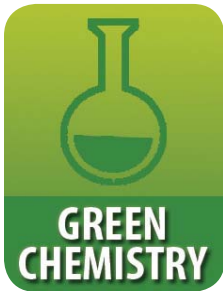


ALERT

VOLUME 36, NUMBER 30 • OCTOBER 22, 2010

 **CalChamber**
CALIFORNIA CHAMBER OF COMMERCE

Green Chemistry Rules Create More Uncertainty for Business



State regulators are moving to formally adopt new rules that have the potential to affect nearly all firms that manufacture or sell consumer products in California.

On September 14, the Department of Toxic Substances Control (DTSC) released its proposed “Safer Consumer Product Alternatives” regulation, which seeks to implement California’s new green chemistry program.

The program was authorized by the enactment of 2008 legislation, AB 1879 (Feuer; D-Los Angeles) and SB 509 (Simitian; D-Palo Alto).

These bills provide DTSC with authority to identify chemicals of concern, study them, prioritize chemicals of concern, and regulate certain products that contain these chemicals.

According to the statute, DTSC can require labels, reformulation of products, producer take back programs, outright bans of products, and much more.

Complex Approach

The 92-page document released by DTSC establishes a highly complex

approach to identifying and prioritizing chemicals of concern in consumer products and regulating their future use based on exposure to consumers and the environment.

Products DTSC declares to be a priority would require extensive research and analysis by the manufacturer to determine whether safer alternatives exist that limit exposure or reduce the level of hazard posed by chemicals in the product. Failure to find safer alternatives could lead to a ban of the consumer product.

Ambiguous Scope

The department will be looking to a vast list of toxic traits when determining whether a substance is to be regulated as a “chemical of concern.”

Every chemical known—including ones needed to survive—exhibits at least one of these hazard traits at some level of exposure. Thus, the department could conceivably regulate virtually any chemical and any product.

Meanwhile, the regulations are written in a way that gives the department near-limitless discretion over the process that will be used to regulate consumer products. This amounts to a regulation in which it is nearly impossible to ascertain whether a given product or material will

See Green: Page 4

Analysis

State Budget Includes Reforms, Holds Line with No New Taxes



Governor Arnold Schwarzenegger’s final budget reflected his leadership on pension and budget reforms, while holding the line on no new taxes.

Even so, the budget approved on October 8 was balanced with accounting gimmicks and loans. Nobody can deny that the next Governor will be faced with an extraordinary challenge to balance his or her first budget.

The Legislative Analyst has said that “well over two-thirds of the Legislature’s 2010–11 budget solutions are temporary or one-time in nature.”

But while a gimmicky, get-out-of-town budget may have been the best the Legislature could achieve, credit must go to Governor Schwarzenegger for holding out for much more. The budget contains no new taxes—neither general nor targeting certain businesses or industries. It also contains a bare minimum of fee increases.

The only major revenue increases were a continuation of the temporary suspension of the net operating loss

See State: Page 6

Which candidate is best for California?
Get the facts and decide for yourself.

Available exclusively at

CalChamber2010.com

 **CalChamber 2010**
Jobs • Economy • Working Families

Inside

Vote Record: Pages 7–12

Labor Law Corner

OK to Communicate with Employees on Election Impacts, But Rules Apply



Erika Frank
General Counsel

Are employers allowed to communicate with their employees about the impact of their vote on specific issues in an upcoming election?

Yes. Employers can communicate their position on issues, but should keep some restrictions in mind:

- You cannot give anyone a gift, money, loan or other valuable consideration in return for the person's vote for or against

a person or measure (Elections Code 18521).

- You cannot reward anyone with a gift or money for voting or for not voting (Elections Code 18522).

- It is a misdemeanor to include in an employee's pay envelope any written materials about candidates or political arguments that would influence the political opinions or actions of employees (Elections Code 18542).

- Employers cannot control or direct the political activities or affiliation of employees (Labor Code 1101).

- Employers cannot coerce or influence or attempt to influence by threats of discharge or loss of employment a particular political activity or political action (Labor Code 1102).

Political Communications OK

Employers can communicate with employees about issues, regulations, legisla-

tion or ballot measures that will have an impact on the workplace, jobs, the economy, and the employees themselves. It is important to keep the restrictions above in mind when preparing information for your employees.

Consult with your legal counsel if you have any doubts about the information you want to send your employees.

CalChamber Brochure

The California Chamber of Commerce has prepared a brochure providing guidelines on political communications to employees. The brochure is available at www.calchamber.com/guidelines.

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.

California Chamber Officers

Larree M. Renda
Chair

S. Shariq Yosufzai
First Vice Chair

Timothy S. Dubois
Second Vice Chair

Frederick E. Hitchcock
Third Vice Chair

Frederick R. Ruiz
Immediate Past Chair

Allan Zaremborg
President and Chief Executive Officer

Alert (ISSN 0882-0929) is published weekly during legislative session with exceptions by California Chamber of Commerce, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Subscription price is \$50 paid through membership dues. Periodicals Postage Paid at Sacramento, CA.

POSTMASTER: Send address changes to Alert, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Publisher: Allan Zaremborg. Executive Editor: Ann Amioka. Art Director: Marcy Wacker. Capitol Correspondent: Christine Haddon. Photographer: Megan Wood.

Permission granted to reprint articles if credit is given to the California Chamber of Commerce Alert, and reprint is mailed to Alert at address above.

*E-mail: alert@calchamber.com.
Home page: www.calchamber.com.*

Statement of Ownership, Management and Circulation

Alert, Statement of Ownership, Management and Circulation. Publication Number 0981-900. Filing Date: September 24, 2010. *Alert* is published weekly during legislative session with exceptions by California Chamber of Commerce. Number of issues published annually: 34. Annual subscription price: \$50.

Complete mailing address of known office of publication and headquarters or general business officer of publisher: 1215 K Street, 14th Floor, Sacramento, CA 95814. Contact person: Ann Amioka. Telephone: (916) 444-6670.

Full names and complete mailing addresses of publisher, editor and managing editor: Allan Zaremborg, Publisher. Ann Amioka, Vice President, Communications. Blake Ellington, Associate Editor. 1215 K Street, 14th Floor, Sacramento, CA 95814.

Owner: California Chamber of Commerce (non-profit), 1215 K Street, 14th Floor, Sacramento, CA 95814.

Known bondholders, mortgagees and other security holders owning or holding 1 percent or more of total amount of bonds, mortgages or other securities: None.

Average number copies each issue during preceding 12 months. Total number of copies: 13,957. Paid circulation: Mailed outside-county paid subscriptions stated on PS Form 3541: 11,796. Mailed in-county paid subscriptions stated on PS Form 3541: 4. Total paid distribu-

tion: 11,800. Free or nominal rate distribution outside-county copies included on PS Form 3541: 1,239. Free or nominal rate in-county copies included on PS Form 3541: 158. Total free or nominal rate distribution: 1,397. Total distribution: 13,197. Copies not distributed: 760. Total: 13,957. Percent paid: 89.41.

Number copies of single issue published nearest to filing date (September 10, 2010): Total number of copies: 13,400. Paid circulation: Mailed outside-county paid subscriptions stated on PS Form 3541: 11,335. Total paid distribution: 11,335. Free or nominal rate distribution outside-county copies included on PS Form 3541: 1,389. Total free or nominal rate distribution: 1,389. Total distribution: 12,724. Copies not distributed: 676. Total: 13,400. Percent paid: 89.08.

I certify that all information furnished on this form is true and complete. I understand that anyone who furnishes false or misleading information on this form or who omits material or information requested on the form may be subject to criminal sanctions (including fines and imprisonment) and/or civil sanctions (including civil penalties).

Ann A. Amioka

Ann Amioka
Vice President, Communications
September 24, 2010



No on Prop. 25, Yes on Prop. 26: Campaign Continues to Raise Awareness

In the final weeks before the November 2 election, the Stop Hidden Taxes campaign continues to air ads and sponsor events designed to raise awareness of the reasons to oppose Proposition 25 and support Proposition 26.

A statewide radio ad began airing the first week in October, followed by a statewide television ad in the second week of October.

The ads highlight politicians' practice of describing taxes as "fees" so they can be approved by a majority vote of the Legislature or local governing body instead of the required two-thirds vote.

The campaign also has sponsored events around the state at which taxpayer advocates, small business owners and farmers, among others, have declared their opposition to Proposition 25 and support for Proposition 26.

No on Proposition 25

The California Chamber of Commerce Board of Directors voted to oppose Proposition 25 in the belief that it will give the majority party too much power



and eliminate the option of referendum for fees or fee increases that are part of a budget appropriation. The measure would exempt the budget bill and other bills providing for appropriations related to the budget bill from the existing two-thirds vote requirement, and provide that those take effect immediately.

The provision penalizing legislators for a late budget doesn't require that the budget be balanced or signed. Proponents of Proposition 25 knew that a mere majority vote requirement would not be popular enough to pass and included the penalty provision in an attempt to fool voters into thinking that Proposition 25 is about punishing legislators when it actually is about giving them a blank check to pass deficit budgets.

Yes on Prop 26

The CalChamber Board voted to support Proposition 26 because it closes a loophole in the law that allows the Legislature to raise, by a majority vote rather than the required two-thirds vote, taxes on products and services simply by calling them "fees" instead of "taxes." Hidden taxes and fees work against job creation, driving businesses out of California and forcing many small businesses to close.

Coalition

Stop Hidden Taxes is a growing coalition sponsored by the CalChamber and California Taxpayers' Association, and supported by numerous chambers of commerce.

More Information

The CalChamber is urging members of the business community to **oppose Proposition 25** and **support Proposition 26**.

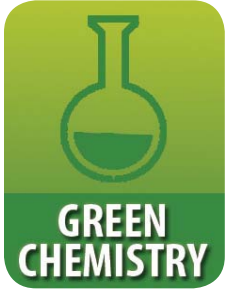
More information and a link to ads is available at www.no25yes26.com.

CalChamber Positions on November Ballot Propositions

Proposition	Subject	Position
Proposition 18	Safe, Clean and Reliable Drinking Water Supply Act of 2010	Moved to 2012 ballot
Proposition 19	Regulate, Control and Tax Cannabis Act of 2010	Oppose
Proposition 20	Redistricting of Congressional Districts—Voters FIRST Act for Congress	Support
Proposition 21	\$18 Vehicle License Surcharge to Help Fund State Parks/Wildlife Programs	No Position
Proposition 22	Local Taxpayer, Public Safety and Transportation Protection Act	Support
Proposition 23	Suspends Implementation of Air Pollution Control Law (AB 32)	No Position
Proposition 24	Repeal Corporate Tax Loopholes Act	Oppose
Proposition 25	On Time Budget Act of 2010	Oppose
Proposition 26	Stop Hidden Taxes Initiative	Support
Proposition 27	Eliminates State Commission on Redistricting	Oppose

Reasons for positions at www.calchamber.com/November2010ballot

Green Chemistry Rules Create More Uncertainty for Business



From Page 1
be subject to the long and expensive approval process.

Lengthy Compliance Process

The first step for DTSC will be to identify and

prioritize the chemicals and products of concern in California commerce. During this phase, DTSC will collect chemical information from a variety of sources, including businesses that manufacture or sell a given chemical or product. This information is likely to include a large amount of technical data, information related to marketing and sales of related products, and chemical data.

With this information, DTSC will begin the process of identifying chemical and product combinations that pose the greatest public health and environmental threats as a result of exposure to the chemical at levels that can result in human or environmental harm.

The regulations would label chemicals that DTSC is simply considering as “chemicals of concern,” however, and thus expose those chemicals and their products to regulatory obligations. This approach blurs the line of prioritization and, together with other provisions and requirements, leads to the potential for a massive regulatory burden on every physical item in California commerce.

Other issues within the regulations add to the enlarged scope of the green chemistry process.

For example, an exemption is available for products containing such trace amounts of a chemical of concern that they do not pose a risk of exposure to consumers or the environment, but DTSC may determine that no such exemption is available on a case-by-case basis.

Also, the rules seek to avoid regulatory duplication for products and chemicals that are already regulated by other laws, but again give DTSC the ability to override this consideration at its choosing.

Finally, the burden of proof is so high for a manufacturer to show that there is no exposure risk for a given chemical in a product, that it is unlikely that products

will avoid the regulatory process on an exposure basis.

Analysis of Alternatives

The heart of the Green Chemistry Initiative is the Alternative Assessment (AA) process, intended to promote the development of safer, alternative products.

Following chemical listing and submission of chemical information, a responsible party could take early action by reformulating or redesigning a product containing a listed chemical or by reducing the concentration of the listed chemical. A full report to DTSC is required, detailing the changes and noting the reduction of adverse public health or environmental impacts achieved by the reformulation, redesign or substitution.

For products for which no alternative can be quickly substituted, businesses must develop an AA Work Plan for developing alternative designs and report to DTSC within 180 days.

The work plan must detail the evaluation methods and process for selecting a product alternative designed to reduce health and environmental hazards.

The actual work of developing safer alternative consumer products is likely to be both costly and tedious. Manufacturers must submit reports for each alternative variant evaluation. These AA reports must include chemical hazard and exposure assessment information and a “Multimedia Life Cycle Evaluation.”

Using criteria developed by DTSC, manufacturers must work with evaluators to develop safer consumer products that meet the health and environmental standards established.

If the work plan is rejected at the onset or if no satisfactory alternative can be found, DTSC can take other action, including imposing extended producer responsibilities on manufacturers or imposing a ban on the product or chemical in question.

Confidential Information

Ensuring that confidential business information and trade secrets are protected throughout the process is vital to the success of the program.

Critical confidential business information would not necessarily be protected in the process. Instead, a

lengthy claim of confidentiality must be asserted for each chemical, based upon a set of criteria, leaving the final determination with DTSC.

Lack of security of proprietary information is one of many features of the draft regulation that could stifle innovation in the market for consumer products in California.

Economic Impact

At a time when California needs to kick-start its economy by creating jobs, the proposed regulations impose layer upon layer of additional costs on companies, impede innovation and technology transfer, and ultimately will drive product development out of the state when California can least afford it.

Investors and innovators will face a regulatory regime in California that has substantial power over, not just the existing marketplace of products, but the developed alternatives, which presumably are safer. The regulatory obstacles and expense associated with bringing “safer alternatives” to market will be a disincentive to investment.

Add to this the potential for exposure of trade secrets and confidential business information, and entrepreneurs are left with a green chemistry program where costs far outweigh benefits.

Business Response

The California Chamber of Commerce and partners in the Green Chemistry Alliance continue to express concerns with the draft regulation and urge DTSC to work toward a process that creates certainty for manufacturers of consumer products without jeopardizing health and environmental quality or creating greater burdens to the state’s economic vitality.

Continuing down the present path would achieve few of the intended results at a high cost, including the potential for forced withdrawal of a substantial number of products across industry in the California market.

DTSC is accepting public comments until November 1, and has scheduled a public hearing on that date. Public comments may be submitted online at the DTSC website, www.dtsc.ca.gov, or at the public hearing.

Staff Contact: Robert Callahan

Newspapers, Administration Cite Reasons to Oppose Marijuana Initiative, Prop. 19



California Chamber of Commerce **opposed** Proposition 19, the marijuana initiative on the November ballot, has been criticized in recent weeks

by newspaper editorial boards and the attorney general of the United States.

Earlier this week, the *San Diego Union-Tribune* said Proposition 19 “may be the worst drafted legislation since 1996.”

News reports said U.S. Attorney General Eric H. Holder Jr. stated that “the Department of Justice strongly opposes Proposition 19. If passed, this legislation will greatly complicate federal drug enforcement efforts to the detriment of our citizens.”

Multitude of Regulations

The *Union-Tribune* noted that Proposition 19 “would allow every one of California’s nearly 480 cities and each of its 58 counties to develop their own regulation and tax schemes for the cultivation, processing, distribution, transportation and sale of marijuana. In San Diego County alone, that could mean 19 separate sets of regulations and taxes—one for the unincorporated areas and one for each of the 18 cities. That provision alone is an invitation to law enforcement chaos.”

The *Los Angeles Times* pointed out that in Los Angeles County alone, Proposition 19 “could mean 88 different sets of regulations.”

The *Union-Tribune* also cited the workplace issues the CalChamber has been highlighting: “In addition, the proposition would create . . . a ‘legal quagmire’ for employers up and down the state. A business would be limited to addressing marijuana use to situations where it could prove that an employee’s job performance was actually impaired, making a mockery of employer efforts to create a safe, drug-free workplace.”

The *Los Angeles Times* commented,

“Far from helping the state’s economic outlook, Proposition 19 could cause substantial harm. For instance, it would put employers in a quandary by creating a protected class of on-the-job smokers, bestowing a legal right to use marijuana at work unless employers could actually prove that it would impair an employee’s job performance. Employers would no longer have the right to screen for marijuana use or discipline a worker for being high. But common sense dictates that a drug-free environment is crucial at too many workplaces to name—schools, hospitals, emergency response and public safety agencies, among others.”

The *San Francisco Chronicle* cited workplace issues as well: “A non-discrimination clause would prevent employers from firing or disciplining workers who used marijuana *unless* an employer could prove that job performance was impaired. Pre-employment testing would be banned. Conflicts with federal law abound. For example, the feds require operators of planes, trains, trucks and buses to be removed from their jobs if they test positive for any narcotic.”

Editorial Opposition

To date, 40 California daily newspapers have editorialized against Proposition 19, including the *Bakersfield Californian*; *Chico Enterprise-Record*; *Contra Costa Times*; (Palm Springs) *Desert Sun*; *Fresno Bee*; *Gilroy Dispatch*; *Inland Valley Daily Bulletin*; *La Opinión*; *Lompoc Record*; *Long Beach Press-Telegram*; *L.A. Daily News*; *Los Angeles Times*; *Marin Independent Journal*; *Merced Sun-Star*; *Monterey County Herald*; *Modesto Bee*; *Napa Valley Register*; *North County Times*; *Oakland Tribune*; *Paradise Post*; *Pasadena Star News*; *Redding Record-Searchlight*; *Riverside Press-Enterprise*; *Sacramento Bee*; *San Bernardino Sun*; *San Diego Union-Tribune*; *San Francisco Chronicle*; *San Gabriel Valley Tribune*; *San Jose Mercury News*; *Santa Clarita Signal*; *Santa Cruz Sentinel*; *Santa Rosa Press Democrat*; *Santa Ynez Valley News*; *Stockton Record*; *Torrance Daily Breeze*; *Ukiah Daily Journal*;

Vallejo Times-Herald; *Ventura County Star*; *Visalia Times-Delta*; and *Whittier Daily News*.

CalChamber Opposition

The CalChamber has pointed out that Proposition 19 would create a legal quagmire for employers by significantly undermining the ability of employers to protect the safety of all employees in the workplace and establishing a new class of protected workers in the state.

If Proposition 19 is approved, employers, including the State of California, would be faced with the burden of proving that an employee who tests positive for marijuana is “actually impaired” from performing the job before taking any adverse action against the employee. This process would delay disciplinary actions used to protect workplace safety and drive up costs due to increased litigation.

In addition, the act threatens state and federal contracts and grants. If passed, this initiative could result in employers losing public contracts and grants because they could no longer effectively enforce the drug-free workplace requirements outlined by the federal government.

More Information

More information on the opposition to Proposition 19 is available at www.noonproposition19.com.

Labor law
answers online:
HRCalifornia.com



State Budget Includes Reforms, Holds Line with No New Taxes

From Page 1

deduction. Small improvements were achieved in the definition of sales for multistate companies that do not elect a single sales factor for calculating their corporate income taxes, and to reduce the burden of the understatement penalty for corporate taxes.

When legislative Democrats refused to cut enough for a balanced budget with a prudent reserve, the Governor vetoed another \$960 million in spending after the budget was sent to him.

Budget Reform

The Legislature passed ACA 4, which places on the March 2012 ballot a budget reform measure very similar to that passed by the Legislature in 2009. That latter proposition fell victim to the voters' anti-tax venom, since its passage would have triggered an additional two years of higher taxes.

This year's budget reform proposal

would lock in a requirement that the state accumulate a 10 percent rainy-day reserve, use that reserve only when revenues fall precipitously, and ensure that one-time revenues not be used for ongoing programs. This reform must be validated by the voters, but will not need to overcome the baggage of a tax increase.

Pension Reform

The Governor not only negotiated increased state employee retirement contributions in the collective bargaining agreements, but also achieved permanent changes in the retirement formulas for state employees.

For all new state employees, the measure reinstates the retirement ages and benefits that existed before the broad benefit increases granted in 1999.

It also ends pension "spiking" by requiring the retirement formula be based on the final three years of compensation,

rather than the highest single year of compensation. The compromise also requires CalPERS to provide additional analysis and oversight of its actuarial assumptions when proposing new retirement benefits.

Automatic COLAs

As part of the budget agreement last year, the Governor convinced the Legislature to repeal the automatic cost-of-living adjustments (COLA) for all state programs except for public schools. This was a historic change, dating back to the administration of Governor Ronald Reagan, who first enacted automatic cost-of-living adjustments for welfare recipients.

Contact: Loren Kaye, California Foundation for Commerce and Education

CalChamber-Sponsored Seminars/Trade Shows

More information at

www.calchamber.com/events.

Business Resources

Sacramento Valley Forum. Great Valley Center. October 27, Chico. (209) 522-5103.

Preventing Workplace Fraud Webinar On Demand. CalChamber. (800) 331-8877.

International Trade

Deal-Making Clean Tech Trade Mission to China. Monterey Bay International Trade Association (MBITA). October 23–30, Shanghai, China. (831) 335-4780.

Americas Business Trade Mission. U.S. Commercial Service of the International Trade Administration, U.S. Department of Commerce. October 25–28, Mexico City and Monterrey, Mexico. (310) 235-7205.

Doing Business in China. Manatt, Phelps & Phillips. October 26, Los Angeles. (310) 466-3824.

International Buyer-Seller Meeting 2010.

Sri Lanka Consulate. October 28–29, Ceylon Chamber of Commerce, Colombo, Sri Lanka. (213) 387-0214.

Protecting Intellectual Property in China. Asia Society Northern California. November 3, Santa Clara. (415) 421-8707.

China International Industry Fair. Shanghai World Expo Group. November 9–13, Shanghai. ciif@shanghaiexpogroup.com.

Sri Lanka Design Festival. Academy of Design. November 11–17, Sri Lanka. ajantha@aod.lk.

Outbound Mission to India. Western U.S. Agricultural Trade Association (WUSATA). November 13–20, Delhi and Bangalore, India. (559) 324-6401.

Webinar: Dried Fruit Opportunities in Mexico. U.S. Department of Agriculture, California Department of Food and Agriculture. November 16. (916) 563-3200.

Asia Society Green Finance Conference. Asia Society Northern California. December 8, San Francisco. (415) 421-8707

CalChamber Calendar

Public Affairs Council Post-Election

Retreat: November 10–12, Riverside

Business Services Committee:

December 2, San Francisco

Board of Directors:

December 2–3, San Francisco

International Trade Breakfast:

December 3, San Francisco

Annual Meeting:

December 3, San Francisco

Fundraising Committee:

December 3, San Francisco

Annual Meeting

In compliance with Article VII of the bylaws, notice is hereby given that the annual meeting of the members of the California Chamber of Commerce, a mutual benefit corporation operating under the laws of the State of California, will be held on Friday, December 3, 2010, at 9 a.m. in Salon III at the Ritz-Carlton, 600 Stockton Street, San Francisco, California, for the approval of amendments to the bylaws and transaction of whatever additional business may be necessary.

**Next Alert:
November 5**

CalChamber Vote Record: Major Bills 2010

This report for the second year of the 2009–2010 legislative session focuses on California legislators' floor votes on California Chamber of Commerce priority bills.

This is the 35th 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 the performance of their legislators.

To help readers assess legislators' vote records, the charts group bills into six areas: economic development, 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 of importance 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.

Many 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 bills 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 17 votes in the Senate and 17 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

Economic Development

● **AB 2098 (Miller; R-Corona) Increased Construction Jobs.** Authorizes Riverside County Transportation Commission to use design-build to construct a portion of State Highway 91, thus putting more jobs on the ground more quickly. Passed Assembly August 27, 73-0. Passed Senate August 30, 37-0. Signed by Governor—Chapter 250 (September 24). Urgency. CalChamber Supported/**Job Creator**.

● **SB 879 (Cox; R-Fair Oaks) County Design-Build.** Makes local public works projects more efficient, less

costly, and puts jobs on the ground more quickly by extending the sunset for design-build authorization for counties. Passed Senate June 1, 24-8. Passed Assembly August 18, 62-6. Senate concurred in Assembly amendments August 25, 30-0. Signed by Governor—Chapter 629. CalChamber Supported.

● **SBX5 4 (Romero; D-East Los Angeles) Race to the Top.** In combination with SBX5 1 (Steinberg; D-Sacramento), places California in the best position to meet federal Race to the Top competitive grant requirements and secure up to \$700 million in federal funding by making comprehensive changes to the state's education system in the areas of teacher and administrator evaluation, school reform, parental empowerment, and content standards. Passed

Senate December 17, 2009, 21-7. Passed Assembly January 5, 41-27. Senate concurred in Assembly amendments January 6, 23-11. Signed by Governor—Chapter 3. CalChamber Supported.

Employment Law

● **AB 482 (Mendoza; D-Norwalk) Expanded Employer Liability.**

Increases exposure to liability for hiring decisions by unduly restricting the ability of employers to base employment decisions on the evaluation of all legally available information, including consumer credit reports. Passed Assembly June 3, as different subject. Passed Senate August 26, 21-14. Assembly concurred in Senate amendments August 31, 45-30. Vetoed. CalChamber Opposed/**Job Killer**.

● **SB 145 (DeSaulnier; D-Concord) Workers' Compensation Apportionment.** Erodes recent workers' compensation reforms and leads to higher premiums for California employers by undercutting fair and reasonable provisions in current law that protect an employer from paying for disability that was not caused by a workplace accident. Passed Senate June 1, 23-15. Passed Assembly August 23 47-27. Senate concurred in Assembly amendments August 26, 22-14. Vetoed. CalChamber Opposed/**Job Killer**.

● **SB 1254 (Leno; D-San Francisco) Workers' Compensation Coverage.**

See CalChamber: Next Page

CalChamber Vote Record: Major Bills 2010

From Previous Page

Authorizes the state to issue stop order to a contractor that does not have workers' compensation coverage. Passed Senate May 3, 34-0. Passed Assembly August 25, 75-1. Senate concurred in Assembly amendments August 26, 36-0. Signed by Governor—Chapter 643. CalChamber Supported.

● **SB 1474 (Steinberg; D-Sacramento) Increased Agricultural Costs.** Designed to increase union representation of agricultural employees even when it is against the will of employees by undermining the process that now guarantees, through secret-ballot elections, a fair vote and the expression of agricultural employees' true sentiments on the selection of a collective bargaining representative. This act will hurt California's businesses by driving up costs, making employers less competitive in a global market. Passed Senate June 2, 22-11. Passed Assembly August 16, 45-27. Senate concurred in Assembly amendments August 19, 23-11. Vetoed. CalChamber Opposed/**Job Killer**.

Environmental Regulation

● **AB 1265 (Caballero; D-Salinas) Water Bond.** Places the water bond on the November 2012 ballot. Allows Joint Power Authorities to include non-governmental entities in their membership but bars for-profit entities membership. Passed Assembly as different subject June 2, 2009. Passed Senate August 9, 2010, 27-7. Assembly concurred in Senate amendments August 9, 54-22. Signed by Governor—Chapter 126 (August 10). Urgency. CalChamber Supported.

● **SB 797 (Pavley; D-Agoura Hills) Bisphenol A.** Inappropriately pre-empts the Green Chemistry process by prohibiting the manufacture, sale or distribution of certain children's products if they contain Bisphenol A in concentrations over 0.1 parts per billion. Passed Senate, June 2, 2009, 21-16. Passed Assembly July 1, 2010, 43-31. Senate refused to concur in Assembly amendments August 31, 19-18. CalChamber Opposed.

● **SB 1433 (Leno; D-San Francisco) Air Pollution Penalties.** Increases air pollution penalties by automatically adjusting them for inflation, which reduces the likelihood that periodic, comprehensive reviews of such laws will be con-

ducted by the Legislature. Passed Senate May 28, 21-7. Passed Assembly August 31, 45-31. Vetoed. CalChamber Opposed.

Health Care

● **AB 1602 (J. Pérez; D-Los Angeles) Unrestrained Government Control.** AB 1602, together with SB 900 (Alquist; D-Santa Clara), prematurely creates overly broad and expansive governance and guidelines without oversight for the state health benefit exchange, which could lead to unnecessary cost increases and limited choice for employers. Passed Assembly June 1, 49-26. Passed Senate August 24, 21-13. Assembly concurred in Senate amendments August 25, 51-27. Signed by Governor—Chapter 655. CalChamber Opposed/**Job Killer**.

● **AB 2578 (Jones; D-Sacramento) Inappropriate Price Control.** Reduces health care choices, access and quality by creating additional bureaucracy to impose price controls on health insurance policies while failing to address the major cost drivers of rising medical costs. Passed Assembly June 2, 43-28. Failed passage in Senate August 31, 16-19. CalChamber Opposed/**Job Killer**.

Legal

● **AB 2284 (Evans; D-Santa Rosa) Expedited Jury Trials.** Establishes a new alternative to full-length jury trials, allowing individuals and organizations in California to resolve disputes efficiently and effectively, improving the state's legal climate and encouraging companies to expand and invest here. Passed Assembly April 22, 74-0. Passed Senate August 20, 31-0. Assembly concurred in Senate amendments August 23, 77-0. Signed by Governor—Chapter 674. CalChamber Supported.

● **AB 2773 (Swanson; D-Alameda) Undermines Judicial Discretion.** Unreasonably increases business litigation costs by limiting judicial discretion to reduce or deny exorbitant attorneys fees in fair employment and housing cases. Passed Assembly June 1, 46-28. Passed Senate August 26, 22-12. Vetoed. CalChamber Opposed/**Job Killer**.

Taxation

● **AB 1405 (De León; D-Los Angeles) Climate Change Tax Increase.** Increases costs and discourages job growth by granting the Air Resources Board broad authority to implement unlimited fees and taxes with little or

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.

no oversight. Passed Assembly June 3, 45-30. Passed Senate August 30, 22-15. Assembly concurred in Senate amendments August 31, 49-29. Vetoed. CalChamber Opposed/**Job Killer**.

● **AB 2666 (Skinner; D-Berkeley) Stigmatizes Employers Using Tax Incentives.** Stigmatizes California employers for taking advantage of investment incentives by requiring the Franchise Tax Board to provide private tax information in a searchable online database for the largest 250 publicly traded corporations that claim these incentives. Passed Assembly June 2, 45-28. Passed Senate August 23, 22-14. Assembly concurred in Assembly amendments August 25, 48-26. Vetoed. CalChamber Opposed.

● **SB 1391 (Yee; D-San Francisco) Creates Employer Tax Credit Uncertainty.** Eliminates the incentive effect of future-enacted tax incentives by requiring employers to repay the state for incentives claimed in years where their businesses experience a net loss of employees, whether or not the reduction of employees was connected to the effectiveness of the incentive. Passed Senate June 3, 22-11. Passed Assembly August 25, 46-28. Senate refused to concur in Assembly amendments, August 31, 20-17. CalChamber Opposed/**Job Killer**.

2010 Senate Vote Record

	Economic Development	AB 2098 Construction Jobs	SB 879 County Design-Build	SBX5 4 Race to the Top	Employment Law	AB 482 Employer Liability	SB 145 W. Comp Apportionment	SB 1254 W. Comp Coverage	SB 1474 Agricultural Costs	Environmental Regulation	AB 1265 Water Bond	SB 797 Bisphenol A	SB 1433 Air Pollution Penalties	Health Care	AB 1602 Government Control	AB 2578 Price Control	Legal	AB 2284 Expedited Jury Trials	AB 2773 Judicial Discretion	Taxation	AB 1405 Climate Change Tax	AB 2666 Tax Incentive Use	SB 1391 Tax Credit Uncertainty	In Accord with CalChamber	Not in Accord with CalChamber	Not Voting or Absent
Aanestad, S. (R)	Y	Y	Y		N	N	Y	N	Y	N	—			N	N		Y	N		N	N	N	16	0	1	
Alquist, E. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	6	11	0	
Ashburn, R. (R)	Y	—	—		N	N	Y	N	Y	N	•			N	N		Y	•		N	N	N	15	0	2	
Blakeslee, S. (R) *	Y	Y	Y		N	N	Y	*	Y	N	*			N	N		*	N		N	N	N	14	0	0	
Calderon, R. (D)	Y	Y	Y		Y	Y	Y	Y	—	N	Y		Y	Y	N		Y	Y		Y	Y	Y	7	9	1	
Cedillo, G. (D)	Y	Y	Y		Y	•	Y	Y	Y	Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	7	10	0	
Cogdill, D. (R)	Y	Y	Y		N	N	Y	N	Y	N	—			N	N		—	N		N	N	N	15	0	2	
Corbett, E. (D)	Y	—	N		Y	Y	Y	Y	N	Y	Y			Y	Y		Y	Y		Y	Y	Y	3	13	1	
Correa, L. (D)	Y	Y	N		N	Y	Y	Y	Y	Y	N			•	N		Y	N		N	N	N	13	4	0	
Denham, J. (R)	Y	Y	Y		•	N	Y	N	Y	N	—			N	N		—	•		N	N	N	15	0	2	
DeSaulnier, M. (D)	Y	Y	N		Y	Y	Y	Y	N	Y	Y			Y	Y		—	Y		Y	Y	Y	3	13	1	
Ducheny, D. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	N	6	11	0	
Dutton, B. (R)	Y	Y	Y		N	N	Y	N	Y	N	N			N	N		Y	N		N	N	N	17	0	0	
Emmerson, B. (R) ♠	Y	Y	Y		N	N	Y	•	Y	N	♠			N	N		Y	N		N	N	N	16	0	0	
Florez, D. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	6	11	0	
Hancock, L. (D)	Y	—	—		Y	Y	Y	Y	N	Y	•			Y	Y		Y	Y		Y	Y	Y	4	11	2	
Harman, T. (R)	Y	—	—		N	N	Y	N	Y	N	—			—	N		—	N		N	—	N	11	0	6	
Hollingsworth, D. (R)	Y	—	Y		N	N	Y	N	Y	N	N			N	N		Y	N		N	N	N	16	0	1	
Huff, B. (R)	Y	Y	Y		N	N	Y	N	Y	N	N			N	N		Y	N		N	N	N	17	0	0	
Kehoe, C. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	6	11	0	
Leno, M. (D)	Y	Y	N		Y	Y	Y	Y	N	Y	Y			Y	Y		Y	Y		Y	Y	Y	4	13	0	
Liu, C. (D)	Y	Y	—		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	5	11	1	
Lowenthal, A. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	5	12	0	
Negrete McLeod, G. (D)	Y	Y	N		Y	Y	Y	Y	Y	N	Y			Y	N		Y	Y		Y	Y	Y	7	10	0	
Oropeza, J. (D)	—	—	Y		—	—	—	—	—	—	—			—	—		—	—		—	—	—	1	0	16	
Padilla, A. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y			Y	•		Y	Y		Y	Y	Y	7	10	0	
Pavley, F. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	5	12	0	
Price, C. (D)	Y	Y	Y		Y	Y	Y	Y	Y	N	Y			Y	•		Y	Y		Y	Y	Y	8	9	0	
Romero, G. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	6	11	0	
Runner, G. (R)	Y	—	Y		N	N	Y	N	N	N	N			N	N		Y	N		N	N	N	15	1	1	
Simitian, J. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	6	11	0	
Steinberg, D. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y			Y	Y		Y	Y		Y	Y	Y	6	11	0	
Strickland, T. (R)	Y	Y	Y		•	N	Y	N	Y	N	N			N	N		Y	•		N	N	N	17	0	0	
Walters, M. (R)	Y	Y	Y		N	N	Y	—	—	N	—			N	N		—	N		N	N	N	13	0	4	
Wiggins, P. (D)	—	—	—		—	—	—	—	—	—	—			—	—		—	—		—	—	—	0	0	17	
Wolk, L. (D)	Y	Y	N		N	Y	Y	Y	N	Y	Y			Y	N		Y	Y		Y	Y	Y	6	11	0	
Wright, R. (D)	Y	Y	N		Y	Y	Y	Y	Y	N	Y			•	N		Y	Y		Y	Y	N	9	8	0	
Wyland, M. (R)	Y	Y	Y		N	N	Y	N	Y	N	N			N	N		Y	N		N	N	N	17	0	0	
Yee, L. (D)	Y	—	N		Y	Y	—	Y	N	Y	Y			Y	Y		Y	Y		Y	Y	Y	2	13	2	

* Sworn into office in Senate on August 23, 2010. ♠ Sworn into office in Senate on June 9, 2010. ♦ Senator Dave Cox (R) passed away on July 13, 2010.

2010 Assembly Vote Record

	Economic Development	AB 2098 Construction Jobs	SB 879 County Design-Build	SBX5 4 Race to the Top	Employment Law	AB 482 Employer Liability	SB 145 W. Comp Apportionment	SB 1254 W. Comp Coverage	SB 1474 Agricultural Costs	Environmental Regulation	AB 1265 Water Bond	SB 797 Bisphenol A	SB 1433 Air Pollution Penalties	Health Care	AB 1602 Government Control	AB 2578 Price Control	Legal	AB 2284 Expedited Jury Trials	AB 2773 Judicial Discretion	Taxation	AB 1405 Climate Change Tax	AB 2666 Tax Incentive Use	SB 1391 Tax Credit Uncertainty	In Accord with CalChamber	Not in Accord with CalChamber	Not Voting or Absent
Adams, A. (R)	Y	Y	Y		N	N	Y	N		Y	N	N		N	N		Y	N		N	N	N	17	0	0	
Ammiano, T. (D)	Y	Y	N		Y	Y	Y	Y		N	Y	Y		Y	Y		Y	Y		Y	Y	Y	4	13	0	
Anderson, J. (R)	Y	N	—		N	N	Y	N		N	N	N		N	N		Y	N		N	N	N	14	2	1	
Arambula, J. (I)	Y	Y	Y		Y	Y	Y	Y		Y	Y	Y		Y	●		Y	Y		Y	Y	Y	7	10	0	
Bass, K. (D)	Y	Y	Y		Y	●	Y	—		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	7	9	1	
Beall, J. (D)	Y	Y	N		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	5	12	0	
Berryhill, B. (R)	Y	Y	Y		N	N	Y	N		N	N	N		N	N		Y	N		N	N	N	16	1	0	
Berryhill, T. (R)	Y	Y	Y		N	N	Y	N		Y	N	N		N	—		Y	—		N	N	N	15	0	2	
Block, M. (D)	Y	Y	—		●	Y	Y	Y		Y	Y	Y		Y	●		Y	Y		Y	Y	Y	7	9	1	
Blumenfield, B. (D)	Y	Y	—		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	5	11	1	
Bradford, S. (D)	Y	N	N		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	4	13	0	
Brownley, J. (D)	Y	—	N		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	4	12	1	
Buchanan, J. (D)	Y	Y	—		Y	Y	Y	Y		N	Y	Y		Y	N		Y	●		Y	●	●	8	8	1	
Caballero, A. (D)	—	Y	N		Y	Y	Y	Y		Y	N	N		Y	Y		Y	N		Y	Y	N	8	8	1	
Calderon, C. (D)	Y	—	Y		Y	Y	Y	—		—	Y	Y		Y	●		Y	Y		Y	Y	Y	5	9	3	
Carter, W. (D)	Y	Y	—		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	5	11	1	
Chesbro, W. (D)	—	Y	N		●	Y	Y	●		N	Y	Y		Y	Y		Y	Y		Y	Y	Y	5	11	1	
Conway, C. (R)	Y	Y	Y		N	N	Y	N		Y	N	N		N	N		Y	N		N	N	N	17	0	0	
Cook, P. (R)	Y	Y	Y		N	N	Y	N		Y	N	N		N	N		Y	N		N	N	N	17	0	0	
Coto, J. (D)	Y	Y	Y		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	6	11	0	
Davis, M. (D)	Y	Y	Y		Y	Y	Y	—		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	6	10	1	
De La Torre, H. (D)	Y	Y	N		Y	Y	Y	Y		Y	●	Y		Y	Y		Y	Y		Y	Y	Y	6	11	0	
De León, K. (D)	Y	Y	N		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	5	12	0	
DeVore, C. (R)	Y	N	Y		N	N	Y	N		N	N	N		N	N		Y	N		N	N	N	15	2	0	
Eng, M. (D)	Y	Y	N		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	5	12	0	
Evans, N. (D)	Y	—	N		Y	Y	Y	Y		N	Y	Y		Y	Y		Y	Y		Y	Y	Y	3	13	1	
Feuer, M. (D)	Y	Y	Y		Y	Y	Y	Y		Y	Y	Y		Y	Y		Y	Y		Y	Y	Y	6	11	0	
Fletcher, N. (R)	Y	Y	—		N	N	Y	N		Y	●	N		N	N		Y	N		N	N	N	16	0	1	
Fong, P. (D)	Y	—	Y		Y	Y	Y	Y		N	Y	Y		Y	Y		Y	Y		Y	Y	Y	4	12	1	
Fuentes, F. (D)	—	Y	N		Y	●	—	Y		Y	N	Y		Y	Y		Y	Y		Y	Y	Y	5	10	2	
Fuller, J. (R)	Y	—	Y		N	N	Y	N		Y	N	N		N	N		Y	N		N	Y	N	15	1	1	
Furutani, W. (D)	Y	—	N		Y	●	Y	Y		Y	Y	Y		Y	Y		—	Y		Y	●	Y	5	10	2	
Gaines, T. (R)	Y	N	Y		N	N	Y	N		N	N	N		N	N		Y	N		N	N	N	15	2	0	
Galgiani, C. (D)	Y	Y	Y		N	Y	Y	●		Y	●	N		Y	●		Y	●		N	●	●	15	2	0	
Garrick, M. (R)	Y	Y	Y		N	N	Y	N		Y	N	N		N	N		Y	N		N	N	N	17	0	0	
Gatto, M. (D) ‡	Y	Y	‡		N	Y	Y	Y		Y	Y	Y		Y	‡		Y	‡		Y	Y	Y	6	8	0	
Gilmore, D. (R)	—	Y	Y		N	N	Y	N		Y	N	N		N	N		Y	N		N	N	N	16	0	1	
Hagman, C. (R)	Y	Y	Y		N	N	Y	N		Y	N	N		N	N		Y	N		N	N	N	17	0	0	
Hall, I. (D)	Y	Y	Y		Y	●	Y	Y		Y	Y	N		Y	●		Y	Y		Y	Y	Y	9	8	0	
Harkey, D. (R)	Y	Y	Y		N	N	N	N		Y	N	N		N	N		Y	N		N	N	N	16	1	0	

2010 Assembly Vote Record

	Economic Development	AB 2098 Construction Jobs	SB 879 County Design-Build	SBX5 4 Race to the Top	Employment Law	AB 482 Employer Liability	SB 145 W. Comp Apportionment	SB 1254 W. Comp Coverage	SB 1474 Agricultural Costs	Environmental Regulation	AB 1265 Water Bond	SB 797 Bisphenol A	SB 1433 Air Pollution Penalties	Health Care	AB 1602 Government Control	AB 2578 Price Control	Legal	AB 2284 Expedited Jury Trials	AB 2773 Judicial Discretion	Taxation	AB 1405 Climate Change Tax	AB 2666 Tax Incentive Use	SB 1391 Tax Credit Uncertainty	In Accord with CalChamber	Not in Accord with CalChamber	Not Voting or Absent
Hayashi, M. (D)	Y	Y	N		Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	13	0
Hernandez, E. (D)	Y	Y	—		Y	Y	Y	Y	Y	Y	●	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	6	10	1
Hill, J. (D)	Y	Y	Y		N	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	6	11	0
Huber, A. (D)	Y	Y	—		Y	Y	Y	N	N	●	N	N	N	N	Y	Y	Y	Y	Y	N	N	●	11	5	1	
Huffman, J. (D)	Y	Y	Y		Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	5	12	0
Jeffries, K. (R)	Y	—	Y		N	N	Y	N	Y	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	16	0	1
Jones, D. (D)	Y	Y	N		Y	Y	Y	Y	—	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	12	1
Knight, S. (R)	Y	Y	Y		N	N	—	N	N	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	15	1	1
Lieu, T. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	—	Y	Y	Y	Y	Y	Y	Y	Y	5	11	1
Logue, D. (R)	Y	—	Y		N	N	Y	N	N	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	15	1	1
Lowenthal, B. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	5	12	0
Ma, F. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	5	12	0
Mendoza, T. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	5	12	0
Miller, J. (R)	Y	Y	Y		N	N	Y	N	Y	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	17	0	0
Monning, B. (D)	Y	Y	N		Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	13	0
Nava, P. (D)	Y	—	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	12	1
Nestande, B. (R)	Y	Y	Y		N	N	Y	N	Y	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	17	0	0
Niello, R. (R)	Y	Y	Y		N	N	Y	N	N	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	16	1	0
Nielsen, J. (R)	Y	Y	Y		N	N	Y	N	Y	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	17	0	0
Norby, C. (R) †	—	Y	†		N	N	Y	N	N	N	N	N	N	N	N	N	Y	N	N	●	N	●	N	14	1	1
Pérez, J. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	6	11	0
Pérez, V. M. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	●	Y	Y	●	Y	●	7	10	0
Portantino, A. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	6	11	0
Ruskin, I. (D)	Y	Y	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	6	11	0
Salas, M. (D)	Y	Y	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	5	12	0
Saldaña, L. (D)	Y	Y	—		Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	12	1
Silva, J. (R)	Y	Y	Y		N	N	Y	N	Y	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	17	0	0
Skinner, N. (D)	Y	N	Y		Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	13	0
Smyth, C. (R)	Y	Y	Y		N	N	Y	N	Y	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	17	0	0
Solorio, J. (D)	Y	Y	Y		Y	Y	Y	Y	Y	N	●	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	8	9	0
Strickland, A. (R)	Y	Y	Y		N	N	Y	N	Y	N	●	N	—	Y	—	Y	—	N	N	N	N	N	N	15	0	2
Swanson, S. (D)	Y	N	N		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	13	0
Torlakson, T. (D)	Y	Y	N		Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	13	0
Torres, N. (D)	Y	Y	N		●	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	6	11	0
Torrico, A. (D)	Y	Y	N		Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	6	11	0
Tran, V. (R)	Y	Y	Y		N	N	Y	N	—	N	N	N	N	N	N	N	Y	N	N	N	N	N	N	16	0	1
Villines, M. (R)	Y	Y	—		N	N	Y	●	Y	N	N	N	N	Y	N	Y	N	Y	N	N	N	N	N	15	1	1
Yamada, M. (D)	Y	—	N		Y	Y	Y	Y	N	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	4	12	1

‡ Sworn into office in Assembly on June 10, 2010. † Sworn into office in Assembly on January 29, 2010.

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 2010. 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

Dutton, Bob (R)	17-0
Huff, Bob (R)	17-0
Strickland, Tony (R)	17-0
Wyland, Mark (R)	17-0
Aanestad, Sam (R)	16-0
Emmerson, Bill (R)♣	16-0
Hollingsworth, Dennis (R)	16-0
Ashburn, Roy (R)	15-0
Cogdill, Dave (R)	15-0
Denham, Jeff (R)	15-0
Runner, George (R)	15-1
Blakeslee, Sam (R)*	14-0
Walters, Mimi (R)	13-0
Correa, Lou (D)	13-4
Harman, Tom (R)	11-0
Wright, Rod (D)	9-8
Price, Curren (D)	8-9
Calderon, Ronald (D)	7-9
Cedillo, Gilbert (D)	7-10
Negrete McLeod, Gloria (D)	7-10
Padilla, Alex (D)	7-10
Alquist, Elaine (D)	6-11
Ducheny, Denise (D)	6-11
Florez, Dean (D)	6-11
Kehoe, Christine (D)	6-11
Romero, Gloria (D)	6-11
Simitian, Joe (D)	6-11
Steinberg, Darrell (D)	6-11
Wolk, Lois (D)	6-11
Liu, Carol (D)	5-11
Lowenthal, Alan (D)	5-12
Pavley, Fran (D)	5-12
Hancock, Loni (D)	4-11
Leno, Mark (D)	4-13
Corbett, Ellen (D)	3-13
DeSaulnier, Mark (D)	3-13
Yee, Leland (D)	2-13
Oropeza, Jenny (D)	1-0
Wiggins, Patricia (D)	0-0

Assembly

Adams, Anthony (R)	17-0
Conway, Connie (R)	17-0
Cook, Paul (R)	17-0
Garrick, Martin (R)	17-0
Hagman, Curt (R)	17-0
Miller, Jeff (R)	17-0
Nestande, Brian (R)	17-0
Nielsen, Jim (R)	17-0
Silva, Jim (R)	17-0
Smyth, Cameron (R)	17-0
Fletcher, Nathan (R)	16-0
Gilmore, Danny (R)	16-0
Jeffries, Kevin (R)	16-0
Tran, Van (R)	16-0
Berryhill, Bill (R)	16-1
Harkey, Diane (R)	16-1
Niello, Roger (R)	16-1
Berryhill, Tom (R)	15-0
Strickland, Audra (R)	15-0
Fuller, Jean (R)	15-1
Knight, Stephen (R)	15-1
Logue, Dan (R)	15-1
Villines, Mike (R)	15-1
DeVore, Chuck (R)	15-2
Gaines, Ted (R)	15-2
Galgiani, Cathleen (D)	15-2
Norby, Chris (R)†	14-1
Anderson, Joel (R)	14-2
Huber, Alyson (D)	11-5
Hall, Isadore (D)	9-8
Buchanan, Joan (D)	8-8
Caballero, Anna Marie (D)	8-8
Solorio, Jose (D)	8-9
Bass, Karen (D)	7-9
Block, Marty (D)	7-9
Arambula, Juan (I)	7-10
Pérez, V. Manuel (D)	7-10
Gatto, Mike (D)‡	6-8
Davis, Mike (D)	6-10
Hernandez, Ed (D)	6-10
Coto, Joe (D)	6-11
De La Torre, Hector (D)	6-11

Feuer, Mike (D)	6-11
Hill, Jerry (D)	6-11
Pérez, John (D)	6-11
Portantino, Anthony (D)	6-11
Ruskin, Ira (D)	6-11
Torres, Norma (D)	6-11
Torrico, Alberto (D)	6-11
Calderon, Charles (D)	5-9
Fuentes, Felipe (D)	5-10
Furutani, Warren (D)	5-10
Blumenfeld, Bob (D)	5-11
Carter, Wilmer Amina (D)	5-11
Chesbro, Wesley (D)	5-11
Lieu, Ted (D)	5-11
Beall, Jim (D)	5-12
De León, Kevin (D)	5-12
Eng, Mike (D)	5-12
Huffman, Jared (D)	5-12
Lowenthal, Bonnie (D)	5-12
Ma, Fiona (D)	5-12
Mendoza, Tony (D)	5-12
Salas, Mary (D)	5-12
Brownley, Julia (D)	4-12
Fong, Paul (D)	4-12
Jones, Dave (D)	4-12
Nava, Pedro (D)	4-12
Saldaña, Lori (D)	4-12
Ammiano, Tom (D)	4-13
Bradford, Steve (D)	4-13
Hayashi, Mary (D)	4-13
Monning, Bill (D)	4-13
Skinner, Nancy (D)	4-13
Swanson, Sandré (D)	4-13
Torlakson, Tom (D)	4-13
Evans, Noreen (D)	3-13

♣Bill Emmerson sworn into office in Senate on June 9, 2010. Total combines Assembly and Senate votes.

*Sam Blakeslee sworn into office in Senate on August 23, 2010. Total combines Assembly and Senate votes.

†Chris Norby sworn into office in Assembly on January 29, 2010.

‡Mike Gatto sworn into office in Assembly on June 10, 2010.

Small Business Act Provides Loans, Cuts Taxes for Small Business Owners



The Small Business Jobs Act signed by President Barack Obama on September 27 is a step toward addressing needs of the small business community, but much

work remains.

The bill includes increases to Small Business Administration (SBA) loan limits, a temporary extension of government guarantees, and a reduction of fees that will encourage lending to credit-worthy small businesses in need of capital to start, expand and grow their businesses.

Other provisions would help modernize outdated code sections. The bill's trade resources aim to help bolster small and mid-sized businesses' ability to export their goods. The bill also takes steps to help small businesses operating in the procurement arena.

Top Benefits for Small Business

Top benefits to small businesses are:

- **Extension of Successful SBA Recovery Loan Provisions**—Immediately Supporting Loans to More than 1,400 Small Businesses. With funds provided in the bill, SBA began funding new recovery loans within a few days of the President's signature, starting with the more than 1,400 businesses—with loans totaling more than \$730 million—that are waiting in the recovery loan queue. In total, the extension of these provisions provides the capacity to support \$14 billion in loans to small businesses. The SBA recovery loan provisions have already supported \$30 billion in lending to more than 70,000 small businesses.

- **More Than Doubling the Maximum Loan Size for the Largest SBA Programs.** The bill also increases the maximum loan size for SBA loan programs, which will allow more small businesses to gain access to credit, allowing them to expand and create new jobs. The bill will permanently raise the maximum size for SBA's two largest loan programs, increasing the maximum 7(a)

and 504 loans from \$2 million to \$5 million, and the maximum 504 manufacturing-related loan from \$4 million to \$5.5 million. In addition, it will temporarily increase the maximum loan size for SBA Express loans from \$350,000 to \$1 million, providing greater access to working capital loans that small businesses use to purchase new inventory and take on their next orders.

- **A New \$30 Billion Small Business Lending Fund.** The bill would establish a new \$30 billion Small Business Lending Fund, which—by providing capital to small banks with incentives to increase small business lending—could dramatically increase the amount of available credit for small business loans.

- **An Initiative to Strengthen Innovative State Small Business Programs**—Supporting More than \$15 Billion in Lending. The bill will support at least \$15 billion in small business lending through a new State Small Business Credit Initiative, strengthening state small business programs that leverage private sector lenders to extend additional credit, many of which have been forced to cut back due to budget cuts.

- **Eight New Small Business Tax Cuts**—Effective Immediately, Providing Immediate Incentives to Invest. Adds another eight small business tax cuts that go into effect immediately, in addition to eight others already signed into law.

- ✓ **Zero Taxes on Capital Gains from Key Small Business Investments.** Under the Recovery Act, 75 percent of capital gains on key small business investments this year were excluded from taxes. The Small Business Jobs Act temporarily puts in place, for the rest of 2010, a provision called for by the President—elimination of all capital gains taxes on these investments if held for five years. More than 1 million small businesses are eligible to receive investments this year that could be eligible for this exclusion.

- ✓ **Extension and Expansion of Small Businesses' Ability to Immediately Expense Capital Investments.** The bill increases, for 2010 and 2011, the amount of investments that businesses would be eligible to immediately write

off to \$500,000, while raising the level of investments at which the write-off phases out to \$2 million. Prior to the bill's passage, the expensing limit would have been \$250,000 this year, and only \$25,000 next year. This provision means that 4.5 million small businesses and individuals will be able to make new business investments today.

- ✓ **Extension of 50 Percent Bonus Depreciation.** The bill extends, as the President proposed in his budget, a Recovery Act provision for 50 percent "bonus depreciation" through 2010, providing 2 million businesses, large and small, with the ability to make new investments today and know they can receive a tax cut for this year by accelerating the rate at which they deduct capital expenditures.

- ✓ **A New Deduction of Health Insurance Costs for Self-Employed.** The bill allows 2 million self-employed workers to receive a deduction for the cost of health insurance for themselves and their family members in calculating taxes this year. This provision is estimated to provide more than \$1.9 billion in tax relief.

- ✓ **Tax Relief and Simplification for Cell Phone Deductions.** The bill changes rules so that the use of cell phones can be deducted without burdensome extra documentation, making it easier for most small businesses to receive deductions that they are entitled to, beginning on their taxes for this year.

- ✓ **An Increase in the Deduction for Entrepreneurs' Start-Up Expenses.** The bill temporarily increases the amount of start-up expenditures entrepreneurs can deduct from their taxes this year from \$5,000 to \$10,000 (with a phase-out threshold of \$60,000 in expenditures), offering an immediate incentive for someone with a new business idea to invest in starting up a new small business.

- ✓ **A Five-Year Carryback of General Business Credits.** The bill would allow certain small businesses to "carry back" their general business credits to offset five years of taxes—providing them with relief on their taxes for this year—while also allowing these

See Small: Page 14

South Korean Ambassador Urges U.S. to Approve Free Trade Agreement

South Korean Ambassador Duk-Soo Han met with electronics manufacturers in San Francisco on October 19, urging the approval of the U.S.-Korea Free Trade Agreement (FTA).

The FTA was signed on June 30, 2007, but has yet to be approved by the U.S. Congress. Since that time, South Korea has successfully concluded an FTA with the European Union (EU) and is in advanced FTA negotiations with Canada. This increased competition from countries around the world threatens the economic benefit the U.S. and California stand to gain from exports to the Asian country.

Exports Impact

In fact, it is estimated by the Trade Partnership Worldwide, LLC, that the failure to approve the U.S.-Korea FTA will result in a U.S. goods export loss of \$35 billion, gross domestic product (GDP) loss of \$40 billion and an employment loss of 345,000. The economic damage would be similar in California, with a goods export loss of \$2.5 billion, GDP loss of \$5.2 billion and an employment loss of nearly 40,000.

Ambassador Han told his audience in San Francisco that the EU has already agreed to pretty much the same deal and, unless the United States gets its act together, U.S. companies will find themselves at a disadvantage vis à vis European firms that will enjoy better access to South Korean markets starting in July, when an EU-South Korean trade pact takes effect.



But Han said the two-way flow of goods and services between the United States and Korea is already close to being in balance and that the agreement would expand those relationships to mutual advantage.

Ambassador Han shared a similar message with the California Chamber of Commerce during his presentation before an international breakfast forum hosted by the CalChamber Council for International Trade on September 3.

Benefits

Korea is a significant market for U.S. small and medium-sized companies, which make up a majority of U.S. businesses exporting to Korea. Passage of the U.S.-Korea FTA will eliminate tariffs and other barriers to trade in goods and services, promote economic growth, enhance trade between the United States and Korea, and help expand market access in Korea for U.S. farmers, manufacturers, service providers and financial services firms.

In 2009, California exported \$5.9 billion to Korea. Korea is a \$1 trillion economy and is the United States' eighth largest goods trading partner. Korea's commercial relationship with the United States is largely complementary.

In 2009, two-way trade between the two countries topped \$69 billion. In

2009, U.S. goods exports to Korea were \$28.6 billion, a slight decrease from the previous year.

Under the FTA, more than half of current U.S. agricultural exports to Korea will become duty-free immediately, including high-value agricultural products such as almonds, pistachios, wine and cherries. For many other key agricultural goods, such as pork and citrus products, the FTA will provide unparalleled access to the South Korean market and its prosperous consumer base.

CalChamber Position

The CalChamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad and elimination of disincentives that impede the international competitiveness of California business. New multilateral, sectoral and regional trade agreements ensure that the United States may continue to gain access to world markets, resulting in an improved economy and additional employment of Americans.

Action Needed

The CalChamber is urging members of the business community to contact California congressional representatives and urge **support** for the **U.S.-Korea FTA**.

For further information, visit www.calchamber.com/korea.
Staff Contact: Susanne Stirling

Small Business Act Provides Loans, Cuts Taxes for Small Business Owners

From Page 13

credits to offset the alternative minimum tax, further reducing taxes.

✓ **Limitations on Penalties for Errors in Tax Reporting that Disproportionately Affect Small Business.** The bill would change, beginning this year, the penalty for failing to report certain tax transactions from a fixed dollar amount—which was criticized for imposing a disproportionately large penalty on small

businesses in certain circumstances—to a percentage of the tax benefits from the transaction.

Small Business Priorities

Critics of the legislation point out that Congress can do more to better address priorities of the small business community.

For example, Congress can address the imminent increase in marginal tax rates

and long-term capital gains and dividends, the regulatory burden recently imposed by the 1099 reporting requirements of the new health care law, and uncertainty in the lending community posed by the financial reform bill.

In addition, concluding pending trade agreements with Colombia, Panama and South Korea would open up foreign markets for U.S. businesses, including small businesses.

CNN Commentator, Best-Selling Author to Speak at Public Affairs Council Retreat



Donna Brazile

Democratic strategist and CNN commentator Donna Brazile will be the guest speaker on the final day of the California Chamber of Commerce Public Affairs Council Retreat, November 10–12 in Riverside.



Ian Halperin

Entertaining attendees at the November 11 dinner at the Auto Club Speedway in Fontana will be best-selling author Ian Halperin.

With California at a crossroads, the post-

election retreat will ask several questions: Can we continue to be the land of opportunity? Are California's challenges insurmountable? Can our Legislature meet these challenges or is California's political system truly broken? What reforms will it take to fix California government? Can the business community make a difference?

The annual fall retreat will provide attendees with the critically important knowledge needed to make tough policy and political decisions in 2011 and beyond.

Donna Brazile

Brazile is an adjunct professor, author, syndicated columnist, television political commentator, vice chair of voter registration and participation at the Democratic National Committee (DNC), and former chair of the DNC's Voting Rights Institute.

A New Orleans native, Brazile began her political career at the age of nine when she worked to elect a city council candidate who had promised to build a playground in her neighborhood; the candidate won, the swing sets were installed, and a lifelong passion for political progress was ignited.

Four decades and innumerable state and local campaigns later, Brazile has worked on every presidential campaign from 1976 through 2000, when she served as campaign manager for former Vice President Al Gore, becoming the first African American woman to manage a presidential campaign.

Author of the best-selling memoir *Cooking with Grease: Stirring the Pots in American Politics*, Brazile is an adjunct professor at Georgetown University, a syndicated newspaper columnist for United Media, a columnist for *Ms. Magazine* and *O, The Oprah Magazine*, and an on-air contributor to CNN and ABC, where she regularly appears on "This Week with Christiane Amanpour."

In August 2009, *O, The Oprah Magazine* chose Brazile as one of its 20 "remarkable visionaries" for the magazine's first-ever O Power List. In addition, she was named among the 100 Most Powerful Women by *Washingtonian* magazine, Top 50 Women in America by *Essence* magazine, and received the Congressional Black Caucus Foundation's highest award for political achievement.

A former member of the board of directors of the Louisiana Recovery Authority, responsible for leading the state's rebuilding process in the aftermath of two catastrophic hurricanes, Brazile has received honorary doctorates from Louisiana State University and Xavier University of Louisiana, the only historically black, Catholic institution of higher education in the United States.

Brazile is founder and managing director of Brazile & Associates LLC, a general consulting, grassroots advocacy and training firm based in Washington, D.C.

Ian Halperin

Halperin is the author of 10 books, including *New York Times* bestsellers *Unmasked: The Final Years of Michael Jackson* (2009) and *Love & Death: The Murder of Kurt Cobain* (2004).

Specializing in undercover investigations, he has contributed to "60 Minutes II," the CBC's "Fifth Estate," *The London Daily Mail*, Court TV, and E

Channel, as well as appeared on hundreds of TV and radio shows, from Howard Stern to "360 with Anderson Cooper."

His blog, *ianundercover.com*, is one of the world's leading websites about pop culture.

Halperin also has directed three films, including the highly acclaimed documentary "The Cobain Case." Hailing from Montreal, Canada, he currently lives in New York City.

Retreat Agenda

The retreat agenda also includes a cocktail reception on November 10 with Riverside Mayor Ronald Loveridge and a special guest (the California Attorney General-elect will be invited).

The November 11 agenda includes an "Insider's Perspective: Polling and Research Presentation on Reforming California," a policy review of "job killers" and job creators, plus fun games, reception and dinner at the Auto Club Speedway, a major sponsor of the event.

Registration

To register for the Public Affairs Council Retreat, visit www.regonline.com/PAC_Retreat_2010.

**California Chamber
of Commerce
Public Affairs Council
Fall Retreat**

November 10–12, 2010
The Mission Inn Hotel and Spa
Riverside, California

REGISTER ONLINE!

www.regonline.com/PAC_Retreat_2010



ALERT

CALIFORNIA CHAMBER OF COMMERCE

P.O. BOX 1736 SACRAMENTO, CA 95812-1736
(916) 444-6670 FACSIMILE (916) 444-6685
www.calchamber.com

Helping California Business Do BusinessSM

Periodicals
Postage
PAID
Sacramento, CA

ADDRESS SERVICE REQUESTED

ALERT
WWW.CALCHAMBER.COM

CALIFORNIA CHAMBER OF COMMERCE

OCTOBER 22, 2010 • PAGE 16



 CalChamber.
calbizcentral.

Learn HR In Class, Not Court

Make sure your management team is up to speed on the latest legislation that affects employment law. Join the California Chamber of Commerce for our live seminars held at select locations for **HR 101: Intro to Labor Law Administration**, **HR 201: Labor Law Update** and, new for 2011, **Family and Medical Leave Act (FMLA)**.

These engaging seminars are:

- taught by CalChamber employment law experts;
- held in a collegial setting with an open question-and-answer;
- approved for credit hours toward human resources recertification through the Human Resource Certification Institute (HRCI).

*CalChamber Preferred and Executive members will receive their 20% discount in addition to this offer.

**Early Bird
Special!
Save 10%***

Use priority code ELB.
Offer expires 11/19/10.

To register now, visit www.calchamberstore.com or call (800) 331-8877