

# ALERT

VOLUME 37, NUMBER 17 • MAY 20, 2011



## May Budget Revision Shows Income Tax Returns Up

*Governor Still Sees Need for Additional Revenues*



Personal income tax returns are exceeding forecasts, but the May Revision to the Governor's budget still predicts a need for the state to seek additional revenue sources given the

uncertain pace of the state's economic recovery.

As *Alert* went to press, the non-partisan Office of the Legislative Analyst

was scheduled to issue its review of the Governor's May Revision.

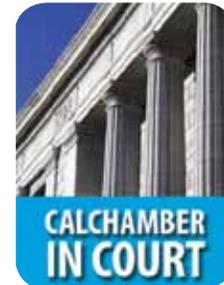
### CalChamber Comment

The California Chamber of Commerce commented that the Governor's May Revision confirms that a comprehensive budget solution is needed for California's economic recovery.

"Certainty is the foundation for economic recovery and a comprehensive budget solution will create the certainty that job creators need," said CalChamber President and CEO Allan Zaremborg in a

*See May: Page 4*

## CalChamber Goes to Court to Protect Businesses Against Meritless Lawsuits



The California Chamber of Commerce has urged the California Supreme Court to review a case that will create yet another venue for meritless lawsuits against California businesses if the

decision is allowed to stand.

In the case of *Martinez v. Kia Motors America, Inc.*, 193 Cal.App.4th 187 (2011), the CalChamber believes the court of appeal simply got it wrong. The court held that a consumer does not need to retain the product at issue in order to seek restitution and recover damages under California's Song-Beverly Consumer Warranty Act, also known as the "Lemon Law."

### Less Consumer Protection

The effect of the decision is to diminish the consumer protection attributes of California's Lemon Law by discouraging anyone from following the law's procedures.

If allowed to stand, this case provides the perfect road map and incentive for the initial purchaser of a good to circumvent the procedures and protections provided by California's consumer protection

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## CalChamber-Opposed 'Card Check' Moves



A California Chamber of Commerce-opposed bill that will eliminate an agricultural employee's democratic

right to cast an independent vote in a secret ballot election regarding whether to unionize passed the Assembly this week, 51-26.

**SB 104 (Steinberg; D-Sacramento)** essentially eliminates a secret ballot election and replaces it with the submission of representation cards signed by more than 50 percent of the employees, leaving employees susceptible to coercion and manipulation by labor organizations.

CalChamber has identified SB 104 as

a "job killer" bill, and it will appear on the soon-to-be released list.

### 'Majority Signup'

SB 104 seeks to strip employees of this fundamentally democratic right, instead allowing unions to bypass secret ballot elections under an alternative "majority sign-up" procedure.

Under SB 104, a union would be installed as a bargaining unit's representative merely by submitting a petition to the Agricultural Labor Relations Board (ALRB) along with representation cards signed by a majority of affected employees and designating that union for that purpose.

Unlike the current process, which guarantees that employees ultimately express their true sentiments about

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### Inside

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## Labor Law Corner

# Law Doesn't Mandate Some Common Human Resources Practices



**Ellen S. Savage**  
HR Adviser

California undoubtedly has more than its share of employee-friendly labor laws for employers to keep up with. Fortunately, there are at least a few rules many of us comply with every day that we can actually cross off on our list—the things we do because we think they are laws when in fact they are not. Let's take a look at a few of the more common "non-laws" our Helpline consultants get asked about.

### Non-Laws

● **Three-Day, No-Call, No-Show:**

We get many calls asking how many days an employee has to no-call/no-show before it can legally be considered job abandonment. There is no law setting any particular number of missed days for job abandonment by an employee. It is up to each employer to determine how many days of no-call/no-show constitutes job abandonment for that company.

● **Verbal then Written Warning Before Termination:** We often are asked how many verbal and then written warnings are required before termination to ensure that an employee cannot sue for wrongful termination. No state or federal law requires any certain number of warnings, and in fact California's "employment at-will" provision means an employee can be terminated with no warning at all.

So why do employers often create progressive discipline policies that include a series of verbal and written warnings? Doing so creates a sense of fairness and gives an employee notice when there's a problem and a chance to improve, which is helpful should the employer later need to overcome an allegation of discrimination and prove there was a lawful reason to terminate.

● **Two Weeks Notice Payout:** If an employee gives two weeks notice and the employer wants to let the employee go right away, is payment of the two weeks wages necessary?

We hear from employers that think this is the law, but in general no payment is necessary. Again, California is an at-will state, so the employer can terminate with no notice and no requirement of wages beyond hours that have actually been worked. Note that if the employer has a handbook policy requiring some period of notice for quitting employees, the employer may be held to pay out that period of notice.

● **Doctor's Note as a Get-Out-Of-Jail-Free Card:**

A doctor's note by itself is not an absolute guarantee that an employer must hold an employee's job. Unless there is a specific law which requires a job be held for medical needs, such as state or federal family leave or the Americans with Disabilities Act, a doctor's note has no legal weight.

Many employers find it surprising to learn that, unless there is some law mandating a leave, even a long-term employee can be terminated if he or she provides a doctor's note showing a need for a medical leave.

Of course an employer may choose to have its own policy, above and beyond what is required by law, that a medical leave will be granted if the employee has a doctor's note.

● **Mailing a Final Paycheck:** If an employee quits and does not come back for his or her final paycheck, is it necessary to send the check by registered mail?

This last one is something of a trick question, because the employer actually has no legal obligation to mail a final paycheck at all unless the employee has quit with less than 72 hours notice and specifically asked to have the check mailed. Otherwise, the employer's only legal obligation is to hold the check at the place checks are normally handed out until the employee comes to pick it up.

In fact, mailing the check could subject the employer to penalties, because if the check is mailed and the employee shows up to pick it up, the employer may have to pay penalties for each day the employee has to wait for the check to arrive in the mail.

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

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*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 Zarembeg. Executive Editor: Ann Amioka. Associate Editor: Sara Espinosa. Art Director: Marcy Wacker. Capitol Correspondent: Christine Haddon. Photographer: Megan Wood.*

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# Trade Remains Economic Bright Spot



Susan Corrales-Diaz

As we celebrate the nationally observed World Trade Week, it is clear that international trade is a continuing bright spot in the economic landscape.

In 2010, California exports totaled \$143 billion, according to the U.S. Department of Commerce. This was an increase from \$120 billion in 2009. California maintained its perennial position as a top exporting state, exporting to 226 foreign economies.

Exports from California accounted for nearly 11 percent of total U.S. exports, with Mexico, Canada, China, Japan and South Korea being the state's top trading partners.

In the first half of 2011, the world economy has had many obstacles to this recovery. With the devastating earthquakes and tsunamis in many significant areas of the world, and the severe weather affecting many parts of the U.S., it is clear how interconnected international trade has become within our society.

## Trade Agreements Help

Because roughly 95 percent of the potential customers for U.S. goods and services live outside our borders, increasing exports will generate critical domestic economic growth.

Agreements like the proposed U.S.-Korea Free Trade Agreement (FTA), U.S.-Colombia FTA and U.S.-Panama FTA ensure that the United States may continue to gain access to world markets, which will result in an improved economy and additional employment of Americans.

All these agreements are critical elements of the U.S. strategy to liberalize trade through multilateral, regional and bilateral initiatives. Passage of these FTAs will mean the elimination of billions of dollars in tariffs for U.S. exports, as well as increased market visibility that will benefit California and the United States as a whole.

## National Export Initiative

In 2010, President Barack Obama signed an Executive Order, the National Export Initiative, instructing the federal government to increase export promotion. This was a follow-up on the President's 2010 State of the Union address where he called for a new National Export Initiative (NEI) to double U.S. exports and support 2 million new jobs.

The NEI brings together the Office of the U.S. Trade Representative, the U.S. Commerce Department, the U.S. Small Business Administration, the Export-Import Bank and other federal agencies to help more Americans succeed through trade.

## Commentary

By Susan Corrales-Diaz

The NEI is focused on three key areas:

- A more robust effort by the administration to expand its trade advocacy in all its forms, especially for small and medium-sized enterprises.
- Improving access to credit with an emphasis on small and medium-sized businesses that want to export.
- Continuing the rigorous enforcement of international trade laws to help remove barriers that prevent U.S. companies from getting free and fair access to foreign markets.

As President Obama stated, "Boosting America's exports strengthens our economic growth and supports millions of good, high-paying American jobs. That's why I set a goal during my State of the Union address to double our exports over the next five years. Since then, my administration has worked to improve advocacy for our exporters, remove trade barriers, and enforce trade rules in an effort to ensure that the benefits of global trade are broadly shared."

## International Commerce

While the U.S. House of Representatives considers the FTAs with South Korea, Colombia and Panama, the California Chamber of Commerce and other supporters of the agreements will

World Trade Week is a national observance, traditionally held the third week of May. It began in California more than 80 years ago.



continue to fight for their approval and upholding the nation's international obligations.

In addressing the International Trade Association in April, U.S. Trade Representative Ron Kirk stated: "We are working to meet President Obama's National Export Initiative goal of doubling exports by the end of 2014. I'm pleased to report our efforts are getting results. Exports were up 17 percent last year. Increased exports have contributed to 13 straight months of overall private sector job growth, which has added a total of 1.8 million overall private sector jobs."

The CalChamber supports expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

*Susan Corrales-Diaz, chair of the California Chamber of Commerce Council for International Trade, is president of Systems Integrated in Orange.*

[www.calchamber.com/international](http://www.calchamber.com/international)

- FAQs
- Trade issue updates
- Statistics on leading markets
- Links to research markets, buyers, suppliers

## May Budget Revision Shows Income Tax Revenues Up

From Page 1

statement released May 16.

“Clearly, any long-term solution to the state’s fiscal challenges will be found in growth and economic development.”

### Governor’s May Revision

The May Revision demonstrates that future revenues will be volatile and uncertain. While personal income taxes are above forecasts, revenues from sales and corporate taxes are weak.

The state Department of Finance projects the state would face at least a \$10 billion budget gap through 2014–15 if long-term solutions are not adopted.

Due to the increased revenues, the May Revision proposes to “reform, instead of eliminate, enterprise zones.”

Subject to voter approval, the May Revision proposes continuing for five years the sales and use tax and vehicle license fee increases, and for four years the personal income tax surcharge adopted in 2009.

### ‘Wall of Debt’

The May Revision also highlighted the need to begin paying down budgetary borrowing, using a slide labeled “Wall of Debt” to show the \$35 billion in budgetary borrowing and billions of dollars in sold and unsold bonds burdening the state.

“California’s economy is growing, but we still face a \$10 billion structural

<b>Long-Term Revenue Forecast</b>							average year over year growth
(General Fund Revenue, Except Where Noted—\$ Billions)							
	2009–10	2010–11	2011–12	2012–13	2013–14	2014–15	
Personal Income Tax	\$44.9	\$51.9	\$54.3	\$58.7	\$59.2	\$65.0	7.8%
Sales and Use Tax	\$26.7	\$26.7	\$23.9	\$26.0	\$28.1	\$29.7	2.4%
Corporation Tax	\$9.1	\$9.4	\$10.2	\$10.5	\$12.0	\$12.8	7.2%
Other	\$3.8	\$3.8	\$2.8	\$3.6	\$4.8	\$5.0	7.9%
<b>Total General Fund Major Revenue</b>	<b>\$84.5</b>	<b>\$91.9</b>	<b>\$91.2</b>	<b>\$98.8</b>	<b>\$104.0</b>	<b>\$112.5</b>	<b>5.9%</b>
Realignment Revenue	\$0.0	\$0.0	\$5.6	\$6.2	\$6.6	\$7.0	7.8%
<b>Total General Fund Major Revenue plus Realignment Revenue</b>	<b>\$84.5</b>	<b>\$91.9</b>	<b>\$96.8</b>	<b>\$105.0</b>	<b>\$110.6</b>	<b>\$119.5</b>	<b>7.3%</b>

Source: 2011–12 Governor’s Budget, May Revision

**Note: The Governor’s budget proposes a major realignment of public safety programs from the state to local governments.**

deficit and a wall of debt for years to come,” said Governor Jerry Brown. “California’s finances were plunged into turmoil by the Great Recession and a decade of short-term fixes and fiscal gimmicks. This is not the time to delay or evade. This is the time to put our finances in order.”

According to the Governor’s news release, the May Revision outlines a

plan to pay off at least \$29 billion of the state debt by 2015. In addition, it proposes improving debt management by expediting projects, moving cash out of accounts and into projects to create jobs and improve state infrastructure.

The May Revision is at [www.ebudget.ca.gov](http://www.ebudget.ca.gov).  
**Staff Contact: Marc Burgat**

## CalChamber-Sponsored Seminars/Trade Shows

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

### Business Resources

Small Business Resource Summit.

U.S. Small Business Administration Sacramento District Office. May 26, Citrus Heights. (916) 735-1700.

9th Annual Workers’ Compensation Conference. California Coalition on Workers’ Compensation. July 20–22, Anaheim. (916) 441-4111.

### International Trade

Thailand: Growth Opportunities.

Thailand Board of Investment. May 24, Los Angeles. (202) 296-3795.

Executive Trade Mission to Qatar and Oman. National U.S. Arab Chamber of Commerce. June 1–8, Doha, Qatar and Muscat, Oman. (202) 289-5920.

Business Opportunities for America and Azerbaijan. U.S.-Azerbaijan Chamber of Commerce. June 3, Baku, Azerbaijan. (203) 333-8702.

Clean-Tech Trade Mission to China. Monterey Bay International Trade Association (MBITA). June 4–11, Jiaxing and Wuxi, China. (831) 335-4780.

Chile: Investment Opportunities in the Food Industry. Chilean Economic

Development Agency (CORFO). June 6–9, Santiago, Chile.

Energex Africa 2011. Exhibition Management Services. June 7–9, Johannesburg, South Africa.

ASEAN and the National Export Initiative. California Asia Business Council and CalChamber. June 7, Palo Alto. (415) 986-8808.

7th World Chambers Congress. International Chamber of Commerce World Chambers Federation. June 8–10, Mexico City. (212) 703-5065.

International Trade Finance. Sacramento  
*See CalChamber-Sponsored: Page 6*

# Coalition Urges Delta Stewardship Council to Draft a Plan, Not More Regulations

The California Chamber of Commerce, along with a coalition of water agencies, local governments and other organizations, is urging the Delta Stewardship Council to formulate a Delta Plan draft based on the requirements set by the Legislature.

Last month, the council released its third draft of the Delta Plan, proposing a series of regulatory acts. The coalition, comprised of 15 statewide organizations, wrote a letter to the council to voice concerns over the draft's continued emphasis on regulating local and state agencies and duplicating existing efforts, rather than coordinating and synthesizing regulations to achieve a long-term plan for the Delta with co-equal goals as identified in the 2009 comprehensive water package enacted by the Legislature.

## Coalition Concerns

The coalition identified four main concerns regarding the latest Delta Plan draft.

- **“The Delta Reform Act requires the council to prepare a plan, not create a new regulatory agency.”** The Delta Reform Act (SB X7 1) contemplates that the Delta Plan will serve as a “comprehensive, long-term management plan for the Delta.” However, instead of creating a program to coordinate the efforts of the different agencies in the Delta, the council simply proposes a long list of regulatory policies, the letter states. Not only does the draft lack a plan, it also lacks cohesion by creating a collection of scattered regulatory acts.

- **“The Delta Reform Act requires the council to coordinate with existing agencies, not regulate them.”** The Legislature recognized that there are many local, state and federal agencies with independent jurisdiction and statutory directives in the Delta, and that there exists a lack of coordination between them. The council was established with the purpose to facilitate integration and coordination, the letter states.

“The Council should help the approximately 200 agencies with authority in the Delta to work better together, not just become the 201st,” the coalition stated.



**Crux of California water system.** Water from the Delta is vital to the state's economic health. Delta water sustains more than 500,000 people who live in the Delta; more than 300,000 acres of agriculture within the Delta; 750 plant and animal species that make their home there; 23 million Californians; and 7 million irrigated acres of agriculture throughout the state.

- **“The Delta Reform Act requires the council to base the Delta Plan on good science.”** Section 85308 of the Water Code requires the council to base the Delta Plan on the best available science and the independent scientific advice of the Independent Science Board (ISB). Yet, in March, the ISB wrote a letter to the council, admonishing it for “failing to use the best available science as the basis of its policies and recommendations to address problems facing the Delta.”

Furthermore, in late April, the ISB noted that the council's draft “is not consistent with providing the requisite foundation and parameters for an adaptive environmental management program that will be necessary to adequately address the problems facing the Delta.”

## Coalition Recommendations

The coalition urged the council to:

- Draft a plan that more clearly describes its long-term vision for

the Delta, with an emphasis on a comprehensive approach which includes the necessary investments in the Delta for improving statewide water supply reliability and reducing the multitude of stressors on the ecosystem.

- Draft a plan that fills in the gaps by identifying additional or modified programs necessary to reach milestones for achieving co-equal goals.

- Focus on the component of the Delta Plan addressing “Science and Adaptive Management,” not on an “academic description” of adaptive management, but rather on developing procedures to assure all stakeholders that actions will only be included in the Delta Plan or modified over time based on full consideration of the latest scientific information. Moreover, the council should take advantage of the ISB's expertise to develop methods and measures of evaluating whether actions undertaken in the Delta are successfully advancing the co-equal goals.

**Staff Contact: Valerie Nera**

## ‘Card Check’ Legislation Passes Assembly

*From Page 1*

unionization in the tightly controlled setting of a supervised secret ballot election, this new procedure provides no safeguards to ensure the representation cards really indicate the employees’ free, uncoerced and current choice.

Moreover, SB 104 allows the representation cards signed by employees to remain valid for up to a year before the union submits them to the ALRB. With no provision for allowing employees who have changed their minds to revoke their cards, this process will not guarantee that the cards when submitted reliably indicate employees’ then-current preferences.

### Unfair Labor Practices

Finally, SB 104 creates a huge disparity in the remedies provided for unfair labor practices committed by an employer versus unfair labor practices committed by a union.

Under SB 104, if an employer is charged with interfering, coercing or discriminating against an employee through the exercise of his/her rights to unionize, the charge will be elevated to priority level and take precedence over any other case filed in that ALRB office.

Disturbingly, no such comparable treatment or penalty is provided where a union is charged with and found to have

committed an unfair labor practice. This proposed treatment of an unfair labor charge against an employer is significant, as it is not only one-sided, but completely alters the nature of the remedies traditionally awarded by the ALRB.

As set forth in the state Labor Code, the current available remedies are essentially the same regardless of whether the guilty party is the employer or union and are designed to make the employee whole, not to penalize the employer and/or create a windfall for the employee.

SB 104 next will be transmitted to the Governor for his consideration.

**Staff Contact: Jennifer Barrera**

## CalChamber Goes to Court to Protect Businesses Against Meritless Lawsuits

*From Page 1*

law, to the detriment of manufacturers, retailers and subsequent purchasers, who will lose the benefit of the law’s protections, CalChamber explained in its letter to the Supreme Court.

The court of appeal decision doesn’t just stop at the road. Although the Martinez case concerns a vehicle, the unintended consequence of the decision will extend to all products—not just those with wheels—that fall under California’s stringent consumer protection laws, CalChamber told the Supreme Court.

The decision could affect

manufacturers’ ability to offer extended warranties, and increase the price of goods for everyone.

CalChamber believes that this decision affords any creative consumer the ability to claim a product was damaged under an express warranty and sue a manufacturer for restitution without ever being required to produce the product at issue. In essence, this case allows any consumer to, as the saying goes, “have his or her cake and eat it too.”

### Meritless Lawsuits

California’s economy can’t afford

another avenue by which plaintiffs can file meritless lawsuits at the expense of manufacturers and businesses.

Moreover, the appeal court’s misinterpretation of California’s Lemon Law will not only put consumers at risk of purchasing a malfunctioning vehicle without any warning, but also put manufacturers at risk of endless amounts of costly litigation, CalChamber wrote.

CalChamber is asking that the state Supreme Court review or depublish the lower court’s decision.

**Staff Contact: Erika Frank**

## CalChamber-Sponsored Seminars/Trade Shows

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Regional Center for International Trade Development (CITD). June 9, Sacramento. (916) 563-3200.  
Start Your Own Export/Import Business. Sacramento Regional CITD. June 10, Sacramento. (916) 563-3200.  
Business Future of the Americas Conference. AmCham Colombia and the Association of American Chambers of Commerce in Latin America. June 12–14, Colombia.  
Export 101. Northern California District Export Council. June 15, Oakland.  
Doing Business in Korea. Women in International Trade. June 16, Torrance. (800) 514-6407.  
Advanced Management of an Export/

Import Business. Sacramento Regional CITD. June 17, Sacramento. (916) 563-3200.  
Business Delegation to Iraq. U.S. Chamber of Commerce. June 17–24, Baghdad and Basrah, Iraq. (202) 463-5628.  
India Trade Conference. Port of Los Angeles, Network of Indian Professionals, U.S. Commercial Service, Quanta Consulting, Inc. June 23, Los Angeles. (949) 480-9466.  
Global California Conference. Monterey Bay International Trade Association and CalChamber. June 23, Los Angeles. (831) 335-4780.

### Labor Law

How to Conduct Effective Performance Evaluations. CalChamber. June 9,

Webinar; June 20, On Demand. (800) 331-8877.  
How to Conduct Workplace Investigations. CalChamber. July 14, Webinar; July 25, On Demand. (800) 331-8877.  
Exempt—When You’ve Properly Classified. CalChamber. On Demand. (800) 331-8877.  
How to Hire Employees and Reduce Liability. CalChamber. May 25, On Demand. (800) 331-8877.  
**Workplace Safety**  
Heat Illness Prevention—How to Comply with New Rules. CalChamber. May 21, On Demand. (800) 331-8877.

## Resolution Supports U.S.-Korea Agreement to Create Jobs, Increase Trade



A resolution that aims to promote trade and produce jobs in California is expected to be

considered June 13 by the Senate Business, Professions and Economic Development Committee.

**SJR 4 (Harman; R-Huntington Beach)**, supported by the California Chamber of Commerce, asks Congress to approve the U.S.-South Korea Free Trade Agreement (FTA), which would lower tariffs and increase trade between the two countries.

The resolution points out that the FTA has the potential to create 70,000 new jobs in the United States, while failure to enact the agreement would lead to the loss of more than 350,000 jobs due to

bilateral trade agreements that Canada and the European Union have enacted with Korea.

Korea is the fifth largest export market for California goods, bringing \$8 billion in trade per year into the state's economy.

California's exports of nearly \$2 billion in computer and electronic products will become more competitive and affordable with the immediate removal of related tariffs.

In addition, according to the U.S. Food and Agriculture Department, Korean duties on major California agricultural products—such as almonds, pistachios, frozen orange juice, wine and raisins—will be eliminated immediately.

California companies will receive strengthened protections in Korea for intellectual property, including software,

music, film, videos and text.

### 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.

More information is available at [www.calchamber.com/korea](http://www.calchamber.com/korea).

**Staff Contact: Susanne Stirling**

## Vote Due on Job-Threatening Ban on Polystyrene Foam Food Containers



### OPPOSE

Legislation that threatens thousands of California jobs by banning food vendors from using polystyrene foam food service containers is awaiting action by the Senate.

The California Chamber of Commerce **opposes SB 568 (Lowenthal; D-Long Beach)**, which inappropriately bans all food vendors from using polystyrene foam food service containers, ignoring the numerous environmental benefits associated with polystyrene products and threatening thousands of manufacturing jobs within the state.

The CalChamber and a coalition of 14 other business groups are urging senators to oppose SB 568. The coalition points out that legislation addressing takeout food packaging should focus on recycling, help grow manufacturing jobs and reduce the already-high restaurant operating costs. SB 568 fails on all these counts.

### Reasons to Oppose

- **Hundreds of good-paying**

**manufacturing jobs at California-based companies that make polystyrene containers will be in jeopardy if SB 568 is passed.**

As a result, payroll and property taxes will diminish and goods and services provided by suppliers, vendors and others will decline as well. Can California afford a decline in state tax revenue and in today's economy, where would these laid-off employees find equivalent-paying work?

- **Restaurants, caterers, delis and other food providers will see their operating costs rise** as polystyrene containers are two to three times more affordable than replacement products, which in some cases do not perform as well, especially for very hot and cold food and beverages.

This could result in reduced worker hours, potential employee cutbacks at restaurants that are operating on thin margins and higher costs for consumers.

- **Foam recycling is on the rise** with more than 40 California cities now having access to curbside recycling for protective foam packaging, as well as clean food service foam. Businesses that recycle polystyrene into products like

picture frames and crown molding also will suffer.

All polystyrene is about 1 percent of the entire waste stream. The foam food service packaging targeted by SB 568 makes up only a third of that 1 percent. Promoting recycling programs instead could help the environment and help create more jobs.

- **Banning polystyrene does not reduce litter.** The city of San Francisco banned polystyrene containers, but according to a 2008 litter audit conducted for the city, paper cup litter increased after the ban was enacted. Bans result in litter substitution, not elimination.

- **The bill exempts correctional facilities but ignores higher costs for state agencies, schools, universities.** A Bay Area hospital reported that its costs would rise by \$140,000 to purchase alternative food packaging products if a similar, local ordinance was passed.

### Action Needed

The CalChamber is encouraging businesses to ask their senators to **oppose SB 568**.

**Staff Contact: Brenda M. Coleman**



## When it is hot outside you are required to provide training to avoid on-the-job heat illness.



Summer is almost here and it will be getting hot soon. Your company may face a liability that rises with the temperature. Cal/OSHA requires heat illness prevention for all California outdoor workers. This includes providing access to drinking water, shade and training for preventing, recognizing and treating heat illness to everyone working outside. Don't take a chance with the heat. Prevent injuries, fines and lawsuits with our **Heat Illness Prevention Poster** and **Online Training** course.



Get a \$10 Starbucks Gift Card\* when you purchase \$100 in heat illness products by 6/30/11. Use priority code HSP. \*CalChamber Preferred and Executive members get their 20% discount as well.

Order online at [www.calchamberstore.com](http://www.calchamberstore.com) or call (800) 331-8877

ADDRESS SERVICE REQUESTED

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