

ALERT

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Governor Vetoes Four, Signs One 'Job Killer'



Concluding his work on legislation, Governor Edmund G. Brown Jr. vetoed two more California Chamber of Commerce-opposed

"job killer" bills last weekend in addition to two vetoed earlier, and signed one "job killer" into law.

Just five "job killers" ultimately made it to the Governor's desk from the 30 identified for 2011.

"We commend Governor Brown for vetoing nearly all CalChamber-identified job killers," said CalChamber President and CEO Allan Zaremborg. "Governor Brown's commitment to 'do no more harm' to California's economy will send a strong message that eliminating economic uncertainty is the first element of any program to make California more competitive."

 CalChamber. **NEWS NETWORK**
New video at calchamber.com

Vetoed Job Killers

The Governor vetoed two "job killers" in his final weekend to act on legislation:

● **AB 1155 (Alejo; D-Watsonville)** Would have increased costs and lawsuits in the workers' compensation system by eroding the apportionment provision that protects an employer from paying for disability that did not arise from work. Among other things, Governor Brown cited new litigation costs for businesses as a reason for his October 7 veto.

● **AB 325 (B. Lowenthal; D-Long Beach)** Would have added to California businesses' legal costs and responsibilities by requiring an employer to provide employees with up to three

See Governor: Page 4

CalChamber Names Political Veteran as Vice President of Public Affairs



Martin R. Wilson

Martin R. Wilson has joined the California Chamber of Commerce as vice president of public affairs.

In his new role, Wilson will oversee all of CalChamber's public affairs activities,

including the Public Affairs Council, a political advisory committee made up of CalChamber's major members; its candidate recruitment and support program; and its political action committees.

CalChamber's political action committees are: ChamberPAC, which supports pro-jobs candidates and legislators, and CalBusPAC, which qualifies, supports and/or opposes ballot initiatives.

Wilson also will serve as the CalChamber liaison to JobsPAC, an employer-based committee that supports pro-jobs candidates.

"Marty Wilson will play a key role in CalChamber's focused efforts to identify and support pro-jobs candidates from both political parties who will work to

See CalChamber: Page 4

Congress Approves Free Trade Agreements



On October 12, the U.S. Congress approved the free trade agreements with Korea, Colombia and Panama, which will ensure that the United States will continue to gain access to

world markets, resulting in an improved economy and additional employment of Americans.

The California Chamber of Commerce

and a broad-based coalition have been urging congressional consideration of these agreements for nearly five years.

"Passage of the free trade agreements is good news for the California economy and jobs," said Susanne Stirling, CalChamber vice president of international relations.

"One-fourth of the state's economy is tied to international-related commerce. By eliminating tariffs and other barriers to trade in goods and services, the free trade agreements will promote economic growth and offer the opportunity to expand the role of California exports."

See Congress: Page 8

Inside

- NLRB Moves Poster
Deadline: Page 6
- Final Status of Major Bills:
Pages 9-15

Cal/OSHA Corner

Petitions, Variance Requests Among Ways to Affect Cal/OSHA Rules



Mel Davis
Cal/OSHA Adviser

How does the Cal/OSHA Standards Board choose rulemaking items and how can I affect the adoption process?

Determining the rulemaking calendar is strictly an Occupational Safety and Health (Cal/OSHA) Standards Board responsibility. Employers may affect the adoption process, however.

Since the beginning of 2011, 15 groups of regulations, consisting of many

separate sections and subsections within Title 8, have been adopted, affecting many industries and employers.

Affected employers include those in telecommunications, construction, mining and tunneling, refining, and general industry. The regulations addressed subjects as varied as definitions, personal protective devices and cranes.

A round of rulemaking may be initiated by the Cal/OSHA Standards Board staff, Division of Occupational Safety and Health (Cal/OSHA) requests, appeals board decisions, petitions, federal review of California regulations with comments, and the promulgation of federal regulations.

If the source of the new rulemaking is a federal review or promulgation of new federal regulations, California must make

its rules at least as effective as the federal requirements within six months of the federal notification.

Petition Process

The most direct method for the employer to become active in state rulemaking is to use the petition process.

Petitions can be presented to the Standards Board verbally with accompanying written documentation at the public meeting portion of the board's monthly public hearing. This part of the public hearing is for the specific purpose of receiving general comments and requests for regulatory change.

In addition, the petition can be mailed directly to the Standards Board staff.

In either instance, the petition is to

See Petitions: Page 6

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Home page: www.calchamber.com.*

CalChamber-Sponsored Seminars/Trade Shows

More information at www.calchamber.com/events.

Business Resources

San Joaquin River Restoration Tour.
Water Education Foundation.
November 2–3, Fresno.
(916) 444-6240.

International Trade

Incoterms. Women in International Trade.
October 19, Torrance. (800) 514-6407.

26th Trade Expo Indonesia. Trade Expo Indonesia. October 19–23, Kemayoran, Indonesia.

California France Forum on Energy Efficiency Tech. French Consul General. October 25–26, San Francisco.

Gateway California. Northern California World Trade Center. October 26, San Francisco. (916) 321-9124.

District Export Council Conference. District Export Council. November 2–5, Las Vegas. (949) 283-1024.

Export Training Assistance Program (ETAP). Centers for International Trade Development. November 2–January 18. (714) 310-6908.

Strategic Issues Conference 2011. CalChamber, California Building Industry Association, California Business Properties Association and Retail Industry Leaders Association.

November 3–4, Napa. (916) 443-4676. Business Export Workshop. November 8, Pico Rivera. (562) 801-2134.

International Exhibit of Chemical Industry. Trust International Group. November 28–30, Alexandria, Egypt. WITmas. Women in International Trade. December 7, Long Beach. (916) 563-3200.

Labor Law

Determining Independent Contractor Status. CalChamber. On Demand. (800) 331-8877.

HR 101: Intro to HR Administration Seminar. CalChamber. December 7, Emeryville; January 9, 2012, Costa Mesa; January 12, 2012, Long Beach; January 18, 2012, San Jose; April 11, 2012, Sacramento. (800) 331-8877.

HR 201: California Labor Law Update Seminar. CalChamber. December 9, Sacramento; January 10, 2012, Costa Mesa; January 11, 2012, Anaheim; January 13, 2012, Long Beach; January 19, 2012, San Jose; January 20, 2012, Emeryville. (800) 331-8877.

**Next Alert:
October 28**

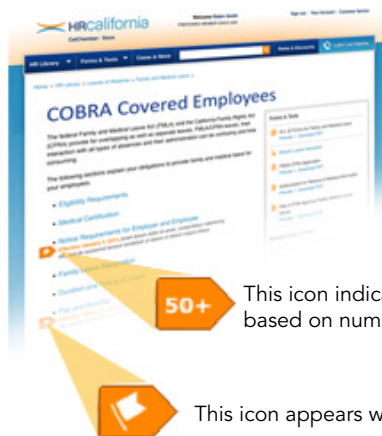


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The New HRCalifornia

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Governor Vetoes Four, Signs One ‘Job Killer’

From Page 1

days of unpaid bereavement leave. In addition, the bill would have elevated the significance of the right to bereavement leave to the same level as the right to be free from racial or gender discrimination and harassment. In vetoing the bill on October 9, Governor Brown agreed with CalChamber, saying he believed the bill was unnecessary because the vast majority of employers voluntarily make such an accommodation for the loss of a loved one. He also echoed CalChamber’s opposition to the far-reaching private right to sue that the bill would have established.

Other Bills

The Governor earlier vetoed these “job killers”:

● **AB 559 (Swanson; D-Alameda)**

Would have unreasonably increased business litigation costs by limiting judicial discretion to reduce or deny exorbitant attorneys fees in fair employment and housing claims that should have been raised in a limited civil proceeding.

In vetoing the bill on September 26, Governor Brown agreed with CalChamber, saying, “In this case, I think the Supreme Court got it right. Judges are in the best position to decide whether to award or deny fees in these instances.”

Job Killer Statistics

- 2011: 30 “job killer” bills identified, 5 sent to Governor, 4 vetoed;
- 2010: 43 “job killer” bills identified, 12 sent to Governor, 10 vetoed;
- 2009: 33 “job killer” bills identified, 6 sent to Governor, 6 vetoed;
- 2008: 39 “job killer” bills identified, 10 sent to Governor, 9 vetoed;
- 2007: 30 “job killer” bills identified, 12 sent to Governor, 12 vetoed;
- 2006: 40 “job killer” bills identified, 11 sent to Governor, 9 vetoed;
- 2005: 45 “job killer” bills identified, 8 sent to Governor, 7 vetoed;
- 2004: 23 “job killer” bills identified, 10 sent to Governor, 10 vetoed.

● **SB 104 (Steinberg; D-Sacramento)**

Would have essentially eliminated a secret ballot election and replaced it with the submission of representation cards signed by more than 50 percent of the employees, and left employees susceptible to coercion and manipulation by labor organizations. In working to defeat the bill, CalChamber argued that the current provisions of the Agricultural Labor Relations Act (ALRA) adequately protect the rights and interests of employees and employers, as well as unions.

In his June 28 veto message, Governor Brown reminded the bill’s supporters that while Governor in 1975 he signed the nation’s first agricultural labor relations act, the ALRA. Under its protections,

tens of thousands of agricultural workers have voted for unionization or otherwise expressed their choices as to how their interests should be advanced, the veto message stated.

The Governor signed a “job killer” on October 9:

● **AB 22 (Mendoza; D-Artesia)**, which will limit private employers’ ability to use consumer credit reports for legitimate employment purposes, such as for screening potential hires who have direct and unsupervised access to any amount of cash and/or valuable non-financial assets. CalChamber argues that this bill will place California companies at a competitive disadvantage to other states.
Staff Contact: Marc Burgat

CalChamber Names Political Veteran as Vice President of Public Affairs

From Page 1

improve California’s economy,” said CalChamber President and CEO Allan Zaremberg.

“2012 is one of the most important election years in decades, particularly for the California Legislature. Their boundary lines have, for the first time, been drawn by a citizens commission rather than themselves and we will have an open primary, due to Proposition 14, where the top two candidates—regardless of party—will run off in the general election,” continued Zaremberg.

“In this new political environment, Marty’s experience and credibility will be extremely valuable to the business community as we work to identify and elect legislators who will be focused on job creation.”

Martin Wilson

Wilson has more than 35 years of experience in California politics. Most recently, he was the managing partner of Wilson-Miller Communications, a firm he founded in 2004. Before opening Wilson-Miller, he was the managing director for Public Strategies Inc. in Sacramento for five years and held a similar position with Burson-Marsteller for six years.

Over the course of his career, he has served as a senior member of four winning gubernatorial campaigns, played a senior role in several ballot measure campaigns, and has advised major California employers on public policy matters.

Wilson’s political experience also

includes senior-level staff positions in the Governor’s office and the U.S. Senate. Most recently, he managed the come-from-behind primary victory for the Carly Fiorina campaign.

Wilson has served as senior fellow for the University of California, Los Angeles School of Public Affairs, board member for the California State Fair and director of the Coro Foundation, a public affairs training organization.

He graduated from San Diego State University in 1977 with a B.A. in history.

Robert Lapsley, Wilson’s predecessor as CalChamber vice president of public affairs, was named president of the California Business Roundtable, starting October 1.

Governor Acts to Protect Savings in Workers' Compensation System

The Governor's actions on eight workers' compensation bills will preserve or allow cost savings for California businesses.

The California Chamber of Commerce believes that workers' compensation costs must continue to decrease to ensure that California remains economically competitive. CalChamber-supported reforms that delivered significant cost savings must be protected.

With recent activity that already has begun to increase costs and other such actions on the horizon, employers and policy makers should work to offset these increases with additional changes to the system.

Support



SUPPORT

in Workers' Compensation. Brings an estimated savings of \$42 million to the workers' compensation system by requiring the workers' compensation administrative director (AD) to work with the Commission on Health and Safety and Workers' Compensation (CHSWC) to develop regulations regarding notices to injured workers; requires AD and CHSWC to develop and make accessible a booklet written in plain language about the workers' comp claims process; streamlines and simplifies other notices to employees.

● **AB 378 (Solorio; D-Anaheim) Lowers Pharmaceutical Costs.** Lowers workers' compensation costs by establishing guidelines for dispensing compound drugs, the circumstances

Governor Edmund G. Brown Jr. signed five CalChamber-supported bills:

● **AB 335 (Solorio; D-Anaheim) Lowers Frictional Costs**

under which those drugs would be covered and the reimbursement amount, and removes the incentives for physicians to refer patients to pharmacies in which the physician or physician's family has a financial interest.

● **AB 397 (Monning; D-Carmel) Ensures Contractors Have Coverage.**

Seeks to address the underground economy problem by singling out contractors that do not have workers' compensation coverage but requiring contractors that are exempt from having coverage at the time they are licensed to certify they are still exempt or have gotten coverage at the time of their license renewal.

● **AB 1168 (Pan; D-Sacramento) Contains Workers' Compensation Costs.** Lowers costs for employers and insurers by establishing a fee schedule for vocational experts' services.

● **AB 1426 (Solorio; D-Anaheim) Streamlines Workers' Comp System.** Streamlines the workers' comp process and eliminates duplicative bureaucracy and inconsistency by eliminating the court administrator position.

Oppose



OPPOSE

CalChamber-opposed bills that also would have upset the balanced system that provides fair benefits to injured workers at a low cost to employers, while minimizing friction in the system.

● **AB 211 (Cedillo; D-Los Angeles) Increased Workers' Comp Costs.**

Increases costs in the workers' comp system by establishing a flat \$6,000 supplemental job displacement voucher to cover retraining and skills enhancement for injured workers without clarifying the timeframe when the injured worker can start receiving the voucher.

In the Governor's veto message, he explained that he was "reluctant to enact piecemeal changes to the workers' compensation system in the absence of more comprehensive reform that addresses both the cost and benefits under the system."

● **AB 584 (Fong; D-Cupertino) Delays Workers' Compensation Cases.** Causes delays in utilization review (UR) and increases costs by unnecessarily requiring UR physicians to be licensed in California.

The Governor said he vetoed this bill because he was "not convinced that establishing a separate standard for workers' compensation utilization review makes sense."

● **AB 947 (Solorio; D-Anaheim) Extension of Temporary Disability (TD) Benefit.** Increases costs to employers by broadening the definition of the types of injuries that qualify for an extended timeframe to receive TD benefits, from 104 weeks to 240 weeks.

"It is vital that injured workers receive adequate compensation to provide for their needs when they are unable to work due to work-related injuries," Governor Brown wrote in his veto message. "Workers' compensation reforms, however, need to be addressed on a broad and balanced scale—ensuring workers receive adequate and timely benefits and treatment, while also ensuring that the costs of the system are sustainable."

Staff Contact: Marc Burtat

NLRB Moves Poster Deadline to January



The National Labor Relations Board (NLRB) has announced that it is postponing to January 31, 2012 the start date for requiring employers to notify employees of their rights

under the National Labor Relations Act (NLRA).

The California Chamber of Commerce had asked the NLRB to delay implementation of the notice requirement

to at least January 2012. The NLRB's original deadline for posting the notice was November 14, 2011.

The NLRB said it decided to postpone the date to allow for enhanced education and outreach to employers, especially small and medium-sized businesses.

The postponement was also driven by the lawsuits of the National Association of Manufacturers and National Federation of Independent Businesses. The court in these joined cases set a date for a hearing on issues relating to the legality of the poster requirement for December 19, with a decision to be rendered before the new effective date of January 31, 2012.

More guidance, including information on which employers must comply, is available as a free white paper at HRCalifornia.com: "Questions and Answers: NLRA Poster."

Employers should assume they will be required to comply with the posting requirement and post the notice on January 31, 2012. CalChamber is preparing a compliance product in time for employers to distribute it to their employees before the new January 31, 2012, deadline.

Staff Contact: Gail Cecchettini Whaley

Petitions, Variance Requests Among Ways to Affect Cal/OSHA Rules

From Page 2

contain a detailed explanation of why the change is necessary and include possible regulatory language.

Both Cal/OSHA and the Standards Board staff review the petition, including current information relating to the subject, present technology, consensus standards, accident data, industry practices, etc.

Cal/OSHA and the Standards Board staff prepare a report with recommendations for approval or denial. This information is then presented to the Standards Board for review and action.

The Standards Board has a six-month window starting when the petition is received to determine the action to be taken.

If the petition for a rule change is granted, rulemaking development can proceed. An ad-hoc advisory committee can be used or staff can develop a rule using the petitioner's documentation with substantiation through staff research without input from an advisory committee.

The length of time between a petition being submitted and the completion and approval of a rulemaking package depends on the complexity of the requirement and how controversial the proposed regulation may be.

Variance Process

A quicker way to make a regulatory change is through the variance process. Basically, variances are specialized or tailored regulations for a specific process and employer.

For example, an employer may not be able to comply with regulations affecting a process or product, or may have found a better and less expensive way to comply that the regulations do not cover.

The employer submits the variance application to the Standards Board with information on how "equivalent" safety will be provided.

The Standards Board staff and Cal/OSHA review the application and research it as necessary to determine the validity of the information and whether the variance will indeed provide equivalent safety. Both the board staff and Cal/OSHA submit reports to the board members.

A variance hearing is scheduled and the applicant is provided the opportunity to personally present the positive aspects of the proposal. Usually, two board members sit at the hearing. They take the staff and Cal/OSHA recommendations, plus information the applicant presents at the hearing and direct the staff to prepare a proposed decision.

Interested parties may be present to either reinforce or refute the information presented.

All information received is considered and can influence the hearing members' decision.

The proposed decision is presented at the next Standards Board public hearing to enable the entire board to discuss and decide the matter. The variance process normally does not exceed six months.

Contact Information

To contact the Standards Board regarding petitions and variances, write to: Occupational Safety and Health Standards Board, 2520 Venture Oaks Way, Suite 350, Sacramento, CA 95833; or visit www.dir.ca.gov/oshsb/petitions.html or www.dir.ca.gov/oshsb/permanent_variance.html.

More Roads to Regulations

Petitions and variances are only two ways that employers may affect regulations. As noted, other ways to establish rulemaking priorities include legislative mandates, Title 8 review, and consensus standard updates.

The Standards Board gives top priority to developing state rules in response to federal OSHA promulgating a regulation.

To keep track of what the Standards Board is considering and to influence the final result, review the board's notices of public hearing, which are published 45 days before the monthly meeting, and provide written and oral comments on the regulations being heard.

The notices are available at www.dir.ca.gov/oshsb.

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.

Governor Signs CalChamber-Backed Bills to Help Improve Education in California



SUPPORT

Two California Chamber of Commerce-supported bills that ensure high school graduates are adequately prepared to compete in and contribute to the global economy have been signed by Governor Edmund G. Brown Jr.

SB 611 (Steinberg; D-Sacramento), in combination with SB 612, increases high school graduation rates, improves the college and workforce readiness of those graduates and trains teachers to better prepare California's students

to compete in a global economy by emphasizing education programs that provide students with real-world experience and rigorous coursework to help them engage and excel.

Specifically, SB 611 expands the mission of the University of California Curriculum Integrated Institute (UCII) to include developing, disseminating and promoting career-oriented, integrated academic and technical education courses.

This type of coursework increases student engagement and performance by combining rigorous coursework with subjects and experiences students can relate to, and can apply to their future careers.

In addition, the coursework developed as part of the program will ensure students are prepared to enter the University of California system upon graduation.

SB 612 (Steinberg; D-Sacramento) works through the California Subject Matter Projects, a proven teacher training program, expanding it to make sure tomorrow's teachers are trained to deliver hands-on, integrated curriculum like that designed through the UCII.

Together, these bills will help elevate the quality of education in California, one of the primary goals of the CalChamber.
Staff Contact: Mira Guertin

Ban on Payroll Cards Vetoed by Governor



OPPOSE

California Chamber of Commerce-opposed legislation that amounted to a ban on payroll cards has been vetoed by the Governor.

SB 931 (Evans; D-Santa

Rosa) would essentially have prohibited financial institutions from charging fees related to the use of payroll cards, thereby imposing a de facto ban on the product and eliminating employers' ability to offer this cost-beneficial option for paying wages to employees.

The Governor's veto message repeated a concern voiced by the CalChamber and a coalition of business groups that opposed SB 931. On October 9, Governor Edmund G. Brown Jr. wrote that the bill "goes too far. It would impose numerous and costly new requirements on pay card providers. A likely result of these mandates is that banks and employers may simply stop offering this service, injuring the very workers this bill aims to protect."

The CalChamber and coalition also had pointed out that SB 931 is unnecessary and harmful because:

- Payroll cards already are a lawful method of wage payment in California.
- It will establish a de facto ban on payroll cards and deny employees the benefits of innovative electronic payments. The hardest hit will be the one in five low-income Californians who do not have a checking account.
- It denies employees access to the financial mainstream. Payroll cards empower employees without banks to pay

bills electronically, make reservations and purchases online, etc.—all things they cannot do when relying on cash. A recent study showed employees using check cashing establishments and purchasing money orders pay more than three times more in fees than current payroll cardholders pay each year.

● Payroll cards already offer robust consumer protections.

Staff Contact: Jennifer Barrera

CalChamber Board Election to Go Electronic

The upcoming election to choose members of the California Chamber of Commerce Board of Directors will be conducted via email and website this year.



Instead of receiving a paper ballot in the mail, key contacts of CalChamber member companies will receive an email

with links to the ballot and brief biographies of the candidates for the CalChamber Board.

The ballot email will launch on October 17, and members will have until November 1 to make their choices.

For information on adjusting spam filters to be sure you receive the ballot email, please send your request to alert@calchamber.com.

Bill Requiring Economic Analysis of Regulations Gets Governor's Signature



SUPPORT

impact analysis for major regulations at the beginning of the regulatory process.

“Governor Brown’s signature on SB 617 sends an important message to job creators that California is taking steps to improve our regulatory climate,” said CalChamber President and CEO Allan Zaremberg. “Regulatory overreach is

The Governor has signed into law a California Chamber of Commerce-supported bill that, among other things, requires a standard economic

often cited as a reason California is perceived as being hostile to business. While there is still work to be done, Governor Brown’s action on SB 617 will move us toward our goal of eliminating uncertainty.”

SB 617 (Calderon; D-Montebello) will create more transparent rulemaking, will improve oversight of agencies and will encourage policymakers to implement the most cost-effective regulatory option.

Currently, any evaluation of a proposed regulation’s fiscal impact comes at the end of the process and there is no uniform standard of analysis, if it is done at all. With SB 617 in place, agencies

will be held to new standards that require a robust economic analysis of proposed major regulations.

Economic growth and prosperity depend on a predictable and rational regulatory climate. For more than two years, CalChamber has urged lawmakers to support a process that evaluates the impact of proposed regulations on the private sector similar to what is done for bills that impact the state budget. CalChamber believes SB 617 is an important first step toward comprehensive regulatory reform in California.

Staff Contact: Marc Burgat

Congress Approves Free Trade Agreements

From Page 1

President Barack Obama sent the legislation to Congress last week, saying the free trade agreements (FTA) “will make it easier for American companies to sell their products in South Korea, Colombia and Panama and provide a major boost to our exports.

“These agreements will support tens of thousands of jobs across the country for workers making products stamped with three proud words: Made in America.

“We’ve worked hard to strengthen these agreements to get the best possible deal for American workers and businesses, and I call on Congress to pass them without delay, along with the bipartisan agreement on Trade Adjustment Assistance that will help workers whose jobs have been affected by global competition.”

Korea Agreement

The U.S. International Trade Commission has estimated that the reduction of tariff and non-tariff barriers to U.S. manufactured and agricultural goods under the U.S.-Korea trade agreement would increase U.S. exports to Korea by \$10 billion–\$11 billion.

The agreement has the potential to create as many as 280,000 jobs,

according to an updated assessment prepared by the commission economic staff at the request of the U.S. Senate Finance Committee’s Subcommittee on Trade.

Korea is California’s fifth largest exporting partner. In 2010, California exported \$8.1 billion to Korea.

Colombia and Panama

Colombia and Panama are dynamic economies with pro-U.S. governments, and U.S. trade with these countries has nearly doubled over the last four years.

More than 19,500 U.S. companies export their products to Colombia and Panama, and more than 80 percent of these are small and medium-sized companies. U.S. farmers and ranchers sell more than a billion dollars worth of agricultural products to these markets. U.S. manufacturers are enjoying double-digit sales growth, which will only grow when the tariffs are removed.

A U.S.-Colombia FTA will increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere. In 2009, California exported approximately \$320 million to Colombia, making it the state’s 35th largest export market.

Panama has the highest gross domestic product (GDP) per capita in Central America. Its economy is based largely on the services sector, which accounts for nearly 80 percent of the GDP.

Services include the Panama Canal, banking, insurance, container ports, and medical and health. Panama has been hailed for the strong growth in its economy and its commitment to fighting corruption, combating narco-trafficking, and promoting democracy.

In 2009, the United States had a trade surplus with Panama, with exports totaling \$4.3 billion and imports slightly above \$300 million. California exports to Panama totaled \$228 million, making it California’s 43rd largest export market.

More Information

More information on the FTAs can be found on the trading partner portals on the CalChamber website:

- Korea, www.calchamber.com/Korea;
- Colombia, www.calchamber.com/Colombia;
- Panama, www.calchamber.com/Panama.

Staff Contact: Susanne Stirling

Final Status Report on Major Business Bills

The following list summarizes the status of priority bills for the California Chamber of Commerce that were sent to the Governor this year, as well as congressional action on the U.S. free trade agreements.

The CalChamber will publish a record of legislators' votes on key bills affecting the California business climate. Generally, the bills selected for the vote record have appeared in one of the status reports.

Bills signed by the Governor will become law on January 1, 2012. Urgency measures went into effect immediately upon being signed.
Federal bills are marked with an *.

Status of bills as of October 14, 2011.

Subject—CalChamber Position	Status
Agriculture and Resources	
Vertebrate Pest Control. AB 634 (Huber; D-El Dorado Hills) Provides farmers and ranchers an additional tool to help prevent vertebrate pests from destroying California's valuable agricultural products by allowing the use of carbon monoxide for vertebrate pest control purposes. Support.	Signed—Chapter 407
Vehicles: Load Inspections. AB 316 (Carter; D-Rialto) Before amendments, curtailed metal and agricultural thefts by expanding law enforcement's ability to inspect certain loads for contraband. Neutral.	Signed—Chapter 317
Banking/Finance	
California Financial Literacy Fund. AB 597 (Eng; D-Monterey Park) Makes a step toward improving the financial literacy of adults in California by authorizing the State Controller to establish the fund and convene an Advisory Committee for fund oversight made up of state agencies, non-profits and financial institution representatives. Support.	Signed—Chapter 612
Education	
More College Graduates. SB 292 (Padilla; D-Pacoima) Before amendments, increased number of degrees earned at community college level, and guaranteed that more students eventually transfer to a baccalaureate program to help meet future demands of state's economy by improving transfer-degree program established by SB 1440 (Padilla) last year. Support.	See "Housing and Land Use" for new description and status of amended bill.
High-Quality Curriculum. SB 611 (Steinberg; D-Sacramento) In combination with SB 612, increases high school graduation rates, improves the college and workforce readiness of those graduates and trains teachers to better prepare California's students to compete in a global economy by emphasizing education programs that provide students with real-world experience and rigorous coursework to help them engage and excel. Support.	Signed—Chapter 631
High-Quality Instruction. SB 612 (Steinberg; D-Sacramento) In combination with SB 611, increases high school graduation rates, improves the college and workforce readiness of those graduates and trains teachers to better prepare California's students to compete in a global economy by emphasizing education programs that provide students with real-world experience and rigorous coursework to help them engage and excel. Support.	Signed—Chapter 632
Elections and Fair Political Practices	
Check and Balance Denial. SB 168 (Corbett; D-San Leandro) Denies the check and balance on the legislative branch by the public by limiting the use of paid signature gatherers critical for successfully sponsoring a referendum. Oppose.	Vetoed

<p>Delays Budget Reform Vote. SB 202 (Hancock; D-Berkeley) Inappropriately delays a statewide vote on an initiative to reform the state budget process by moving it from the 2012 ballot to the 2014 ballot and increases the costs of initiative campaigns by limiting their placement to November elections in even-numbered years. Oppose.</p>	<p>Signed—Chapter 558</p>
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Energy

<p>Electricity Tax. SB 585 (Kehoe; D-San Diego) Collects an additional \$200 million from investor-owned utility ratepayers for the California Solar Initiative to fund a shortfall in the program. Oppose.</p>	<p>Signed—Chapter 312 Urgency</p>
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<p>Electricity Tax. AB 1150 (V. M. Pérez; D-Coachella) Extends collection of Self-Generation Incentive Program (SGIP) funding from investor-owned utility ratepayers an additional three years. Oppose.</p>	<p>Signed—Chapter 310</p>
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<p>Creates Regulatory Uncertainty. SJR 13 (Vargas; D-San Diego) Pre-empts the California Public Utility Commission’s authority and calls upon the Secretary of the Department of Defense to reject Sempra Energy’s construction of a cross-border transmission line. Oppose.</p>	<p>Resolution Chapter 96</p>
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<p>Energy Efficiency Standards. SB 454 (Pavley; D-Agoura Hills) Before amendments, expanded the police powers of the California Energy Commission related to energy efficiency standards. Opposition removed following amendments. Neutral</p>	<p>Signed—Chapter 591</p>
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Environmental Regulation

<p>Consumer Product Ban. AB 1319 (Butler; D-Marina del Rey) Prejudges the work product of the forthcoming, science-driven Green Chemistry Program by banning the use of bisphenol A (BPA) in specified consumer products. Oppose.</p>	<p>Signed—Chapter 467</p>
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<p>Oil Spill Prevention and Administration Fees. AB 1112 (Huffman; D-San Rafael) Before amendments, would have enabled ongoing raids on Oil Spill Prevention and Response Programs by proposing a 60% increase in the assessment that supports the Office of Spill Prevention and Response. Opposition removed due to amendments. No Position.</p>	<p>Signed—Chapter 583</p>
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<p>Hazardous Waste. SB 909 (LaMalfa; R-Richvale) Provides businesses and government that use treated wood products with the most cost-effective guidance and health-and-safety protection for disposing of treated wood waste, saving tens of millions of dollars each year in disposal costs. Support.</p>	<p>Signed—Chapter 601</p>
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<p>Toxic Substances. SJR 3 (Pavley; D-Agoura Hills) Attempts to paint an incomplete and scientifically flawed picture of federal chemical policy by urging federal government to enact legislation to modernize the federal Toxic Substances Control Act of 1976. Oppose.</p>	<p>Resolution Chapter 62</p>
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Government Procurement

<p>Targets Private Sector Contracts. AB 172 (Eng; D-Monterey Park) Before amendments, sought to eliminate outsourcing of government service contracts by posting all state contracts on line with employment numbers and costs, and also imposed severe penalties on employers for failing to provide agencies with the requested information by the deadline. Opposition removed due to amendments. No Position.</p>	<p>Vetoed</p>
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Health

<p>Increased Costs: Health Care Mandate. SB 946 (Steinberg; D-Sacramento) Increases health care premiums by requiring health plan coverage beyond medically necessary treatment for autism by mandating coverage of services that are educational, academic, or custodial in nature. Oppose.</p>	<p>Signed—Chapter 650</p>
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<p>Increased Costs: Mandated Maternity Health Benefit Coverage. SB 222 (Evans; D-Santa Rosa) Increases health insurance premiums and contributes to increasing the ranks of the uninsured by mandating that all health insurance policies provide maternity coverage. Oppose.</p>	<p>Signed—Chapter 509</p>
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<p>Increased Costs. SB 136 (Yee; D-San Francisco) Before gutted and amended, increased health care premiums by mandating that health policies cover smoking cessation services, unless the California Health Benefits Review Program finds there would be a net increase in state costs. Opposition removed due to amendments; now deals with an entirely different issue. No Position.</p>	<p>Signed—Chapter 698</p>
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Housing and Land Use

<p>Stifles Economic Development. SB 469 (Vargas; D-San Diego) Undermines local land use discretion by mandating an additional and costly economic and community impact report prior to approving a permit to construct a large retail establishment. Oppose.</p>	Vetoed
<p>Usurps Local Control. SB 833 (Vargas; D-San Diego) Undermines employer confidence in local land use decisions and sets a precedent for the Legislature to invalidate them based on arbitrary criteria. Oppose.</p>	Vetoed
<p>California Environmental Quality Act (CEQA) Streamlining. SB 226 (Simitian; D-Palo Alto) Before amendments, created unnecessary litigation and increased costs for CEQA projects by attempting to ensure timely comments and streamlining the CEQA process for certain solar and infill development projects. Opposition removed due to amendments. Neutral.</p>	Signed—Chapter 469
<p>Expedited CEQA Judicial Review. SB 292 (Padilla; D-Pacoima) Establishes an administrative and judicial review process for the environmental impact report (EIR) approvals granted for the stadium project in Los Angeles. Previously supported as an entirely different bill (see “Education”). Support.</p>	Signed—Chapter 353
<p>New Home Construction. AB 208 (Fuentes; D-Sylmar) Facilitates the smooth recovery of the housing market by extending the life of active tentative subdivision maps and parcel maps for a period of two years. Support.</p>	Signed—Chapter 88 Urgency
<p>Building Standards Commission. AB 930 (Gordon; D-Menlo Park) Adds a requirement that at least one commissioner on the Building Standards Commission be experienced and knowledgeable in green building design. Support.</p>	Signed—Chapter 399

Immigration

<p>Electronic Employment Verification. AB 1236 (Fong; D-Cupertino) Avoids creation of a patchwork of inconsistent and incompatible state and local laws by prohibiting the State of California, and cities, counties or special districts from requiring employers to use the federal E-Verify system for electronic verification of employees’ eligibility to work in the United States. Support.</p>	Signed—Chapter 691
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International Relations/Trade

<p>Encourages Foreign Investment. SCR 33 (Price; D-Los Angeles) Encourages foreign direct investment in California by promoting more access to EB-5 visas. Support.</p>	Resolution Chapter 60
<p>State Contracting. SB 861 (Corbett; D-San Leandro) Before amendments, would have forbidden the state from contracting for goods from companies that violate federal law dealing with conflict minerals from the Democratic Republic of Congo. Opposition removed due to amendments. Neutral.</p>	Signed—Chapter 715
<p>*U.S.-Colombia Free Trade Agreement. A bilateral free trade agreement that will lower tariffs and foster increased trade between both countries. The agreement also will increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere. Support.</p>	Passed Congress 10/12/11
<p>*U.S.-Korea Free Trade Agreement. A bilateral free trade agreement that will lower tariffs and foster increased trade between both countries and is a critical element of the U.S. strategy to liberalize trade through multilateral, regional and bilateral initiatives. Support.</p>	Passed Congress 10/12/11
<p>*U.S.-Panama Free Trade Agreement. A bilateral free trade agreement that will lower tariffs and foster increased trade between both countries. The agreement also will increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere. Support.</p>	Passed Congress 10/12/11

Labor and Employment

<p>Hampers Employment Decisions. AB 22 (Mendoza; D-Artesia) Unfairly limits private employers’ ability to use consumer credit reports for legitimate employment purposes, such as those positions that have direct and unsupervised access to any amount of cash and/or valuable non-financial assets. Oppose/Job Killer.</p>	Signed—Chapter 724
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<p>Increased Agricultural Costs. SB 104 (Steinberg; D-Sacramento) Attempts to limit employees' ability to independently and privately vote for unionization in the workplace, by essentially eliminating a secret ballot election and replacing it with the submission of representation cards signed by over 50% of the employees, which leaves employees susceptible to coercion and manipulation by labor organizations. Oppose/Job Killer.</p>	<p>Vetoed</p>
<p>Unpaid Bereavement Leave. AB 325 (B. Lowenthal; D-Long Beach) Adds to California businesses' legal costs and responsibilities by requiring an employer to provide employees with up to three days of unpaid bereavement leave and elevating the significance of the right to bereavement leave to the same level as the right to be free from racial or gender discrimination and harassment. Oppose/Job Killer.</p>	<p>Vetoed</p>
<p>Ban on Payroll Cards. SB 931 (Evans; D-Santa Rosa) Essentially prohibits financial institutions from charging fees related to the use of payroll cards, thereby imposing a de facto ban on the product and eliminating employers' ability to offer this cost-beneficial option for paying wages to employees. Oppose.</p>	<p>Vetoed</p>
<p>Interference with Employment Contracts. AB 267 (Swanson; D-Alameda) Limits parties' right to contract by characterizing any non-California choice of forum clauses and/or choice of law clauses in employment contracts as void and unenforceable, unless additional compensation is paid to include such provisions. Oppose.</p>	<p>Vetoed</p>
<p>Duplicative and Burdensome Notice Requirement on Employers. AB 469 (Swanson; D-Alameda) Before amendments, would have imposed a burdensome and duplicative notice requirement on employers that could subject them to potential litigation. Opposition removed due to amendments. No Position.</p>	<p>Signed—Chapter 655</p>
<p>New Liability for Using Independent Contractors. SB 459 (Corbett; D-San Leandro) Creates additional uncertainty for employers who use independent contractors by imposing new penalties for the willful misclassification of someone as an independent contractor even though state agencies provide no clear or consistent definition of an independent contractor. Oppose.</p>	<p>Signed—Chapter 706</p>
<p>Bone Marrow/Organ Donation Leave. SB 272 (DeSaulnier; D-Concord) Clarifies the requirements of paid bone marrow and/or organ donation leave, to provide employers with certainty as to how this leave should be implemented. Sponsor/Co-Sponsor.</p>	<p>Signed—Chapter 147</p>
<p>Punitive Administrative Penalties. AB 240 (Bonilla; D-Concord) Allows the Labor Commissioner of the Division of Labor Standards Enforcement (DLSE), a politically influenced position and agency, the authority to award liquidated damages pursuant to any complaint brought before the DLSE that alleges payment of less than the minimum wage. Oppose.</p>	<p>Signed—Chapter 272</p>
<p>Liability Exposure to Farmers. AB 243 (Alejo; D-Watsonville) Improperly attempts to create joint liability for farmers by requiring farm labor contractors to print on employee pay stubs the name and address of the entity that contracted with the farm labor contractor. Oppose.</p>	<p>Signed—Chapter 671</p>
<p>Written Commission Agreements. AB 1396 (Committee on Labor and Employment) Before amendments, subjected employers to triple damages for failure to set forth commission agreements in writing. Neutral.</p>	<p>Signed—Chapter 556</p>
<h2 style="color: red;">Legal Reform and Protection</h2>	
<p>Undermines Judicial Discretion. AB 559 (Swanson; D-Alameda) Unreasonably increases business litigation costs by limiting judicial discretion to reduce or deny exorbitant attorneys fees in fair employment and housing claims that should have been raised in a limited civil proceeding. Oppose Unless Amended/Job Killer.</p>	<p>Vetoed</p>
<p>Clarifies Civil Procedure. AB 1403 (Committee on Judiciary) In part, amends the Code of Civil Procedure to provide certainty for parties by establishing a deadline, in the absence of one set by the court, for accepting or rejecting a conditional order with an addition or reduction of damages. Support.</p>	<p>Signed—Chapter 409</p>
<p>New Lawsuits Against Small Business. SB 111 (Yee; D-San Francisco) Before amendments, could have resulted in new shakedown lawsuits against business establishments by making it a strict liability violation of the Unruh Civil Rights Act, subject to minimum damages of \$4,000, if a business limits the use of a customer's language, even if unintentionally. Removed opposition due to amendments. No Position/Former Job Killer.</p>	<p>Vetoed</p>
<p>Legal Burden for Rental Car Companies. AB 621 (C. Calderon; D-Montebello) Before amendments, required car rental companies to accept service of process for international renters who purchase supplemental liability coverage, and to notify them of service. Opposition removed due to amendments. No Position.</p>	<p>Signed—Chapter 531</p>

<p>Business-to-Business Contract Rights. SB 684 (Corbett; D-San Leandro) Before amendments, unnecessarily limited the freedom of businesses to negotiate choice-of-law provisions in contracts governing workers' compensation claims. Opposition removed due to amendments. No Position.</p>	Signed—Chapter 566
<p>Promotes Arbitration. AB 456 (Wagner; R-Irvine) Before amendments, required courts to suspend proceedings, after motion of one of the parties, to allow for arbitration according to a self-executing arbitration agreement. Support removed due to amendments. No Position.</p>	Signed—Chapter 673

Local Government

<p>Anti-Privatization of Public Services. AB 438 (Williams; D-Santa Barbara) Excludes private sector from contracting to provide library services by establishing burdensome requirements on local governments that operate library systems, and creates a bad precedent for future efforts to privatize services. Oppose.</p>	Signed—Chapter 611
<p>Threatens Local Transportation Projects. SB 922 (Steinberg; D-Sacramento) Reduces competition for local transportation projects and raises the cost of those projects by requiring local governments to allow project labor agreements or forgo state funds. Oppose.</p>	Signed—Chapter 431
<p>Local Government Bankruptcies. AB 506 (Wieckowski; D-Fremont) Before amendments, added an unnecessary layer of bureaucracy for local government entities that need to file for bankruptcy and could, potentially, have increased costs to the business community and the state. Opposition removed due to amendments. Neutral.</p>	Signed—Chapter 675

Other

<p>Self-Serve Checkout. AB 183 (Ma; D-San Francisco) Unnecessarily prohibits the cost-saving process of self-service checkout of alcoholic beverages and slows checkout at retailers. Oppose.</p>	Signed—Chapter 726
<p>Reduces Costs. AB 6 (Fuentes; D-Sylmar) Reduces costs associated with, and simplifies the reporting system for, both CalFresh and CalWORKs and maximizes critical federal nutrition benefits for needy families. Support.</p>	Signed—Chapter 501
<p>Food Safety. SB 303 (Padilla; D-Pacoima) Clarifies which food facilities are subject to food safety training rules and who can offer the certification courses. Safety training reduces the incidence of food-borne illness, which reduces liability for restaurants. Support.</p>	Signed—Chapter 233 Urgency
<p>Clarification of Definition. SB 32 (Leno; D-San Francisco) Adds clarity to the definition of “rectifier” within the Alcoholic Beverage Control Act by excluding any on-sale licensee that colors, flavors or blends distilled spirits or wine products on the licensed premises. Support.</p>	Signed—Chapter 301 Urgency

Privacy and Confidentiality

<p>Identity Theft. SB 208 (Alquist; D-Santa Clara) Authorizes restitution for expenses for a period of three years to monitor an identity theft victim's credit report and for the costs to repair the victim's credit. Support.</p>	Signed—Chapter 45 Urgency
<p>Credit Cards: Zip Codes. AB 1219 (Perea; D-Fresno) Amended from a broad-based bill to a bill that provides clarification for those instances when an entity that accepts credit cards may not request certain types of personal identification information (PII) to complete the transaction. Specifically, this bill exempts from the prohibition against collecting and retaining PII when the PII is used solely for preventing fraud, theft or identify theft in a sales transaction at a retail motor fuel dispenser or retail motor fuel payment island automated cashier. Neutral.</p>	Signed—Chapter 690 Urgency

Regulatory Reform

<p>Regulatory Reform. SB 617 (R. Calderon; D-Montebello) Reforms the regulatory process by requiring an economic analysis of all major regulations at the beginning of the regulatory process, thus providing more transparency and better data on which to base selection of most cost-effective regulatory alternative. Support.</p>	Signed—Chapter 496
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<p>Process Reform. SB 14 (Wolk; D-Davis) Improves the operation of state agencies through performance-based budgeting. The periodic review provided by this bill will ensure that agencies and their programs remain up to date and relevant, serving the most important needs in California and preserving scarce public resources. Support.</p>	<p>Vetoed</p>
<h2 style="color: red;">Taxation</h2>	
<p>Creates Employer Tax Credit Uncertainty. SB 364 (Yee; D-San Francisco) Eliminates the incentive effect of future-enacted tax credits by imposing a penalty on California employers who claim the credit and subsequently experience a loss in employment greater than 10 percent in a single year, whether or not the reduction of employees is connected to the effectiveness of the incentive. Oppose.</p>	<p>Vetoed</p>
<p>Dependent Health Care Conformity. AB 36 (Perea; D-Fresno) Conforms with federal law regarding the treatment of employee premium payments for adult children health care coverage as non-taxable income. Support.</p>	<p>Signed—Chapter 17 Took Effect Immediately</p>
<p>Mutual Investment Fund Conformity. AB 1423 (Perea; D-Fresno) Provides conformity to federal law regarding the taxable treatment of mutual fund investment companies, so as to provide such California-based companies with certainty. Support.</p>	<p>Signed—Chapter 490 Urgency</p>
<p>Tax Incentives. AB 1069 (Fuentes; D-Los Angeles) Extends the film credit set to expire on July 1, 2014 for an additional five years. Support.</p>	<p>Signed—Chapter 731 Took Effect Immediately</p>
<p>Local Fee Assessment. SB 223 (Leno; D-San Francisco) Before amendments, would likely have increased taxes on business and consumers by providing 58 counties with new taxing authority to impose, pursuant to voter approval, a local vehicle license fee, the revenue of which was to be used for general county purposes. Removed opposition due to amendments. No Position.</p>	<p>Vetoed</p>
<p>Discourages Investment. SB 508 (Wolk; D-Davis) Creates uncertainty for California employers making long-term investment decisions by requiring all future tax credits to sunset after no more than 10 years. “Job killer” provision amended, but CalChamber still opposes. Oppose/Former Job Killer.</p>	<p>Vetoed</p>
<h2 style="color: red;">Tourism</h2>	
<p>Unequal Opportunities. AB 42 (Huffman; D-San Rafael) Creates an uneven playing field in the bidding process in favor of non-profit organizations over private for-profit companies and would result in a loss of revenue for the state. Oppose unless amended.</p>	<p>Signed—Chapter 450</p>
<h2 style="color: red;">Transportation and Infrastructure</h2>	
<p>Unconstitutional Tax on Sale of Motor and Diesel Fuel. SB 791 (Simitian; D-Palo Alto) Before closing-night amendments to change subject to requiring that mammogram reports include specified information, had been gutted and amended in late August to authorize metropolitan planning organizations to impose a special tax—mischaracterized as a “fee”—on the sale of motor and diesel fuel with approval by only a majority vote of the people, rather than the constitutionally required two-thirds. No position on final amendments, but oppose motor and diesel fuel tax.</p>	<p>Vetoed</p>
<p>Costly Employer Mandate. SB 582 (Yee; D-San Francisco) Raises employer costs and opens them to potential liability by authorizing metropolitan planning organizations and air quality management districts to mandate employers to offer commuter benefit programs to employees. Oppose.</p>	<p>Vetoed</p>
<p>Public Works Plan. SB 468 (Kehoe; D-San Diego) Amended to apply only to San Diego Association of Governments (SANDAG), this bill allows SANDAG to adopt a public works plan, which coordinates all public works projects along a stretch of I-5 in the coastal zone in SANDAG jurisdiction with only one environmental impact report required, and allows SANDAG to operate a high-occupancy toll lane. Opposition removed due to amendments. Neutral.</p>	<p>Signed—Chapter 535</p>
<h2 style="color: red;">Water Supply and Quality</h2>	
<p>Recycled Water. AB 134 (Dickinson; D-Sacramento) Before amendments, allowed Sacramento Sanitation District to sell recycled water from an upgraded sanitation system without proper safeguards for downstream water rights holders. Neutral.</p>	<p>Signed—Chapter 212</p>

<p>Property Rights. AB 359 (Huffman; D-San Rafael) Before amendments, abrogated private property rights by requiring landowners to affirmatively request written notification of proposed groundwater recharge area designation changes from multiple local agencies. Amended to remove opposition. Neutral.</p>	<p>Signed—Chapter 572</p>
<h2 style="color: red;">Workers' Compensation</h2>	
<p>Erodes Workers' Comp Reforms. AB 1155 (Alejo; D-Watsonville) Increases costs and lawsuits in the workers' compensation system by eroding the apportionment provision that protects an employer from paying for disability that did not arise from work. Oppose/Job Killer.</p>	<p>Vetoed</p>
<p>Extension of Temporary Disability Benefit. AB 947 (Solorio; D-Anaheim) Increases costs to employers by broadening the definition of the types of injuries that qualify for an extended timeframe to receive temporary disability benefits, from 104 weeks to 240 weeks. Oppose.</p>	<p>Vetoed</p>
<p>Lowers Pharmaceutical Costs. AB 378 (Solorio; D-Anaheim) Lowers workers' compensation costs by establishing guidelines for dispensing compound drugs, the circumstances under which those drugs would be covered and the reimbursement amount, and removes the incentives for physicians to refer patients to pharmacies in which the physician or physician's family has a financial interest. Support.</p>	<p>Signed—Chapter 545</p>
<p>Delays Workers' Compensation Cases. AB 584 (Fong; D-Cupertino) Causes delays in utilization review and increases costs by unnecessarily requiring utilization review physicians to be licensed in California. Oppose.</p>	<p>Vetoed</p>
<p>Increased Workers' Comp Costs. AB 211 (Cedillo; D-Los Angeles) Increases costs in the workers' comp system by establishing a flat \$6,000 supplemental job displacement voucher to cover retraining and skills enhancement for injured workers without clarifying the timeframe when the injured worker can start receiving the voucher. Oppose unless amended.</p>	<p>Vetoed</p>
<p>Lowers Frictional Costs in Workers' Compensation. AB 335 (Solorio; D-Anaheim) Brings an estimated savings of \$42 million to the workers' compensation system by requiring the workers' compensation administrative director (AD) to work with the Commission on Health and Safety and Workers' Compensation (CHSWC) to develop regulations regarding notices to injured workers; requires AD and CHSWC to develop and make accessible a booklet written in plain language about the workers' comp claims process; streamlines and simplifies other notices to employees. Support.</p>	<p>Signed—Chapter 544</p>
<p>Streamlines Workers' Comp System. AB 1426 (Solorio; D-Anaheim) Streamlines the workers' comp process and eliminates duplicative bureaucracy and inconsistency by eliminating the court administrator position. Support.</p>	<p>Signed—Chapter 559 Urgency</p>
<p>Contains Workers' Compensation Costs. AB 1168 (Pan; D-Sacramento) Lowers costs for employers and insurers by establishing a fee schedule for vocational experts' services. Support.</p>	<p>Signed—Chapter 555</p>
<p>Use of Employers' Assessment for Unrelated Program. AB 436 (Solorio; D-Anaheim) Shifts funds from a program paid for by employers to assist injured workers that were employed by non-complying employers to a program entirely unrelated to workers' compensation. Oppose.</p>	<p>Signed—Chapter 378</p>
<p>Ensures Contractors Have Coverage. AB 397 (Monning; D-Carmel) Seeks to address the underground economy problem by singling out contractors that do not have workers' compensation coverage but requiring contractors that are exempt from having coverage at the time they are licensed to certify they are still exempt or have gotten coverage at the time of their license renewal. Support.</p>	<p>Signed—Chapter 546</p>
<p>Raises Workers' Compensation Costs. SB 457 (R. Calderon; D-Montebello) Before amendments, raised workers' compensation costs to employers by circumventing the Official Medical Fee Schedule and increased delays in claims by allowing more liens. Opposition removed due to amendments. Neutral.</p>	<p>Signed—Chapter 564</p>
<p>Workers' Compensation Reporting Requirements. SB 826 (Leno; D-San Francisco) Before amendments, increased monetary and frictional costs by penalizing self-insured companies for even small mistakes in filings with the administrative director of the Division of Workers' Compensation. As amended, enforces existing law that requires self-insured companies report to the division certain workers' compensation-related information and places fines on them for failure to report. Neutral.</p>	<p>Signed—Chapter 568</p>
<p>State Compensation Insurance Fund Coverage. AB 228 (Fuentes; D-Sylmar) Before amendments, allowed the State Compensation Insurance Fund (SCIF) to purchase "reinsurance" to cover the facility of a California-based business located outside of the state. After amendments, forbids SCIF from advertising the ability to insure qualified employers under the law of any other state. No Position.</p>	<p>Signed—Chapter 670</p>

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