

ALERT

VOLUME 34, NUMBER 29 • OCTOBER 10, 2008



Yes on Prop. 11 Radio Ads Begin Airing Statewide



Radio advertisements began airing statewide this week for Proposition 11, the California Chamber of Commerce-supported redistricting reform measure on the

November ballot.

In addition, newspapers and editorial boards have announced their support for Proposition 11, which will allow the citizens of California, rather than

the Legislature, to create competitive legislative districts, thereby helping elected officials be more accountable to voters.

To date, a broad and bipartisan coalition of more than 1,700 organizations and individuals has formed to support Proposition 11. CalChamber President and Chief Executive Officer Allan Zaremberg is a co-chair of the Yes on Proposition 11 campaign.

See Yes: Page 14

Newspapers, CalChamber Share Opposition to Proposition 1A



Newspapers statewide have been recommending voters reject Proposition 1A, the High Speed Passenger Train Bond Act on the November ballot that also is

opposed by the California Chamber of Commerce.

Here is a sampling of what California newspapers have been saying:

● “The main question is whether specific rail projects are economically viable. With the state already so far in debt, school and health cuts coming our way and the national economic outlook so uncertain, in our view this project is not.”—*Napa Valley Register* (October 2)

● “Proposition 1A on the November ballot would authorize the issuance of \$9.95 billion in general obligation bonds as a small down payment for a high-speed passenger train between Los Angeles and San Francisco. To call this project a boondoggle would be an understatement. At a time when California state government is operating at a substantial deficit—despite the Band-Aids recently applied that may or may not reduce it much—it would be irresponsible to take

See Newspapers: Page 4

Broad, Bipartisan Coalition Opposes Prop. 7 Will Result in Higher Electric Rates, Less Renewable Power



An unlikely coalition of renewable power providers, environmentalists, business organizations, consumer groups, taxpayer groups, utilities, organized

labor, the Democratic and Republican parties and virtually every major newspaper in the state has come together in **opposition** to **Proposition 7**, one of two energy measures on California’s November ballot.

The California Chamber of Commerce is one of more than 300 organizations **opposed** to Proposition 7.

Proposition 7 proponents claim the measure will increase renewable energy in California. Renewable power providers and environmental organizations, however, oppose Proposition 7 and warn the initiative is so flawed that it will result in *less*, not more, renewable power and will significantly increase electric rates.

The CalChamber Board of Directors voted at its May 21 quarterly meeting to oppose the measure due to its potential to substantially drive up energy prices in the state.

Electric Rate Increases

Proposition 7 would raise electric rates specifically because it:

● Contains bureaucratic changes that will lead to red tape, lawsuits and delays that will slam the brakes on renewable power development in California.

● Will force small wind and solar companies out of the market via a “competition elimination” provision that excludes renewable plants that produce less than 30 megawatts from counting toward the new targets.

● Contains a provision that forces electricity consumers to pay 10 percent above market rates for renewable power

See Broad: Page 4

Inside

- Governor Vetoes Container Tax: Page 3
- Honor Roll School Profile: Page 5
- Vote Record: Pages: 7–12

Labor Law Corner

Be Prepared to Act Quickly When One Employee Threatens Another



Sunny Lee
Senior Labor Law
Consultant

We have an employee who has been acting very strangely and saying threatening things. What should we do?

Employers are in a vulnerable position when employees either go off medication or experience severe emotional swings, thus causing other employees to be fearful of them. Supervisors should be trained to recognize potential problems

and be aware of how employees are interacting. Often, isolated situations may be warning signs and can lead to bigger issues if left unchecked.

Clearly, traumatic events involving death of a family member, separation, divorce, medical conditions, financial or family problems affect employees and cause stress. Most employees are able to balance personal stressors by turning to family and friends for support.

When individuals are not well-balanced, or have lost friends or family, or fear losing a job, or are engaged in substance abuse, inappropriate behaviors may surface.

In workplace situations involving threats of violence, employers need to take those threats seriously and be prepared to act quickly to diffuse a situation to protect the health and safety of other employees.

Take Threats Seriously

If an employee threatens another employee, the threat should be taken seriously and the employer should call the police. Police officers are equipped to handle difficult, highly charged emotional situations and are able to determine whether the individual poses a threat to themselves or others.

If, after observation, the officer determines that the individual may pose a threat, the officer has authority under Welfare and Institutions Code Section 5150. This section provides the following:

“5150. When any person, as a result of mental disorder, is a danger to others, or to himself or herself, or gravely disabled, a peace officer, member of the attending staff, as defined by regulation, of an evaluation facility designated by the county, designated members of a mobile crisis team provided by Section 5651.7, or other professional person designated by the county may, upon probable cause, take, or cause to be taken, the person into custody and place him or her in a facility designated by the county and approved by the State Department of Mental Health as a facility for 72-hour treatment and evaluation.”

In order for the police to evaluate an employee's mental state, officers need to observe the employee's behavior. If an employer waits until after the incident, the police may not have sufficient

information to take the person into custody.

Medical Issues

In some situations, employees may be taking prescription drugs to control their emotional and mental state. Sometimes employees may tell employers about their medical conditions and the effects of taking or not taking medications, but most often employers are unaware. For privacy reasons, employers are not permitted to ask an employee for a medical diagnosis or what prescriptions they are taking. When an individual stops taking his/her medication, emotional problems may surface in the form of paranoia, aggression, depression or violence.

When an employee informs the employer about a medical condition, it is important to keep that information confidential and know how the employee wants to handle an emergency, who to call and who will make decisions for the employee.

If the employee has not provided any contact information, the best thing to do is leave it to the authorities to determine the best course of action. In any event, it is important to remove the employee from a potentially harmful situation and diffuse the situation as best as possible until the authorities or a responsible family member arrives.

If an employee is getting medical attention and is taken off work, the employer should be prepared to put the employee on a leave of absence according to legal requirements, company policies and/or past practices. If the employer is concerned about not wanting the employee back at work, the employer should seek legal advice.

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

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**Next Alert:
October 24**

Governor Vetoes Illegal Container Tax

CalChamber-Opposed Measure Would Have Increased Cost of Shipping Goods



California Chamber of Commerce-opposed legislation that would have increased the cost of shipping goods has been vetoed by Governor Arnold Schwarzenegger.

The Governor vetoed **SB 974**

(**Lowenthal; D-Long Beach**), identified by the CalChamber as a “job killer,” on September 30. The bill would have made California less competitive by imposing an illegal per-container tax in the ports of Long Beach, Los Angeles and Oakland.

Economic Risks

The CalChamber, along with 215 other companies and organizations, opposed SB 974 on the basis that it would have put the ports’ economic benefits at risk, diverted cargo out of the state, hurt California’s agriculture and manufacturing industries, compromised recycling, violated commerce clauses and trade agreements, enacted an illegal tax and frozen private investment in port infrastructure.

The CalChamber and other coalition members met with Senator Alan Lowenthal, as well as members of Governor Schwarzenegger’s

administration, to come to a compromise on the bill; however, an agreement was not reached.

The claimed purpose of SB 974 was to finance infrastructure improvements and environmental mitigation projects. Despite suggestions to the contrary, acceptable alternatives to this illegal solution do exist, the coalition pointed out.

Ports are financed with billions of dollars in private sector investments, paid for mostly through revenue bonds financed by port terminal operators and others through true user fees. California ports are carrying close to \$3.5 billion in revenue bonds for maritime infrastructure improvements, and these funds continue to be spent on updating and building new roads, rail capacity and a variety of other projects. Public-private partnerships offer a viable way to fund goods movement-related projects outside of the port.

Veto Message

In his veto message, Governor Schwarzenegger wrote that the state has already appropriated funds through Proposition 1B that are available for the same purposes as the revenues from SB 974 were to be used.

In addition, the Governor stated that the bill does not provide the basic

assurances that the projects would attain the greatest cost-effectiveness, emission reductions and public health protection. SB 974 failed to provide any mechanism for coordinating and integrating infrastructure projects, therefore failing to provide any long-term strategic planning for the state’s goods movement infrastructure.

Schwarzenegger noted that SB 974 misses the opportunity to leverage billions of dollars in available funding through public-private partnerships, and given the current economic downturn, it is important the state does not worsen the situation by mandating on businesses added costs that do not provide any public benefit.

Third Try

This is the third time Senator Lowenthal has introduced the “job killer” container tax bill. SB 760 of 2005 was held in the Assembly Appropriations Committee. In 2006, the senator amended the content of SB 760 into SB 927, which was vetoed by Governor Schwarzenegger.

The CalChamber has opposed the container tax as introduced and expects to see new container tax legislation introduced in the coming legislative session.

Staff Contact: Jason Schmelzer

CalChamber Positions on November Ballot Propositions

Ballot Number	Subject	CalChamber Position
Proposition 1A	High-speed rail bond	Oppose
Proposition 2	Treatment of farm animals	Oppose
Proposition 3	Children’s hospital bond	Support
Proposition 4	Parental notification on abortion	No Position
Proposition 5	Rehabilitation of non-violent offenders	Oppose
Proposition 6	Public safety spending/criminal penalties	No Position
Proposition 7	Renewable energy generation	Oppose
Proposition 8	Gay marriage	No Position
Proposition 9	Victims’ rights	No Position
Proposition 10	Alternative energy bonds	Oppose
Proposition 11	Redistricting reform	Support
Proposition 12	Veterans’ home loan bond	Support

Newspapers, CalChamber Share Opposition to Proposition 1A

From Page 1

on a debt of this magnitude, especially given that the total cost of the train would be many tens of billions of dollars more.”

—*Orange County Register* (September 23)

● “Against this backdrop of massive fiscal chaos and uncertainty, it is hard to fathom how state voters could consider a Yes vote on Proposition 1A, which would issue \$9.95 billion in bonds as part of a \$40 billion-plus project to build high-speed trains linking Northern and Southern California. Even without adding nearly \$10 billion to the load, the state is already on track to pay a record 6.1 percent of total state revenue in 2011-12 just to service its bond debt. Even without new borrowing, by 2017-18, annual bond debt-service payments alone are forecast to top \$9 billion. Because California has the worst credit rating of any state, paying off this debt is particularly expensive. Obviously, adding lots of new debt doesn’t make much sense.”—*San Diego Tribune* (September 21)

● “Does anyone who has followed the sage of the Bay Bridge debacle really believe the high-speed rail system will cost less than \$60 billion, or \$80 billion? Besides, the timing couldn’t be worse. California has many far more pressing needs. The state faces a huge budget shortfall, a weakening economy, a home

foreclosure mess, a drought and the need to expand its reservoir system and repair levees... Instead of addressing our real transportation needs, Prop. 1A is asking taxpayers to spend the first of tens of billions of dollars on what amounts to a Boondoggle Express rail system that won’t be built for many years, if not decades.”—*Oakland Tribune* (September 12)

Newspaper Opposition

The following newspapers and blogs have opposed Proposition 1A:

- *Napa Valley Register* (October 2);
- *San Gabriel Valley Tribune* (September 27);
- *Long Beach Press-Telegram* (September 27);
- *North County Times* (September 25);
- *Marysville Appeal-Democrat* (September 23);
- *Orange County Register* (September 23);
- *San Diego Union-Tribune* (September 21);
- *The Eureka Reporter* (September 21);
- *Flash Report* (September 19);
- *Fox & Hounds Daily* (September 18);
- *Oakland Tribune/Inside Bay Area* (September 12);
- *Contra Costa Times* (September 12);
- *The Sacramento Bee* (September 8);

- *Tracy Press* (September 5).

CalChamber Position

The CalChamber Board of Directors voted at its September 5 quarterly meeting to **oppose Proposition 1A**.

“There are many competing demands for resources in our state and we must carefully set our funding priorities,” said CalChamber President and Chief Executive Officer Allan Zarembeg. “Although a comprehensive water bond will not appear on the November 2008 ballot, we must reserve future debt capacity to address one of the state’s most critical needs. The positions taken by our Board on November ballot measures reflect that priority,” Zarembeg said.

“California will need to invest at least \$50 billion to complete a statewide high-speed rail system,” Zarembeg said. “There are other projects that mitigate congestion that should be a higher priority.”

More Information

For more information on the CalChamber’s positions on the November ballot measures, see the special report in the October 3 *Alert* or visit www.calchamber.com.

Broad, Bipartisan Coalition Opposes Proposition 7

From Page 1

forever—even when the costs of solar and wind sources become more competitive. Economists warn electricity bills will increase by hundreds of millions of dollars per year.

Solar/Wind Companies Oppose

Opposition to Proposition 7 includes companies that stand to benefit from increased renewable energy requirements—California’s wind, solar and renewable power providers.

Environmental groups also oppose the initiative because it will set California’s renewable energy industry backward.

Jan Smutny-Jones, executive director of the California Independent Energy Producers Association, which represents companies that produce more than 80

percent of the renewable power delivered in California said, “Anyone who knows how the renewable power market works knows this poorly written measure will erect new barriers that will lead to less, not more, renewable power. It’s telling that the very companies who stand to benefit from more renewable energy are all opposing Prop. 7.”

Sue Kateley, executive director of California Solar Energy Industries Association, warns, “Proposition 7 would devastate California’s small solar businesses by forcing us out of the market—eliminating a major source of clean power and thousands of jobs.”

In addition, more than 25 of the state’s leading newspaper editorial boards are recommending “No” on Proposition 7. As of the *Alert*’s publishing deadline, no

daily newspaper had come out in support of the initiative.

Business groups opposing Proposition 7, in addition to the CalChamber, include the California Small Business Association, California Manufacturers & Technology Association, California Black Chamber of Commerce, California Hispanic Chambers of Commerce and more than 100 local chambers of commerce and business groups.

Business opponents note that Proposition 7 will hurt the economy and lead to the loss of tens of thousands of jobs.

More Information

More information about Proposition 7 is available at the No on 7 website, www.NoProp7.com.

Honor Roll School

Imperial High School Simply Expects Students to ‘Do Their Best’

High expectations and attention to the individual needs of students are producing results at Imperial High School.

In addition to being selected as an honor roll “Star School” by the California Business for Education Excellence Foundation, Imperial High School has twice been named a California distinguished high school by the state Department of Education—in 2003 and 2007.

School Profile

Located in southeastern California, just 30 minutes from the Mexico border and an hour from the Arizona state line, Imperial High School is in a historically agricultural area that more recently has seen an influx of other types of businesses. Parental occupations range from the Border Patrol and law enforcement to agriculture.

The student population of 850 is more than 70 percent Hispanic. About a third of the students qualify for free or reduced-price lunches and just more than 39 percent are categorized as socioeconomically disadvantaged.

Rising Proficiency

The percentage of students testing as proficient in math and language arts is rising—from 30 percent of all students in 2002 to more than 60 percent in 2007. All student groups are scoring well above the minimum for adequate yearly progress.

“The gap is closing; everyone is learning,” reports Principal Lisa Tabarez, now in her eighth year at the school. She was brought onto the staff as vice principal, specifically assigned to make sure the counseling department was reaching students effectively, and served three years in that position before being named the principal.

Focus on Students

Tabarez credits an “awesome” and energetic staff that pays attention to details about the students’ academic success.

“Our priority is students and what can we do to help these students,” Tabarez says. “And then we expect them to do their best.”

The release of the previous spring’s test scores in August kicks off a year-



Photo Courtesy: Imperial High School

Lisa Tabarez, principal of Imperial High School, circulates on campus during passing period.

round effort in which the school staff uses the test results to identify who needs help and in what areas. Each quarter, staff members do benchmark assessments to identify which students

may need intensive intervention, time at the homework center or just a phone call to mom and dad.

By the end of the semester, says

See Imperial: Page 6

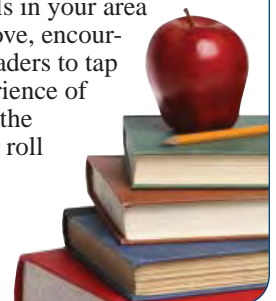
How Business Can Help Improve Schools

- Get involved with your schools locally.
- Go to www.jftk-ca.org to find information about how schools in your area are performing.
- If a school in your area is doing well, make sure state and local opinion leaders (elected officials, media representatives, community groups) know that schools in your community are honor roll schools being recognized for significant student academic achievement.
- Encourage those opinion leaders to find out more about these

schools by visiting and talking to school leaders and faculty.

- Help give honor roll schools a voice in your region and help them share their “best practices” with other schools in your community.

- If schools in your area need to improve, encourage school leaders to tap into the experience of their peers at the nearest honor roll school.



CalChamber Launches New Program to Recognize Local Chambers

The Local Chamber Relations Department of the California Chamber of Commerce has launched a new program designed to recognize local chambers of commerce for excellence in business advocacy and marketing business compliance products to members.

“The goal of this new program is to reward local chambers in the state that do an outstanding job in partnering with the CalChamber in its business advocacy efforts, and for marketing our HR compliance products to their members to ensure that they are up-to-date on state and federal notice requirements,” said Steve Snyder, CalChamber vice president of local chamber relations.

Award Criteria

The new program will be known as the “President’s Circle.” To qualify for the “President’s Circle,” the local chamber must meet the following initial criteria:

- Publish and distribute to its members a voting record of its state legislators on key business issues;
- Generate letters (and copy the CalChamber) to state elected officials on issues of interest to the local chamber’s members;
- Participate in the CalChamber’s Local Chamber Resale Program, generating a minimum of \$1,500 in sales of various compliance products offered by the CalChamber each year.

● Bring a delegation (minimum three people) representing the local chamber to the CalChamber’s annual Business Legislative Summit in the spring.

Chambers achieving “President’s Circle” status will be recognized at the CalChamber Business Legislative Summit on May 18, 2009 in Sacramento.

December 1 Deadline

To qualify for the program, local chambers must submit vote records by December 1, along with copies of letters sent on behalf of the local chamber to its state legislators.

For more information, contact Steve Snyder, (916) 930-1241, steve.snyder@calchamber.com.

Imperial High School Simply Expects Students to ‘Do Their Best’

From Page 5

Tabarez, students’ grades will be a strong indicator of whether they will test as proficient or advanced on that year’s test.

The school reaches out in multiple ways to students who aren’t succeeding: teachers talk to the student, arrange for conferences with parents and get the counselor involved if necessary.

“If you’re failing, it’s because you haven’t reached our hand,” says Tabarez.

The results of this unified effort are “so worth it,” says Tabarez. Students “are better people for it. They’re better able to handle the workforce.”

Plan for Life

Looking beyond test scores, Tabarez and the school counseling staff work to make sure students “have a plan when they leave here.” Imperial High has a “good rapport” with the local community college and its fast-track program, as well as the satellite campus of San Diego State University, and is continually on the lookout for resources that help students after they graduate.

Ultimately, Tabarez says, “It’s just business and the way we do it on a daily basis that has made a difference for kids.”

This profile is another in an Alert series highlighting public schools identified by the California Business for Education Excellence (CBEE) Foundation as high performers, based on academic achievement tests. The CBEE Foundation has established a two-part honor roll:

● “Star Schools”—those with significant populations of socioeconomically disadvantaged students where all subgroups have significantly increased grade-level proficiency over four years.

● “Scholar Schools”—those that are showing significant academic achievement gains, but do not have a significant population of socioeconomically disadvantaged students.

No other school recognition program in California uses data rather than a self-reported application process to evaluate school performance and recognize achievement.

More information, including easy-to-access test data for schools throughout the state, is available on the free Just for the Kids-California website, www.jftk-ca.org.

CalChamber-Sponsored Seminars/Trade Shows

For more information, visit www.calchamber.com/events.

International Trade

2008 National District Export Council Conference. California Inland Empire District Export Council. October 15–18, Palm Springs. (909) 466-4136.

Beijing Investment/Cooperation Forum. California-Asia Business Council. October 16, San Francisco. (510) 272-7331.

Tradexpo Indonesia 2008. Consulate General of Indonesia San Francisco. October 21–25, Indonesia. (415) 474-9571.

Trade Mission to Panama. U.S. Commercial Service. October 26–29, Panama. (727) 893-3738.

Fabric/Accessory Suppliers Exhibition. Sri Lanka Consulate General. November 6–8, Sri Lanka. (213) 387-0213.

Trade Mission to India. FedEx. November 9–15, New Delhi. tradeevents@fedex.com.

Labor Law

On-Demand Web Seminar Library. CalChamber. Through December 31. Call for details. (800) 331-8877.

CalChamber Calendar

Public Affairs Council November Retreat: November 12–14, La Jolla

CalChamber Vote Record: Major Bills 2008

This report for the second year of the 2007-08 legislative session focuses on California legislators' floor votes on bills of priority to the California Chamber of Commerce.

This is the 33rd vote record the CalChamber has compiled. The CalChamber publishes this report in response to numerous requests by member firms and local chambers of commerce that would like a gauge by which to measure their legislator's performance.

To help readers assess legislators' vote records, the charts group bills in five areas: employment law, environmental regulation, health care, legal and taxation.

Partial Picture

No vote record can tell the entire story of a legislator's attitude and actions on issues important to business. Each year, legislators cast thousands of votes on thousands of proposed laws. To fully evaluate your legislative representative, consult the legislative journals and examine your legislator's votes in committee and on floor issues. You can view these via links at www.calchambervotes.com.

A number of anti-business bills were rejected by legislators in policy or fiscal committees, thus stopping proposals before they reached the floor for a vote. The vote record does not capture these votes.

Most bills in this report cover major business issues that are of concern to both small and large companies.

The CalChamber recognizes that there are many bills supported or opposed by business that are not included in this vote record and analysis.

Factors Considered

The CalChamber considered the following factors in selecting vote record bills:

- The bills and votes reflect legislators' attitudes toward private enterprise, fiscal responsibility and the business climate.

- Each bill was a priority for the CalChamber in a particular field. Priority bills have appeared in the "Status Report" sections of *Alert*.

- The bills were voted upon by either the full Senate or Assembly. This year the vote record covers 14 votes in the Senate and 15 votes in the Assembly.

- Unless otherwise noted, final floor votes are shown. Concurrence votes and conference report votes are considered final votes.



When 'Not Voting' Helps

Sometimes a legislator is unwilling to vote against a colleague, but is willing to support the CalChamber's opposition to a bill. In such cases, a legislator may abstain from voting, which will hinder passage of a bill, just as a "no" vote does.

To recognize that not voting can aid the CalChamber's opposition to a bill, the vote record includes the number of times legislators did not vote "aye" on a CalChamber-opposed bill in the total for the column listing actions "in accord with" the CalChamber's position, if the legislator was not absent for the day.

Priority Bills

Employment Law

- **AB 2279 (Leno; D-San Francisco) Employee Safety Risk.** Hurts employee safety and employers' right to maintain drug-free workplace policies and exposes employers to potential litigation by prohibiting employers from refusing to hire applicants or fire current workers who use medical marijuana. Passed

Senate August 20, 21-15. Assembly concurred in Senate amendments August 29, 41-34. Vetoed. CalChamber Opposed/**Job Killer**.

- **AB 2716 (Ma; D-San Francisco) Employer Benefit Mandate.**

Unreasonably expands employer's costs and liability by mandating a specific paid sick leave policy. Passed Assembly May 28, 45-33. Held in Senate Appropriations August 7. CalChamber Opposed/**Job Killer**.

- **SB 1115 (Migden; D-San Francisco) Workers' Compensation Reform Roll Back.**

Increases workers' compensation costs and rolls back the workers' compensation reforms from 2004 by making apportionment very difficult to prove. Passed Senate March 10, 23-13. Passed Assembly August 19, 46-31. Vetoed. CalChamber Opposed/**Job Killer**.

- **SB 1583 (Corbett; D-San Leandro) Independent Contractors.** Establishes new penalties and liability for independent contractor misclassification, rather than the much-needed clarification for who is and who is not an independent contractor, by creating joint and

several liability penalizing advisors who work with businesses on the complex task of determining worker status. Passed Assembly August 14, 44-30. Passed Senate August 20, 21-14. Vetoed. CalChamber Opposed.

- **SB 1717 (Perata; D-Oakland) Workers' Compensation Reform Roll Back.** Increases workers' compensation costs and rolls back the workers' compensation reforms from 2004 by arbitrarily doubling permanent disability benefits and altering the 15 percent bump up/down provision in current law. Passed Senate May 27, 23-14. Passed Assembly August 29, 46-31. Vetoed. CalChamber Opposed/**Job Killer**.

Environmental Regulation

- **AB 2447 (Jones; D-Sacramento) Construction Job Loss.** Severely limits residential and commercial development to a degree that it could virtually shut down any suburban development in certain areas of California by prohibiting the approval of development in fire-risk

See CalChamber: Page 8

CalChamber Vote Record: Major Bills 2008

From Page 7

areas without a mitigating finding by the city or county. Passed Senate August 22, 21-17. Passed Assembly August 30, 42-31. Vetoed. CalChamber Opposed/**Job Killer**.

● **AB 2558 (Feuer; D-Los Angeles) Climate Change Tax.** Assesses an unconstitutional tax on businesses and consumers statewide by imposing a tax by a majority vote on either motor vehicles or vehicle fuel. Passed Assembly May 27, 42-33. Placed on Senate Inactive File August 25. CalChamber Opposed/**Job Killer**.

● **AB 2939 (Hancock; D-Berkeley) Building Cost Increases.** Increases costs to developers by encouraging adoption of building standards written by private entities whose process is not open to public input or scrutiny consideration. Passed Senate August 30, 22-18. Assembly concurred in Senate amendments August 31, 44-32. Vetoed. CalChamber Opposed.

● **SB 1165 (Kuehl; D-Santa Monica) Infrastructure and Construction Jobs Loss.** Jeopardizes economic growth by restricting environmental impact statements to a five-year lifetime which will delay permitting of the project and open the door for frivolous lawsuits in an attempt to block the project. Failed Senate May 29, 17-18. CalChamber Opposed/**Job Killer**.

Health Care

● **SB 840 (Kuehl; D-Santa Monica) Government-Run Health Care.** Creates a new government-run, multibillion-dollar socialized health care system financed from a yet-to-be-specified tax increase. Passed Assembly August 29, 44-32. Passed Senate August 31, 22-14. Vetoed. CalChamber Opposed/**Job Killer**.

● **SB 1440 (Kuehl; D-Santa Monica) Reduced Medical Services.** Imposes an arbitrary medical cost ratio of 85

percent on health care service plans and health insurers, leading potentially to less service to plan subscribers rather than more and eliminating low-cost products. Passed Assembly August 19, 46-31. Passed Senate August 31, 23-15. Vetoed. CalChamber Opposed.

Legal

● **AB 1394 (Krekorian; D-Burbank) Trademarks.** Improves protections of trademark owner rights and consumer health and safety by strengthening California laws against trafficking of fake products such as auto parts, prescription drugs and children's toys. Passed Senate August 25, 35-0. Assembly concurred in Senate amendments August 29, 78-0. Signed by Governor – Chapter 431. CalChamber Sponsored/Supported/**Job Creator**.

● **SB 1113 (Migden; D-San Francisco) Incentive to Sue.** Expands reward to plaintiffs for costs of litigation stemming from private attorney general actions while providing no cost recovery for those who must defend themselves against such actions, even if those actions are found to be baseless. Passed Assembly August 27, 42-33. Passed Senate August 29, 22-14. Vetoed. CalChamber Opposed/**Job Killer**.

● **SB 1608 (Corbett; D-San Leandro) Advancing Disability Access.** Comprehensive reform that increases public access for individuals with disabilities while reducing unwarranted litigation, including by encouraging use of state-certified disability access specialists and establishing court procedure for early judicial review of lawsuit claims. Passed Assembly August 19, 77-1. Passed Senate August 28, 37-0. Signed by Governor – Chapter 549. CalChamber Supported/**Job Creator**.

Taxation

● **AB 1848 (Ma; D-San Francisco) Income Tax: Withholding.** Greatly increases cost of doing business in

Key to Using This Section

Y means voted for bill.
N means voted against bill.
● means not voting "aye" on a CalChamber-opposed bill.
— means not voting or absent.

Boldface type indicates votes in accord with CalChamber position.

Red column headings are "job killer" bills.

Green column headings are "job creator" bills.

The last three columns are a tabulation of votes in accord with the CalChamber position, not in accord with the CalChamber and not voting or absent.

California and increases business tax administrative burden by requiring companies to track state tax liability and collect taxes from outside companies and independent contractors. Passed Assembly May 29, 41-33. Failed Senate August 20, 16-20. CalChamber Opposed.

● **SB 974 (Lowenthal; D-Long Beach) Tax on Freight Movement.** Increases the cost of shipping goods and makes California less competitive by imposing an illegal per-container tax in the ports of Long Beach, Los Angeles and Oakland. Passed Assembly July 15, 46-24. Passed Senate August 5, 22-10. Vetoed. CalChamber Opposed/**Job Killer**.

How did your legislator vote? See for yourself.

calchambervotes.com

2008 Assembly Vote Record

	Employment Law					Environmental Regulation			Health Care			Legal			Taxation		In Accord with CalChamber	Not In Accord with CalChamber	Not Voting or Absent
	AB 2279 - Employee Safety Risk	AB 2716 - Employer Benefit Mandate	SB 1115 - Workers' Comp Apportionment	SB 1583 - Independent Contractors	SB 1717 - Permanent Disability	AB 2447 - Construction Job Loss	AB 2558 - Climate Change Tax	AB 2939 - Building Cost Increases	SB 1165 - Infrastructure/Construction	SB 840 - Government-Run Health Care	SB 1440 - Reduced Medical Services	AB 1394 - Trademarks	SB 1113 - Incentive to Sue	SB 1608 - ADA Reform	AB 1848 - Income Tax Withholding	SB 974 - Tax on Freight Movement			
Adams, Anthony (R)	N	N	N	N	N	N	N	N	No Assembly floor vote.	N	N	Y	N	Y	N	●	15	0	0
Aghazarian, Greg (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Anderson, Joel (R)	N	N	N	N	N	N	N	N		N	N	Y	N	N	N	N	14	1	0
Arambula, Juan (D)	N	N	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	4	11	0
Bass, Karen (D)	Y	Y	●	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	3	12	0
Beall, Jim (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Benoit, John J. (R)	N	N	N	N	N	N	N	N	No Assembly floor vote.	N	N	Y	N	Y	N	●	15	0	0
Berg, Patty (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Berryhill, Tom (R)	N	N	N	*	N	N	N	N		N	N	Y	N	Y	N	N	14	0	1
Blakeslee, Sam (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Brownley, Julia (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Caballero, Anna Marie (D)	Y	Y	Y	Y	Y	●	Y	Y		Y	Y	Y	●	Y	*	Y	4	10	1
Calderon, Charles (D)	Y	Y	Y	●	Y	N	Y	Y		Y	Y	Y	●	Y	—	*	5	8	2
Carter, Wilmer Amina (D)	●	Y	Y	Y	Y	●	Y	Y		Y	Y	Y	Y	Y	Y	Y	4	11	0
Cook, Paul (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Coto, Joe (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Davis, Mike (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
De La Torre, Hector (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
De León, Kevin (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
DeSaulnier, Mark (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
DeVore, Chuck (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Duvall, Mike (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	●	15	0	0
Dymally, Mervyn (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	●	3	12	0
Emmerson, Bill (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	●	15	0	0
Eng, Mike (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Evans, Noreen (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Feuer, Mike (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Fuentes, Felipe (D)	Y	Y	Y	Y	Y	Y	●	●		Y	Y	Y	Y	Y	Y	Y	4	11	0
Fuller, Jean (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Furutani, Warren (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Gaines, Ted (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Galgiani, Cathleen (D)	N	Y	Y	●	●	●	N	N		●	Y	Y	N	Y	N	Y	11	4	0
Garcia, Bonnie (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	●	15	0	0
Garrick, Martin (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Hancock, Loni (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Hayashi, Mary (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Hernandez, Ed (D)	Y	Y	Y	Y	Y	Y	●	Y		Y	Y	Y	Y	Y	Y	Y	3	12	0
Horton, Shirley (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Houston, Guy (R)	N	N	N	N	N	N	—	N		N	N	Y	N	Y	●	—	13	0	2
Huff, Bob (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	Y	14	1	0

*Absent due to illness.

2008 Assembly Vote Record

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Huffman, Jared (D)	Y	Y	Y	Y	Y	Y	Y	Y	No Assembly floor vote.	Y	Y	Y	Y	Y	Y	Y	2	13	0
Jeffries, Kevin (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Jones, Dave (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Karnette, Betty (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Keene, Rick (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Krekorian, Paul (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
La Malfa, Doug (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Laird, John (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Leno, Mark (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Levine, Lloyd (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Lieber, Sally (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Lieu, Ted (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Ma, Fiona (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Maze, Bill (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Mendoza, Tony (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Mullin, Gene (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Nakanishi, Alan (R)	N	N	N	N	N	N	N	N		N	●	Y	N	Y	N	N	15	0	0
Nava, Pedro (D)	●	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	3	12	0
Niello, Roger (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Núñez, Fabian (D)	Y	Y	Y	Y	Y	Y	Y	Y		●	Y	Y	—	Y	Y	Y	3	11	1
Parra, Nicole (D)	Y	Y	Y	N	Y	N	N	N		N	N	Y	N	Y	N	Y	10	5	0
Plescia, George (R)	N	N	N	—	N	N	N	N		N	N	Y	N	Y	N	N	14	0	1
Portantino, Anthony (D)	●	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	●	Y	4	11	0
Price, Curren (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Runner, Sharon (R)	*	N	*	*	*	*	N	*		*	*	*	*	*	N	●	4	0	11
Ruskin, Ira (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Salas, Mary (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Saldaña, Lori (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Silva, Jim (R)	N	N	N	N	N	●	N	N		N	N	Y	N	Y	N	N	15	0	0
Smyth, Cameron (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Solorio, Jose (D)	Y	Y	Y	Y	Y	Y	●	Y		Y	Y	Y	Y	Y	Y	Y	3	12	0
Soto, Nell (D)	*	*	*	*	*	*	*	*		*	*	*	*	*	*	*	0	0	0
Spitzer, Todd (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Strickland, Audra (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Swanson, Sandré (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Torrico, Alberto (D)	Y	Y	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	2	13	0
Tran, Van (R)	N	N	N	N	N	—	N	—		N	N	Y	N	Y	N	N	13	0	2
Villines, Michael (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Walters, Mimi (R)	N	N	N	N	N	N	N	N		N	N	Y	N	Y	N	N	15	0	0
Wolk, Lois (D)	N	●	Y	Y	Y	Y	Y	Y		Y	Y	Y	Y	Y	●	Y	5	10	0

*Absent due to illness.

CalChamber Best Business Votes

Legislators are listed in descending order according to how often they voted in accord with the California Chamber of Commerce positions (first number) versus how often their votes were not in accord with the CalChamber's position (second number) in 2008. Total votes may not match the vote record because the tally for not voting or absent is not included in this list.

80% or more with CalChamber 60%-79% with CalChamber 40%-59% with CalChamber Less than 40% with CalChamber

Senate

Aanestad, Samuel (R)	14-0
Ashburn, Roy (R)	14-0
Battin, Jim (R)	14-0
Cox, Dave (R)	14-0
Dutton, Bob (R)	14-0
Harman, Tom (R)	14-0
Hollingsworth, Dennis (R)	14-0
Maldonado, Abel (R)	14-0
Runner, George C. (R)	14-0
Ackerman, Dick (R)	13-0
Denham, Jeff (R)	13-0
Cogdill, Dave (R)	13-1
Margett, Bob (R)	13-1
McClintock, Tom (R)	13-1
Wyland, Mark (R)	12-0
Calderon, Ron (D)	10-4
Correa, Lou (D)	9-4
Ducheny, Denise Moreno (D)	7-7
Machado, Mike (D)	6-8
Negrete McLeod, Gloria (D)	6-8
Yee, Leland (D)	6-8
Cedillo, Gilbert (D)	4-10
Padilla, Alex (D)	4-10
Ridley-Thomas, Mark	3-9
Romero, Gloria (D)	3-11
Torlakson, Tom (D)	3-11
Migden, Carole (D)	2-11
Alquist, Elaine (D)	2-12
Corbett, Ellen (D)	2-12
Florez, Dean (D)	2-12
Kuehl, Sheila James (D)	2-12
Lowenthal, Alan (D)	2-12
Oropeza, Jenny (D)	2-12
Perata, Don (D)	2-12
Simitian, Joe (D)	2-12
Wiggins, Patricia (D)	2-12
Kehoe, Christine (D)	1-12
Scott, Jack (D)	1-12
Steinberg, Darrell (D)	1-12
Vincent, Edward (D)	0-5*

Assembly

Adams, Anthony (R)	15-0
Aghazarian, Greg (R)	15-0
Benoit, John J. (R)	15-0
Blakeslee, Sam (R)	15-0
Cook, Paul (R)	15-0
DeVore, Chuck (R)	15-0
Duvall, Mike (R)	15-0
Emmerson, Bill (R)	15-0
Fuller, Jean (R)	15-0
Gaines, Ted (R)	15-0
Garcia, Bonnie (R)	15-0
Garrick, Martin (R)	15-0
Horton, Shirley (R)	15-0
Jeffries, Kevin (R)	15-0
Keene, Rick (R)	15-0
La Malfa, Doug (R)	15-0
Maze, Bill (R)	15-0
Nakanishi, Alan (R)	15-0
Niello, Roger (R)	15-0
Silva, Jim (R)	15-0
Smyth, Cameron (R)	15-0
Spitzer, Todd (R)	15-0
Strickland, Audra (R)	15-0
Villines, Michael (R)	15-0
Walters, Mimi (R)	15-0
Berryhill, Tom (R)	14-0
Plescia, George (R)	14-0
Anderson, Joel (R)	14-1
Huff, Bob (R)	14-1
Houston, Guy (R)	13-0
Tran, Van (R)	13-0
Galgiani, Cathleen (D)	11-4
Parra, Nicole (D)	10-5
Calderon, Charles (D)	5-8
Wolk, Lois (D)	5-10
Runner, Sharon (R)	4-0*
Caballero, Anna Marie (D)	4-10
Arambula, Juan (D)	4-11
Carter, Wilmer Amina (D)	4-11
Fuentes, Felipe (D)	4-11
Portantino, Anthony (D)	4-11
Núñez, Fabian (D)	3-11

Bass, Karen (D)	3-12
Dymally, Mervyn (D)	3-12
Hernandez, Ed (D)	3-12
Nava, Pedro (D)	3-12
Solorio, Jose (D)	3-12
Beall, Jim (D)	2-13
Berg, Patty (D)	2-13
Brownley, Julia (D)	2-13
Coto, Joe (D)	2-13
Davis, Mike (D)	2-13
De La Torre, Hector (D)	2-13
De León, Kevin (D)	2-13
DeSaulnier, Mark (D)	2-13
Eng, Mike (D)	2-13
Evans, Noreen (D)	2-13
Feuer, Mike (D)	2-13
Furutani, Warren (D)	2-13
Hancock, Loni (D)	2-13
Hayashi, Mary (D)	2-13
Huffman, Jared (D)	2-13
Jones, Dave (D)	2-13
Karnette, Betty (D)	2-13
Krekorian, Paul (D)	2-13
Laird, John (D)	2-13
Leno, Mark (D)	2-13
Levine, Lloyd (D)	2-13
Lieber, Sally (D)	2-13
Lieu, Ted (D)	2-13
Ma, Fiona (D)	2-13
Mendoza, Tony (D)	2-13
Mullin, Gene (D)	2-13
Price, Curren D. (D)	2-13
Ruskin, Ira (D)	2-13
Salas, Mary (D)	2-13
Saldaña, Lori (D)	2-13
Swanson, Sandré (D)	2-13
Torrico, Alberto (D)	2-13
Soto, Nell (D)	0-0*

*Absent due to illness on one or more votes.

Rules Take Effect November 1

New Federal Rules Require Program to Respond to ‘Red Flags’ for Identity Theft



The Federal Trade Commission (FTC), the Federal Reserve and three other federal regulatory agencies are set to phase in new rules mandating how financial institutions and other businesses

manage cases involving suspicious credit transactions.

A general outreach campaign is underway to inform businesses and financial institutions of their responsibilities under the new rules, which go into full effect on November 1.

The director of the FTC Bureau of Consumer Protection, Lydia Parnes, said in a news release that the FTC is encouraging “all organizations that have ongoing accounts or relationships with consumers to keep an eye out for red flags that signal identity theft.”

Consumer fraud losses related to identity theft totaled \$1.2 billion in one year, according to the FTC. The average loss for an individual was \$349.

Written Policy Needed

The rules require businesses considered creditors or financial institutions to develop a written policy for responding to “red flag” cases.

According to the rules, a creditor or financial institution could include “any entity that regularly extends, renews or continues credit; any entity that regularly arranges for the extension, renewal, or continuation of credit; or any assignee of an original creditor who is involved in the decision to extend, renew, or continue credit.”

Examples of businesses covered under the new rules are thrift creditors that issue credit cards, auto dealers and computer

hardware websites that offer financing.

Model ‘Red Flags’

The FTC has compiled a list of model “red flags” in an appendix to the *Federal Register* and is encouraging businesses to incorporate into their policies these model red flags. The FTC is continuing to develop model “red flags” for businesses to use. “Red flag” warning signs proposed so far include the following:

- A consumer report indicating a pattern of activity that is inconsistent with the history and usual pattern of activity, such as a sudden increase of activity or use in a foreign country.
- A photograph, physical description or other identifying information that is not consistent with the appearance of an applicant or customer.
- Personal information provided that is inconsistent when compared against external sources, such as an address presented with an application that does not match any address in the consumer report.
- Personal information provided that is of a type commonly associated with fraudulent activity, such as an address that is fictitious, a mail drop or a prison, or if a telephone number provided is associated with a pager or answering service.
- Following a notice of change of address, the financial institution receives a request for a new, additional or replacement card or for the addition of authorized users on the account.
- The majority of available credit is used for cash advances or merchandise that is easily convertible to cash (for example, electronics or jewelry).
- Mail sent to the customer is returned repeatedly as undeliverable although transactions continue.

● The financial institution or creditor is notified that the customer is not receiving paper account statements.

● The financial institution is notified by a customer or law enforcement agency that it has opened a fraudulent account for a person engaged in identity theft.

Appropriate Responses

Some red flag warnings will be more indicative of fraud than others, according to the FTC. A red flag policy developed by a business to respond could include any or all of the following recommendations by the FTC:

- monitoring an account for evidence of identity theft;
- contacting the customer;
- changing any passwords, security codes or security devices that permit access to the account;
- reopening an account with a new account number;
- closing an account;
- not attempting to collect on an account or selling an account to a debt collector;
- notifying law enforcement; or
- determining that no response is needed.

Toll-Free Help

The FTC has established a toll-free help line for businesses and consumers interested in learning more about the red flag rules: (877) FTC-HELP.

Compliance Training

The California Chamber of Commerce will be offering “red flags” compliance training. Information will be available soon at www.calbizcentral.com.

Staff Contact: Valerie Nera

Visit www.calchamber.com for the latest business legislative news plus products and services to help you do business in California.

Yes on Proposition 11 Radio Ads Begin Airing Statewide

Newspaper Support

Here is a sampling of what California newspapers and columnists have been saying:

● “In a Field Poll released last month, a record low 15 percent of California voters approved of the job performance of the state Legislature. It’s no wonder Californians have such low regard for their representatives in Sacramento. Lawmakers are free to act with little regard for voters because they are virtually immune from losing in a general election...We trust that voters know better and urge them to support Prop. 11. It is in the best interest of the public, not unresponsive politicians.”

—*Contra Costa Times* (October 4)

● “We’re supporters of redistricting in California, which would make political races more open and competitive. Proposition 11, the redistricting measure on the November ballot, has wide support, as might be expected for a reform when nearly everyone seems fed up with politicians.”

—*Orange County Register* (October 5)

● “Unless voters put an end to the status quo and push for change after the

2010 census, Californians will be stuck with a setup that enables politicians to pick their voters, when democracy is supposed to be a system that allows voters to pick their politicians.”

—Debra Saunders in the *San Francisco Chronicle* (October 5)

● “If voters pass Proposition 11, politicians, even if well-intended, will no longer be able to draw districts that in their eyes look like Jessica Rabbit but in reality are just another salamander.”

—Daniel Curtin, director of the California Conference of Carpenters in *The Sacramento Bee* (October 5)

Radio Ad

The Yes on Proposition 11 campaign hit the airwaves on October 6 with “Legislature,” a radio ad that highlights the dysfunction that dominates California’s Legislature and the need for reform that gives voters the ability to hold the politicians accountable for producing results.

“Legislature” includes discussion among a man, a woman and a politician regarding the Legislature’s performance this year. The woman concludes the conversation by saying, “That’s why we

need Prop. 11. It’ll help end the gridlock by forcing politicians to pay attention to voters—and if they don’t, it makes it easier to vote them out of office.”

Jeannine English, California state president of the American Association of Retired Persons (AARP), said the ad is about accountability.

“It is no secret that our current system is broken. Exhibit A is the 85-day budget stalemate that cost the people of California dearly,” English said. “This ad is designed to let voters know that Prop. 11 will give them the power to hold politicians accountable.”

Proposition 11 Commission

Proposition 11 will create a 14-member independent citizens commission to redraw state legislative district lines based on strict non-partisan rules. Unlike the current process, Proposition 11 will ensure that the redistricting process is open and transparent and will respect existing city and county boundaries and communities. It will exclude individuals with obvious conflicts of interest, including elected

See Yes: Page 15



Dick Morris

California Chamber of Commerce
Public Affairs Council | November Retreat

The New Political Era
November 12–14, 2008

The Lodge at Torrey Pines
La Jolla, California

Dinner with Dick Morris
America’s Most Prominent Political Consultant

Registration fees increase after October 17.

Registration and more information at www.calchamber.com

CalChamber Gathering Highlights Pacific Coast Agreement

The California Chamber of Commerce and the California Business Roundtable met this week with representatives from British Columbia to discuss the recently signed Pacific Coast Collaborative Agreement.

The agreement, signed between British Columbia, Washington, California, Oregon and Alaska, will provide a framework for cooperative action, a forum for leadership and sharing information on best practices and a common voice on issues affecting the Pacific Coast.

Areas identified in the signed agreement include clean energy; regional transportation; innovation, research and development; enhancing a sustainable regional economy, especially with respect to environmental goods and services; and emergency management.

More information is available at www.gov.bc.ca.

Staff Contact: Susanne Stirling



(From left) Bryant Fairley, executive director of intergovernmental relations for British Columbia; Moura Quayle, commissioner, Pacific Coast Collaborative Commission; Bill Hauck, president, California Business Roundtable; Yolanda Benson, Government Strategies; Soren Harbel, vice president, British Columbia Innovation Council; Paul Irwin, executive director, Pacific Coast Collaborative Commission; Susanne Stirling, CalChamber vice president, international relations. Not pictured: Allan Zaremberg, CalChamber president and chief executive officer.

Yes on Prop. 11

From Page 14

officials and their staff, from serving on the commission. The commission will include five Republicans, five Democrats and four members not associated with either party.

Potential commission members could include university professors, CPAs, physicians, nurses, engineers, community advocates, teachers and more. There also are provisions in the initiative requiring the commission to represent the state's significant diversity, including ethnic and regional considerations.

More Information

The CalChamber is urging members of the business community to **support Proposition 11**.

Key proponents of Proposition 11 are California Common Cause, the AARP and the League of Women Voters of California—all of which worked for two years to draft the initiative. Governor Arnold Schwarzenegger announced his support for the initiative after it was written.

For more information and a link to the radio ad, visit www.yesprop11.org.

Asia-Pacific Prospects Focus of Council Talk



Patricia Haslach (left), U.S. ambassador to the Asia-Pacific Economic Cooperation (APEC), gives an update on international trade issues and prospects in the region at the September 5 gathering of the California Chamber of Commerce Council for International Trade, chaired by Susan Corrales-Diaz (right).



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