auditing Standards Board.

- **Mini-Mailers, Inc. (Irvine)** — Ranked 428. Mini-Mailers has provided high-tech, direct-mail services since 1986. Using advanced systems and state-of-the-art technology, its services include laser printing, data conversion, programming, report generation, postal presorting, bar-coding, tabbing, folding, inserting and digital document production.

- **OneSource Distributors, Inc. (Oceanside)** — Ranked 38. OneSource provides electrical materials distribution, industrial automation, project packaging, logistical and out-source manufacturing services. Its primary markets include the industrial maintenance, repair and overhaul (MRO), original equipment manufacturer (OEM), and industrial contracting sectors.

- **Philatron International (Santa Fe Springs)** — Ranked 360. Phillip Ramos Jr. founded Philatron in 1996 with only \$168. Now the company has 125 employees and operates out of a 40,000 square-foot plant. Philatron manufactures electrical wires, cables and coil cords for the wiring harness, computer, consumer, marine, aerospace, laser, medical, heavy-duty trucking and military industries.

- **Ramos Oil Company, Inc. (West Sacramento)** — Ranked 19. Bill Ramos started his company as a Shell Oil distributor in 1951. Today, Ramos Oil distributes bulk and pre-packaged petroleum products to farms, construction sites, mines, governmental entities and other businesses. It also performs used oil, hazardous waste, contaminated soil and groundwater removal and produces PuriNOx, a clean-burning diesel alternative.

- **Reyes Construction, Inc. (Pomona)** — Ranked 211. Reyes Construction is a general construction firm established in 1987. It specializes in paving and grading, building flood control structures and bridges, and constructing retaining walls and pipelines. The company's clients include Caltrans, the City of Los Angeles, Los Angeles County Public Works and the Army Corps of Engineers.

- **Ruiz Food Products, Inc. (Dinuba)** — Ranked 18. Ruiz Foods is the nation's largest frozen Mexican food manufacturer, employing 1,912 people and producing more than 200 products, including the El Monterey, Ruiz and Ruiz Family brands. Founded in 1964, this Small Business Association Hall of Fame

member received a visit from President Bush in 2003 in recognition of its efforts to encourage greater home ownership among its employees. Chairman Frederick R. Ruiz is a member of the Chamber Board.

- **TELACU Industries, Inc. (Los Angeles)** — Ranked 49. Founded in 1968, TELACU Industries is the for-profit arm of the non-profit TELACU Foundation. Its numerous enterprises include a development corporation, a construction and construction management corporation, the Community Commerce Bank, Inter-City Energy Systems and many other businesses.

- **Trandes Corp. (Lanham, MD)** — Ranked 235. Trandes Corp. is an engineering services company that has provided professional and technical services to the Department of Defense and national and international industrial sectors since 1972. The company offers system engineering, information technology and operations and maintenance services, among other specialties. It has a major facility in San Diego that is a Chamber member.

- **Vinyl Technology, Inc. (Monrovia)** — Ranked 330. Since 1981, Vinyl Technology has used its experience in the heat-sealing industry to manufacture custom products for the medical, military, aerospace, NBC (Nuclear Biological Chemical) threat and risk protection, safety, collapsible tank, commercial product, extreme sports, environmental container and specialty cover markets.

Chamber-Backed Free Trade Agreement Awaits U.S. House Approval



The U.S. House of Representatives is expected to vote on the California Chamber of Commerce-supported U.S.-Dominican Republic/Central American Free Trade Agreement (DR-CAFTA) next week.

The U.S. Senate approved the DR-CAFTA on June 30 by a vote of 54-45. California Senator Dianne Feinstein (D-San Francisco) voted to approve the DR-CAFTA and Senator Barbara Boxer (D-Greenbrae) voted against the agreement.

Benefits of Agreement

The trade agreement was signed on May 28, 2004, in Washington, D.C. On August 5, 2004, representatives from the

United States and the Dominican Republic signed an agreement formally including the Dominican Republic in the agreement.

If 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 agreement 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.

The DR-CAFTA is expected to con-

tribute 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

The DR-CAFTA needs 218 votes for approval in the House. Contact your congressional representative and urge a "yes" vote. The U.S. Chamber has an easy-to-use toll-free line for placing calls at (866) 346-VOTE (8683), PIN: CAFTA (22382) or on the web at www.voteforbusiness.com/capconn/letter.aspx?AlertID=248.
Staff Contact: Susanne Stirling

Cal/OSHA May Cite Employers for Employee Exposure to Heat Stress

From Page 2

the hot environment and given fluid replacement. They also should be encouraged to get adequate rest.

● **Heat stroke** is a serious condition that requires medical attention. Sweating is sometimes absent, making the skin hot and dry. The body temperature is very high, exceeding 105 degrees Fahrenheit. If not controlled, these conditions may lead to convulsions, coma, brain damage, and eventually death.

Treatment: Remove worker from hot conditions immediately, wet the body with copious amounts of cool water and get professional medical aid immediately.

Minimizing Heat Stress Effects

The following methods may be used to minimize the effects of heat stress:

- Engineering controls (air conditioning and adequate ventilation);
- Administrative controls, such as work rotation and starting work early in the morning or in the evening;
- Providing plenty of fluids to drink, especially water; and
- Personal protective equipment in the form of cooling vests and light-colored or reflective clothing.

In the past, salt tablets were prescribed

for workers in hot environments to replace the salt lost by sweating. Physicians no longer recommend this treatment because the tablets may cause stomachaches. Also, ingestion of the tablets starts the body's digestive function, for which fluid is needed in the stomach and throughout the digestive tract. This fluid must come from the blood volume, which is needed to cool the body.

Acclimatization

A much more acceptable way to control heat stress is to allow new employees or those who have been away from the hot conditions for a few days to acclimate to the hot conditions. The following has been excerpted from federal OSHA Technical Manual (TED 1-0.15A), Section IV, Chapter 4 (1999, JAN26):

"A properly designed and applied acclimatization program decreases the risk of heat-related illnesses. Such a program basically involves exposing employees to work in a hot environment for progressively longer periods. NIOSH [National Institute for Occupational Safety and Health] (1986) says that, for workers who have had previous experience in jobs where heat levels are high enough to produce heat stress, the regimen should

be 50 percent exposure on day one, 60 percent on day two, 80 percent on day three, and 100 percent on day four. For new workers who will be similarly exposed, the regimen should be 20 percent on day one, with a 20 percent increase in exposure each additional day."

Guidelines

The American Conference of Governmental Industrial Hygienists (ACGIH) has guidelines for assessing heat stress. A certified industrial hygienist should conduct this involved and specialized assessment. To contact ACGIH, call (513) 742-2020 or visit its website at www.acgih.org.

Compliance Assistance

The California Chamber of Commerce offers videos to provide Cal/OSHA safety training to employees. More information is available at www.calchamberstore.com.

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.

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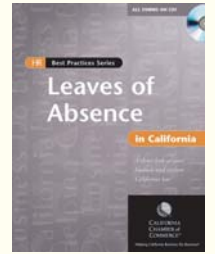
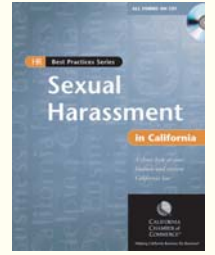
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