

ALERT

VOLUME 39, NUMBER 31 • OCTOBER 25, 2013



New Foundation Promotes Democracy, Access to Justice

Retired state Supreme Court Associate Justice Carlos Moreno and nine other civic and community leaders have established a nonprofit educational foundation to promote the principles of democracy through civic awareness.

The private Foundation for Democracy and Justice is organized to educate the public about the roles, responsibilities and goals of the judicial, legislative and executive branches of government, with an emphasis on the need for an independent and effective judiciary.

Allan Zaremborg, president and CEO of the California Chamber of Commerce,

was elected secretary of the foundation. "We believe establishing this foundation is vital to educate the public about our unique form of

government that encourages entrepreneurship, innovation and the protection of risk taking," Zaremborg said.

"A judiciary independent of the other two branches ensures access to justice and the rule of law, vital principles that protect our free market economy."

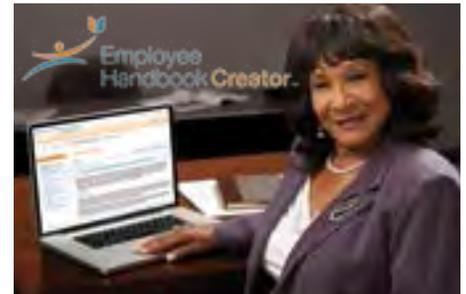
Co-Founders/Directors

In addition to Moreno and Zaremborg, co-founders and directors include:

See New Foundation: Page 4



New Employee Handbook Creator Available from CalChamber



No matter how large or small an organization might be, businesses can derive significant benefit from having a well-crafted employee handbook that spells out their policies.

In December, the California Chamber of Commerce will make available an employee handbook online tool that complies with state and federal laws and helps protect California employers from lawsuits.

Employers can use CalChamber's new *Employee Handbook Creator*, an online tool, to clearly communicate company policies and set expectations in an employee handbook.

A demo video is available at www.calchamber.com/ehcvideo.

An employee handbook is one of the best ways to avoid misunderstandings and ensure fair, consistent treatment of employees.

See New Employee Handbook: Page 8

Poster Updates in 2014



Pre-Order at calchamber.com/2014poster

Inside

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Labor Law Corner

Avoid 'Knee-Jerk' Reaction When Screening Ex-Offender Job Applicants



Dana Leisinger
HR Adviser

I've been told I can no longer ask an applicant if they've been convicted of a crime. Does this mean I have to take that question off my employment application?

Governor Edmund G. Brown Jr. recently signed **AB 218**, which will prevent public employers from asking job applicants about their criminal records until further along in the hiring process.

This also means the question on almost every job application, "Have you ever been convicted of a felony?" must be removed for those public employers.

This new law is part of a growing trend that protects ex-offenders and gives them a second chance. The bill's sponsor, Michelle Rodriguez, was quoted as stating: "A mistake from your past shouldn't be a life sentence to joblessness."

Private Employers

There is no federal (or California) law that clearly prohibits a private employer from asking about conviction records. Nevertheless, to ask about a criminal record early on in the hiring process and using a conviction as an absolute ban from hiring is discouraged by the Equal Employment Opportunity Commission (EEOC), and such a ban can limit employment opportunities for some protected groups.

Civil rights groups supporting the bill noted above also confirmed that criminal record questions have a disproportionate effect on minorities.

Guidelines

The EEOC issued guidelines in April 2012 on this subject, and concluded that an employer is liable for discrimination when its neutral policy or practice (in asking about criminal convictions) has the effect of disproportionately screening out a protected group and the employer fails to demonstrate that the policy or practice is job related for the position in question and consistent with business necessity.

Again, private employers can ask about criminal convictions, but must not exercise a "knee-jerk" reaction to rejecting ex-offenders. Some guidelines to consider are:

- The nature of the job;

See Avoid: Page 4

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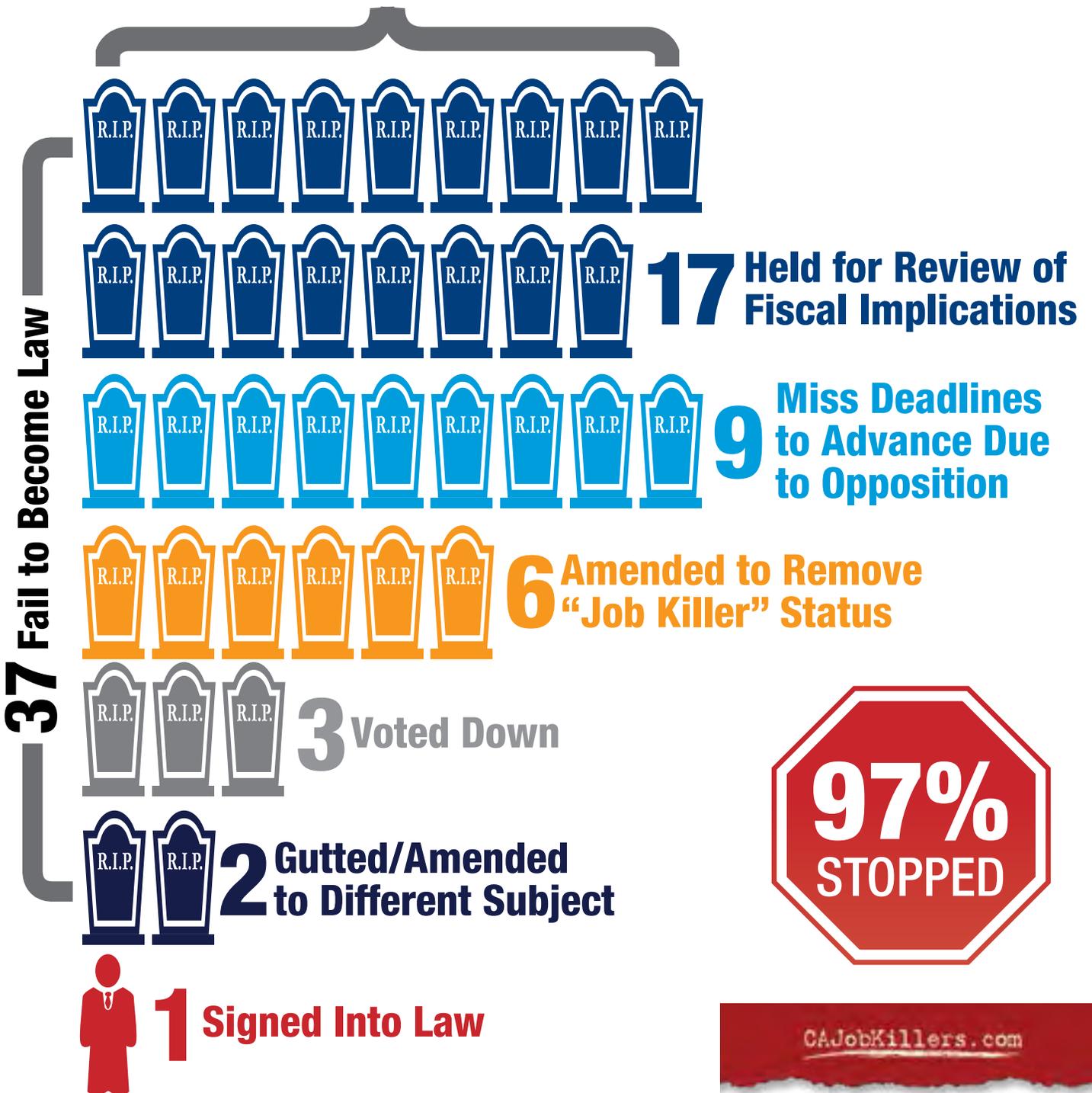
I certify that all information furnished on this form is true and complete. I understand that anyone who furnishes false or misleading information on this form or who omits material or information requested on the form may be subject to criminal sanctions (including fines and imprisonment) and/or civil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

Ann Amioka
Vice President, Communications
September 17, 2013



2013 Recap

38 Identified



Study Shows Smuggling Rate Will Double With \$2 a Pack Tax Increase

A new study released by the California Foundation for Commerce and Education (CFCE) concludes that the tobacco smuggling and black market crime rate will double and the state will lose as many as 11,000 retail jobs if the current tax on tobacco is increased by \$2 a pack as proposed in pending legislation.

The report also finds that the state will lose revenue from legitimate cigarette sales as the penetration of smuggled cigarettes increases.

“Increasing the tobacco tax hurts local, family-owned small businesses, as they lose business to illegal sales activity. California will lose 11,000 retail jobs as the rate of tobacco smuggling and black market sales doubles,” said CFCE President Loren Kaye.

The tax increase is among changes proposed by *SB 768 (de León; D-Los Angeles)*, which was held in the Senate Appropriations Committee in May pending a review of its fiscal impacts.



California Foundation for Commerce & Education

Smuggling Will Increase

One in five cigarettes in California already is smuggled into the state, based on data from the Centers for Disease Control and Prevention and Board of Equalization.

If the tobacco tax is increased by \$2, smuggling will become more attractive and more lucrative to criminals and hundreds of millions more cigarette packs will be smuggled into the state and sold on the black market, according to the study, “The State and Local Impact of Tobacco Prices on Smuggling and Black Market Tobacco Sales.”

This increase in black market sales will cost the state as many as 11,000 legitimate

retail jobs and disproportionately affect poor and minority communities.

“Job growth is critical for our state’s economic recovery, and the loss of 11,000 jobs will be a significant step backwards. Many of the counties struggling most with job growth are those located on the California/Nevada or California/Arizona border. Those regions, where every job counts, will suffer the most when smuggling increases under a tobacco tax increase,” Kaye concluded.

Study Details

A copy of the study can viewed at www.calchamber.com/cfce.

The study was prepared for CFCE by Andrew Chang & Company, a Sacramento-based economic and public policy consulting firm.

The CFCE is a nonprofit, nonpartisan think tank affiliated with the California Chamber of Commerce, dedicated to preserving and strengthening the California business climate and private enterprise through education and research.

Staff Contact: Loren Kaye

New Foundation Promotes Democracy and Justice

From Page 1

- Lee Baca, Los Angeles County sheriff;
- Frank C. Damrell, retired U.S. District Court judge in Sacramento;
- Joseph Dunn, chief executive officer of the State Bar of California and retired state senator;
- Arturo González, partner in the San Francisco office of Morrison Foerster ;
- Larry Kramer, president of The William and Flora Hewlett Foundation;
- Edith R. Matthai, partner in the Los Angeles firm of Robie & Matthai;
- Mark P. Robinson, Jr., senior partner in the Newport office of Robinson Calcagnie Robinson Shapiro Davis, Inc.;
- Mark Yudof, professor at UC Berkeley Law School and former president of the University of California.

Honorary directors are Chief Justice Tani Cantil-Sakauye and Attorney General Kamala Harris.

Interdependence

“The board members and I believe strongly that our democracy depends on the commitment and engagement of its citizens,” said Justice Moreno. “We will be looking at ways we can partner with others to increase the public’s awareness



Chief Justice Tani Cantil-Sakauye



Attorney General Kamala Harris

of the interdependence of the legislative, executive, and judicial branches of state government. We’re just getting started and we have a lot of work to do, but we’re excited about the possibilities for this foundation.”

“I’m thrilled to be part of the foundation as an honorary director,” said Chief Justice Cantil-Sakauye. “It fits in with my own efforts to promote civics education in this state, as well as what former U.S. Supreme Court Justice Sandra Day O’Connor is doing nationally with her *iCivics initiative*.”

More information is available at www.foundationfordemocracyandjustice.com.

Avoid ‘Knee-Jerk’ Reaction When Screening Ex-Offender Job Applicants

From Page 2

- The nature and seriousness of the offense; and
- The length of time since it occurred.

Employers should allow applicants who committed an offense an opportunity to explain the circumstances of the conviction(s), and should make a reasonable effort to determine whether the explanation is reliable.

If an employer is uncomfortable with the explanation and the “business necessity” is questionable, it is best to seek legal counsel before making a decision.

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.

Does the Office Halloween Party Leave You Scared?

Halloween is next week and many companies may be contemplating a Halloween office party. According to a recent survey by Glassdoor, less than half of companies are reported to celebrate Halloween in some way at the office, but 59% of employees see employer-hosted events, such as a Halloween party, as good for morale.

Most employees will not dress up for an office Halloween party. According to the Glassdoor survey, 52% of employees plan to attend or participate in their company's event, but only about 11% are likely to wear a costume to work.

But for those who like to dress up, an office Halloween party creates plenty of opportunity for adults to cross the costume line, and employers should be concerned about the bawdy nature of some costumes.

"Some of them can be quite outrageous and revealing and inappropriate," warned Susan Kemp, manager of CalChamber's Labor Law Helpline.

Dress Code

One way to keep things safe is to enforce the company rules already on the books to govern employee attire. Those rules probably include a dress code that puts some limitations on what constitutes appropriate coverage.

"You have to look at your current dress code," Kemp said. "As you make plans for the party, you can remind employees that they cannot violate that dress code. You're still at work, even though it is a more social situation."

The Glassdoor survey showed that 51% of employees feel that if someone wears an inappropriate costume, HR should ask that person to change to something more fitting for the workplace, and 14% think an employee should be sent home if he/she wears an inappropriate costume at work.

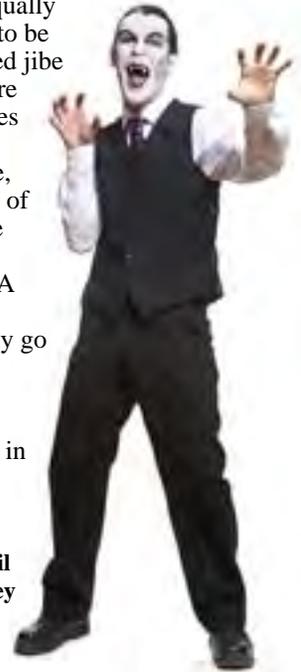
It's not just the "sexy witch/nurse/librarian" or "Little Bo Peep Gone Bad" Halloween costumes that should raise a red flag for employers.

Other Tricky Areas

Politics are equally tricky and ought to be avoided. A spirited jibe at a political figure could raise hackles and lead to office friction. Likewise, obvious mocking of figures within the company treads perilous ground. A joke at the boss's expense can easily go too far.

The key is to think the party planning through in advance and communicate expectations.

Staff Contact: Gail Cecchetti Whaley



End of October Also Marks Religious Holiday for Church of Wicca

For many Californians, Halloween is a purely secular holiday, but for others it is a cultural or religious event, entitled to legal protection under state and federal laws.

Among those who celebrate a more spiritual aspect of the harvest season are members of the Church of Wicca, an ancient religion whose members often practice witchcraft. Like adherents to more commonly known religions, Wiccans are entitled to legal protection in the workplace.

One of the most important holidays on the Wiccan calendar is Samhain, a Gaelic harvest festival celebrated from sunset on October 31 until sunset on November 1. Wiccans generally view Samhain as a time to celebrate lost loved ones, paying respect to friends, relatives and even pets who have passed away.

For the most part, Samhain decorations are similar to those common at Halloween: pumpkins and other fall

vegetables, witches and ghosts. Some Samhain decorations, however, have a darker and more spiritual aspect, such as skulls, ravens and shrines to ancestors.

Regardless of the content of the décor, employers must treat all employees consistently.

"You can't allow one employee to put a crèche on her desk at Christmas and deny another the opportunity to put up a

skull garland at Samhain," said Susan Kemp, manager of CalChamber's Labor Law Helpline. "Treat all celebrations consistently."

Whether employees practice Wicca, another religion or no religion at all, managers and co-workers should be respectful and avoid any conduct that could be viewed as religious discrimination.

Contact: Michelle Galbraith

**Next Alert:
November 8**

CalChamber Member Feedback



"CalChamber multi-tasks for my business: from human resource services and products to advocating on issues that affect my employees and their families. Now, more than ever, I appreciate the value they bring to my firm."

**DIANE MILLER
PRESIDENT
WILCOX, MILLER & NELSON, SACRAMENTO**

New/Veteran Lawmakers Exchange Insights,



Jeanne Cain (left), CalChamber executive vice president, policy, moderates a review of the legislative year just completed by Senators Marty Block (D-San Diego) and Anthony Cannella (R-Ceres), plus (right photo) Senator Ted Gaines (R-Rocklin), and first-year Assemblymen Tom Daly (D-Anaheim) and Al Muratsuchi (D-Torrance). The bipartisan panel discussion was the opening session at the California Chamber of Commerce Fall Public Affairs Conference, October 17–18 in Laguna Niguel.



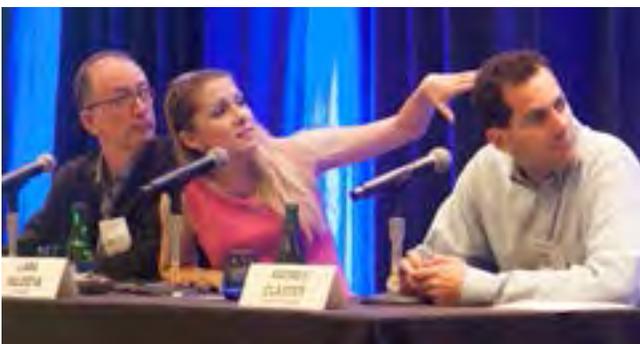
Pollster Dave Sackett, The Tarrance Group, gives a rundown on public opinion about the recent government shutdown as fellow pollster Robert Green (right), Penn Schoen Berland, and session moderator Rob Stutzman, Stutzman Public Affairs, wait to offer comments.



Jim Brulte (left), chairman of the California Republican Party, and John Burton, chairman of the California Democratic Party, share anecdotes from their many years in the Legislature (both are former Senate leaders of their respective parties) during the luncheon at the Fall Public Affairs Conference.



Presenting the Capitol Press Corps perspective on how the “new look Legislature” and Governor interacted during the legislative year just ended are (from right) Anthony York, *Los Angeles Times*; John Myers, ABC News 10; Carla Marinucci, *San Francisco Chronicle*; and panel moderator Beth Miller, Miller Public Affairs Group.



Leading a discussion on the use of predictive analytics in campaigns are (from left) moderator Joe Rodota, Forward Observer; Lara Aulestia, Resonate; and Andrew Claster, former deputy chief analytics officer, Obama for America.



CalChamber President and CEO Allan Zaremborg (left) reviews a spreadsheet on proposed California initiatives of interest to the business community during a session featuring veteran campaign advisers Rick Claussen (center), Redwood Pacific Public Affairs, and Jason Kinney, California Strategies, LLC.

Quips at CalChamber Public Affairs Forum



Freshman Assembly members attending the conference to share comments on their experience on a panel moderated by former Assembly Speaker Willie Brown (left) are (from left): Cheryl Brown (D-San Bernardino), Brian Maienschein (R-San Diego), Scott Wilk (R-Santa Clarita), Marc Levine (D-San Rafael), Cristina Garcia (D-Bell Gardens), Melissa Melendez (R-Lake Elsinore) and Travis Allen (R-Huntington Beach).



Former Assembly Speaker Willie Brown and CalChamber President and CEO Allan Zarembeg enter the reception following the session featuring Brown and Assembly members who were among the largest group of freshman legislators in recent history.



Former Assembly Speaker Willie Brown regales public affairs conference attendees with stories from his days as the longest-serving Speaker of the California Assembly and as the two-term mayor of San Francisco.



Martin R. Wilson, CalChamber vice president, public affairs, closes the gathering with thanks to the conference sponsors: major sponsors Phillips 66 and ScholarShare; gold sponsor Chevron Corporation; silver sponsors The Boeing Company and ExxonMobil; and bronze sponsors Anthem Blue Cross and Auto Club of Southern California.

Special Thanks to Our Major Sponsors



New Employee Handbook Creator Available from CalChamber

From Page 1

Key Features

Key features of the *Employee Handbook Creator*:

- Access the *Employee Handbook Creator* online tool from desktop or tablet (PC/Mac compatible).
- Comprehensive wizard simplifies building your handbook and identifies mandatory policies.
- Helpful explanations and tips assist you throughout the process.

- Stop and start anytime—progress bar shows where you left off.
- Customize handbook with your logo and company-specific content.
- Copy and paste company-specific text from a previous handbook.
- Export a completed handbook into a PDF or RTF and then print.
- Revise and export a new handbook at any time.
- Notification feature alerts users of employment law or regulation changes affecting the handbook.

More Information

For more information or to purchase, call (800) 331-8877, go to the *Employee Handbook Creator* page at www.calchamberstore.com, or view the demo video at www.calchamber.com/ehcvideo.

Products are available for purchase by any business; CalChamber preferred and executive members receive a 20% discount.

CalChamber-Sponsored Seminars/Trade Shows

More information: calchamber.com/events.

Labor Law

HR Boot Camp. CalChamber. December 4, San Francisco. (800) 331-8877.

Business Resources

Central Valley Legislative Forum. California Prosperity Project and CalChamber. November 1, Bakersfield. (916) 930-1295.

International Trade

Opportunities in Brazil Seminar. Amcham Brazil. October 29, Santa Clara.

SelectUSA 2013 Investment Summit. U.S. Department of Commerce, International Trade Administration, and SelectUSA. October 31–November 1, Washington, D.C. (202) 482-6800.

Opportunities and Challenges: China. University of San Francisco. November 2, San Francisco. (415) 422-4578.

Libyan Reverse Trade Mission. National U.S.-Arab Chamber of Commerce. November 6, San Jose. (202) 289-5513.

Multi-Sector Trade Mission to Mexico. California State Trade and Export Promotion. November 6–13, Sacramento. (916) 563-3200.

Expanding Horizons 2013. Overseas Private Investment Corporation. November 13, San Jose. (800) 814-6548.

K-Tech Conference and Expo. KOTRA, Korea Trade-Investment Promotion Agency NIPA, National IT Industry Promotion Agency. November 14–15, Santa Clara. (408) 432-5011.

U.S.-Spain Council Annual Forum. U.S. Senator Robert Menendez and U.S.-Spain Council. November 15–17, Santa Barbara. (202) 455-4902.

Latina Style Business Series. *Latina Style Magazine*. November 21, Universal City. (703) 531-1424.

International Business Seminar. PAK U.S. Chamber. November 22, San Mateo. (888) 847-9652.

INTRADE Malaysia 2013. Malaysia External Trade Development Corporation. November 26–28, Kuala Lumpur, Malaysia.

Interwine China 2013. MEREBO Messe Marketing. November 28–30, Guangzhou, China.

StartmeupHK. InvestHK. December 4–7, Hong Kong.

Cuba Educational and Policy Trip. Institute of the Americas. December 7–14, Havana, Cienfuegos and Trinidad, Cuba. (858) 453-5560.

International Investment Forum Chile 2014. Chile Foreign Investment Committee (CIEChile). January 13–16, 2014.

Annual Meeting

In compliance with Article VII of the bylaws, notice is hereby given that the annual meeting of the members of the California Chamber of Commerce, a mutual benefit corporation operating under the laws of the State of California, will be held on Friday, December 6, 2013, at 9 a.m. in Salon III at the Ritz-Carlton, 600 Stockton Street, San Francisco, California, for the transaction of whatever business may be necessary.

CalChamber Calendar

Business Services Committee:

December 5, San Francisco

Environmental Committee:

December 5, San Francisco

Fundraising Committee:

December 5, San Francisco

Health Care Policy Committee:

December 5, San Francisco

Board of Directors:

December 5–6, San Francisco

International Trade Breakfast:

December 6, San Francisco

Annual Meeting:

December 6, San Francisco

Final Status Report on Major Business Bills

The following list summarizes the final status of priority bills for the California Chamber of Commerce that were sent to the Governor this year.

The CalChamber will publish a record

of legislators' votes on key bills affecting the California business climate on November 8. Generally, the bills selected for the vote record have appeared in a CalChamber status report.

Bills signed by the Governor will become law on January 1, 2014. Urgency measures went into effect immediately upon being signed.

Status of bills as of October 13, 2013.

Subject—CalChamber Position	Status
Agriculture and Natural Resources	
Slack Fill. SB 465 (Correa; D-Santa Ana) Makes it easier for companies to comply with labeling and packaging requirements by clarifying what the acceptable difference is between the actual capacity of a package and the volume of product it contains. Support.	Signed - Chapter 429
Bans. AB 1213 (Bloom; D-Santa Monica) Causes economic losses in the livestock industry from bobcat predations by prohibiting the trapping of bobcats in certain areas. Oppose.	Signed - Chapter 748
Banking/Finance	
Uniform Commercial Code. AB 502 (Wagner; R-Irvine) Updates and conforms California law with federal law regarding the Uniform Commercial Code covering transactions that involve credit secured by personal property. Support.	Signed - Chapter 531
Budget	
Business Filings Processing. AB 113 (Committee on Budget) Ensures that California is competitive by eliminating the Secretary of State backlog of business filings by appropriating funds to support overtime and temporary workers. Support.	Signed—Chapter 3
Climate Change	
Increased Regulatory Costs. SB 726 (Lara; D-Bell Gardens) Before amendments, would have increased the costs of AB 32 compliance by expanding the authority of the California Air Resources Board to regulate short-lived climate pollutants under AB 32. Opposition removed due to 9/11/13 amendments. No Position.	Signed - Chapter 420
Crime	
Penalties. AB 924 (Bigelow; R-O'Neals) Saves ranchers money by increasing penalties for stealing livestock. Support.	Signed - Chapter 618
Enforcement. AB 909 (Gray; D-Merced) Saves businesses money by escalating enforcement of metal theft crimes. Support.	Vetoed
Licenses. SB 485 (R. Calderon; D-Montebello) Enhances enforcement efforts of metal theft crimes by requiring junk dealers/recyclers to pay a supplemental fee for a new or renewal of a weighmaster's license and allows sealers to verify that the dealers' permits and licenses are valid and up-to-date. Support.	Signed - Chapter 518

Subject—CalChamber Position	Status
Education	
Education Testing. AB 484 (Bonilla; D-Concord) Eliminates accountability and performance standards by removing standardized testing and Academic Performance Index reporting for the 2014–2015 school year. Oppose.	Signed - Chapter 489
Higher Education. SB 440 (Padilla; D-Pacoima) Increases student success by improving the existing Associate Degree for Transfer pathway for students by setting implementation dates for SB 1440 (Padilla; D-Pacoima; Chapter 428, Statutes of 2010). Support.	Signed - Chapter 720
Civics Education. AB 137 (Buchanan; D-Alamo) Promotes civic engagement, which is important to democracy and free enterprise, by requiring the Instructional Quality Commission, when revising the history-social science framework, to receive input from civics learning experts. Support.	Signed - Chapter 225
Workforce Development. SB 594 (Steinberg; D-Sacramento) Originally provided California employers with a highly skilled workforce by authorizing financial incentives to integrate academic and work-based learning. Gutted and amended to deal with a different subject. No Position.	Signed - Chapter 773
Elections and Fair Political Practices	
Roadblock to Voter Use of Initiatives. AB 857 (Fong; D-Cupertino) restricts the ability of voters to overcome legislative gridlock by applying restraints on signature gathering for initiative petitions to most citizen groups while exempting others (such as labor unions). Oppose.	Vetoed
Energy	
Natural Gas Act. AB 1257 (Bocanegra; D-Pacoima) Benefits California businesses and consumers by requiring the California Energy Commission to evaluate and recommend natural gas strategies to reduce greenhouse gas emissions and cultivate a clean energy economy in order to ensure the efficient use of natural gas. Support.	Signed - Chapter 749
Unnecessary and Duplicative Oversight. SB 448 (Leno; D-San Francisco) Requires the California Energy Commission (CEC) to identify data already collected by the CEC to determine whether improper fuel price manipulation has occurred, analyze whether improper fuel price manipulation is occurring, and develop a Motor Vehicle Fuel Market Advisory Committee. Both the California Attorney General and U.S. Department of Justice already conduct these types of investigations. Oppose.	Vetoed
Environmental Regulation	
Stops Drive-by Lawsuits. AB 227 (Gatto; D-Los Angeles) Protects small businesses from drive-by lawsuits by providing a 14-day right to cure for allegations of a failure to post a Proposition 65 warning related to chemicals produced during the cooking process, alcohol, second-hand smoke, and car exhaust. Support/ Job Creator .	Signed - Chapter 581 (urgency)
Threatens Oil and Gas Production. SB 4 (Pavley; D-Agoura Hills) Requires overly restrictive and burdensome regulation of the use of hydraulic fracturing, jeopardizing oil and gas production in the state, which could drive up fuel and energy prices and harm the job market in these sectors. Oppose.	Signed - Chapter 313
Industry-Run Mattress Recycling. SB 254 (Hancock; D-Oakland) Establishes a private sector-run product stewardship program patterned on successful recycling legislation for paint and carpet products. Support.	Signed - Chapter 388

Subject—CalChamber Position	Status
Gaming/Alcohol	
Beer Manufacturers. AB 779 (Bocanegra; D-Pacoima) Expands business opportunities by allowing certain beer manufacturers to make and sell cider. Support.	Signed - Chapter 379
Liquor Licenses. AB 593 (Quirk; D-Hayward) Originally encouraged new business by streamlining the permit process for restaurants. Provisions removed in 8/26/13 amendments. No Position.	Signed - Chapter 502
Health	
Limits Choice for Small Business. SB 161 (E. Hernandez; D-West Covina) Before amendments, severely limited a small employer’s ability to select the most appropriate, affordable health care coverage for its employees by regulating stop-loss insurance and requiring the employer to bear an unreasonably high level of claims costs before stop-loss coverage applies. Opposition removed due to 5/28/13 amendments. No Position.	Signed - Chapter 443
Health Premium Increases. SB 639 (E. Hernandez; D-West Covina) Before amendments, would have eliminated lower-priced plans, inhibited competition and innovation, and led to less affordable coverage for California businesses and their employees. Opposition removed due to 9/6/13 amendments. No Position.	Signed - Chapter 316
Increased Health Insurance Premiums. AB 912 (Quirk-Silva; D-Fullerton) Increases medical costs, which will be passed on to medium and large employers in the form of higher premiums, by mandating coverage of fertility preservation services in certain medical treatments. Oppose.	Vetoed
Increases Health Insurance Premiums. AB 219 (Perea; D-Fresno) Reduces employers’ flexibility to purchase a benefit design that will fit within their budget by imposing a rigid copayment cap. Oppose.	Signed - Chapter 661
Increased Health Insurance Premiums. SB 353 (Lieu; D-Torrance) Increases costs for health plans, which will be passed on to employers in the form of higher premiums, by imposing significant new translation requirement on plans that advertise or market to new communities that speak languages other than English. Oppose.	Signed - Chapter 447
Health Premium Increase. SB 746 (Leno; D-San Francisco) Interferes with an employer’s negotiation with health plans and increases costs by subjecting insurers to excessive, onerous disclosure requirements. Oppose.	Vetoed
Housing and Land Use	
Increased Housing Costs. AB 1229 (Atkins; D-South Park/Golden Hill) Increases the cost of housing by allowing the adoption of inclusionary housing elements as a condition of development. Oppose.	Vetoed
New Home Construction. AB 116 (Bocanegra; D-Pacoima) 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.	Signed—Chapter 62 (urgency)
Unnecessary and Duplicative Regulation. AB 127 (Skinner; D-Berkeley) Before amendments, would have established an unnecessary and duplicative regulatory process by delegating authority to the California Building Standards Commission to regulate the use of flame retardant chemicals in building insulation. Now requires, if deemed necessary, the State Fire Marshal to propose updated insulation flammability standards to the Building Standards Commission. Opposition removed due to 9/3/13 amendments. No Position.	Signed - Chapter 579

Subject—CalChamber Position	Status
Immigration	
Foreign Labor Contractors. SB 516 (Steinberg; D-Sacramento) Before amendments, approached the real problem of human trafficking in an overly broad manner that would have harmed legitimate employers by imposing significant burdens on and risks to employers who hire workers from foreign countries. Opposition removed due to 9/4/13 amendments. No Position.	Vetoed
Industrial Safety and Health	
Increased Costs for Citation Appeal Process. AB 1165 (Skinner; D-Berkeley) Proposes a costly double-appeal process for workplace safety citations that presumes guilt for employers, undermines due process with regards to citations for workplace safety violations and is unnecessary in light of recently adopted regulations for an expedited appeals process for these situations. Oppose.	Vetoed
International Relations/Trade	
Facilitate Expeditious Exporting. AB 1400 (Committee on Jobs, Economic Development and the Economy) Improves the business climate in California by reducing delays in processing necessary documents for California exporters. Support.	Signed - Chapter 539
Labor and Employment	
Automatic Minimum Wage Increase. AB 10 (Alejo; D-Salinas) Unfairly imposes an automatic \$2 increase in minimum wage over the next three years that will continue to increase costs on employers of all sizes, regardless of other economic factors or costs that California employers are struggling with to sustain their business. Oppose/ Job Killer.	Signed - Chapter 351
Unconstitutional Budget Trailer Bill. SB 71 (Committee on Budget and Fiscal Review) Violates Proposition 25, approved by voters in June 2010, by including policy language in this budget trailer bill that is unrelated to the implementation of the budget. Oppose Unless Amended.	Signed—Chapter 28
Unconstitutional Budget Trailer Bill. AB 76 (Committee on Budget) Violates Proposition 25, approved by voters in June 2010, by including policy language in this budget trailer bill that is unrelated to the implementation of the budget. Oppose.	Vetoed
Expansion of Discrimination Lawsuits. SB 400 (Jackson; D-Santa Barbara) Before amendments, increased the burden on California employers to conduct business and exposed them to a higher risk of litigation by creating a protected classification for employees who are victims of domestic violence, sexual assault, or stalking, and imposed a burden on employers to accommodate such individuals. Opposition removed due to 8/6/13 amendments. No Position.	Signed - Chapter 759
Prevailing Wages on Private Projects. SB 54 (Hancock; D-Oakland). Increases refinery costs and inappropriately applies the payment of prevailing wage to privately financed projects by mandating the payment of prevailing wages in the construction of refineries. Oppose.	Signed - Chapter 795
Expansive Employer Liability. AB 263 (R. Hernández; D-West Covina) Before amendments, unfairly expanded employer liability and threatened the complete loss of the ability to conduct business in California if a supervisor engaged in “unfair immigration practices.” Opposition removed due to 8/12/13 amendments. No Position.	Signed - Chapter 732

Subject—CalChamber Position	Status
<p>Mixed-Motive Discrimination. SB 655 (Wright; D-Inglewood) Before amendments, directly undermined a Supreme Court ruling issued February 2013 by establishing a mandatory statutory penalty of \$25,000, as well as noneconomic damages, against an employer who had an objective, independent, nondiscriminatory basis upon which to terminate or discipline an employee. Opposition removed due to 9/6/13 amendments. No Position.</p>	Vetoed
<p>Domestic Work Employees. AB 241 (Ammiano; D-San Francisco) Before amendments, discouraged individuals from retaining the services of domestic work employees by requiring individuals and families who hire “domestic work employees” to comply with onerous wage-and-hour mandates that even sophisticated businesses in California struggle to satisfy. Opposition removed due to 9/6/13 amendments. No Position.</p>	Signed - Chapter 374
<p>Employee-Union Agent Evidentiary Privilege. AB 729 (R. Hernández; D-West Covina) Creates a new evidentiary privilege that is one-sided and will provide a union representative with an unfair opportunity to preclude relevant evidence during litigation regarding labor disputes or collective bargaining, that may ultimately result in the miscarriage of justice. Oppose.</p>	Vetoed
<p>Employer Right to Attorney Fees. SB 462 (Monning; D-Carmel) Undermines a recent Supreme Court ruling and existing statute to preclude the recovery of attorney fees for employers who prevail in wage-and-hour litigation, unless the employer can prove the action was pursued in “bad faith.” Oppose.</p>	Signed - Chapter 142
<p>Successor Liability of Farm Labor Contractors. SB 168 (Monning; D-Carmel) Creates potential liability for successor employers with regard to a predecessor’s wage-and-hour violations, despite the lack of fair notice to the successor employer or a significant degree of continuity between the business of the successor and the predecessor. Oppose Unless Amended.</p>	Signed - Chapter 715
<p>Exempt Employees/Piece Rate. SB 435 (Padilla; D-Pacoima) Before amendments, would have increased labor costs for employers by significantly expanding the meal-and-rest period requirements by including exempt employees under the meal-and-rest period requirement as well as any employee who is paid in part, on a piece rate basis. Opposition removed due to amendments. No Position.</p>	Signed - Chapter 719
<p>Exposure to Increased Litigation for Compliance with Federal Law. SB 666 (Steinberg; D-Sacramento) Before amendments, imposed significant penalties and increased frivolous litigation against attorneys and employers for alleged retaliation or discrimination on the basis of actual or perceived immigration or citizenship status, for any current, prospective, or former employee who exercises an employment-related right under the Labor Code, Government Code, or Civil Code, including a statutory penalty up to \$10,000, as well as litigation under the Private Attorney General Act. Opposition removed due to amendments. No Position.</p>	Signed - Chapter 577
<p style="color: red; font-weight: bold; font-size: 1.2em;">Legal Reform and Protection</p>	
<p>Independent Contractors. AB 906 (Pan; D-Sacramento) Before amendments, harmed small businesses that contract with the state by prohibiting the state from contracting for personal services unless specifically authorized by the Legislature and even then, significantly limited the duration of the contract. With 4/22/13 amendments, “job killer” status removed. Opposition removed due to 5/24/13 amendments. No Position/Former Job Killer.</p>	Signed - Chapter 744
<p>Motion to Compel. AB 1183 (Jones; R-Santee) Reduces abuses of the discovery process by clarifying that the deadline to file a motion to compel starts to accrue from the service of a verified discovery response. Support.</p>	Signed—Chapter 18
<p>Unnecessary Restrictions on Trial Courts. AB 566 (Wieckowski; D-Fremont) Unfairly limits the trial courts’ ability to minimize costs in light of the budget reductions they have faced by placing severe restrictions on their ability to contract for services. Oppose.</p>	Vetoed

Subject—CalChamber Position	Status
Employer Immunity for Good Samaritan Employees. AB 633 (Salas; D-Bakersfield) Encourages employees to voluntarily provide emergency services to patrons in need by specifying an employer has no legal duty to train employees regarding how to perform emergency medical services. Support.	Signed - Chapter 591
Jeopardizing Contracts Based on “Undue Influence.” AB 140 (Dickinson; D-Sacramento) Before amendments, would have broadened the definition of what constitutes undue influence on the elderly, which would have unfairly allowed the right to revoke valid contracts as well as the exposure to frivolous litigation. Opposition removed due to 5/6/13 amendments. No Position.	Signed - Chapter 668
Privacy and Confidentiality	
New Duties. AB 1220 (Skinner; D-Berkeley) Before amendments, created new burdensome disclosure and reporting requirements for businesses using consumer credit reports in decision making resulting in adverse recommendations for consumers. Opposition removed due to 5/20/13 amendments. No Position.	Signed - Chapter 433
Medical Software. AB 658 (I. Calderon; D-Whittier) Before amendments, would have subjected “nonprescription” software providers to the Confidentiality of Medical Information Act. Opposition removed due to amendments. No Position.	Signed - Chapter 296
Privacy. AB 370 (Muratsuchi; D-Torrance) Before amendments, imposed an unworkable process for website operators to allow consumers to opt out of online marketing by containing undefined terms and confusing language that actually limited consumer choice. Concerns position removed due to amendments. Neutral.	Signed - Chapter 390
Regulatory Reform	
Regulatory Impact Analysis Accountability. AB 12 (Cooley; D-Rancho Cordova) Increases transparency and accountability for regulations by strengthening the requirements for agencies that conduct regulatory impact analysis for new major regulations. Support.	Vetoed
Centralized Information for Business. AB 393 (Cooley; D-Rancho Cordova) Eases the burden on employers to locate permit information from a variety of websites and offices by centralizing the information regarding permits and fees at the Governor’s Office of Business and Economic Development (GO-Biz) website. Support.	Signed - Chapter 124
Economic Impact of Building Standards. SB 401 (Hueso; D-Logan Heights) Provides transparency for the commercial construction industry by requiring economic impact analysis of new commercial building standards, building upon current law which already provides this information for residential building standards. Support.	Signed - Chapter 212
Taxation	
Creates Dependable Tax Environment. AB 1412 (Bocanegra; D-Los Angeles) Repeals the decision by the Franchise Tax Board to retroactively tax small business investors who relied in good faith on the law when they made the decision to invest in California and use the Qualified Small Business tax incentive, which was recently found unconstitutional. Support/ Job Creator.	Signed - Chapter 546
Lowers Vote Requirement for Tax Increases. SCA 3 (Leno; D-San Francisco) Before amendments, added complexity and uncertainty to the current tax structure and pressure to increase taxes on commercial, industrial and residential property owners for education programs by giving school districts and community colleges new authority to enact a parcel tax, by lowering the vote threshold from two-thirds to 55%. Opposition and “job killer” status removed due to 6/ 20/13 amendments. No Position/ Former Job Killer.	Chapter 123

Subject—CalChamber Position	Status
Limitations on Tax Credits. SB 365 (Wolk; D-Davis) Originally created uncertainty for California employers making long-term investment decisions by requiring that tax incentives end 10 years after their effective date. Gutted and amended 9/11/13 to deal with another subject, so opposition and “job killer” status removed. No Position/ Former Job Killer.	Signed - Chapter 627
Increase Manufacturing and R&D Jobs. SB 90 (Galgiani; D-Stockton) Encourages employers to maintain and expand their manufacturing operating in California by providing a full state sales-and-use tax exemption for purchases of manufacturing and research-and-development equipment. Support.	Signed—Chapter 70 (urgency)
Stops Retroactive Tax. SB 209 (Lieu; D-Torrance) Repeals the decision by the Franchise Tax Board to retroactively tax small business investors who relied in good faith on the law when they made the decision to invest in California and use the Qualified Small Business tax incentive which was recently found unconstitutional. Support.	Signed - Chapter 543
Tax Reduction. AB 1173 (Bocanegra; D-Pacoima) Reduces the state tax penalty imposed on employees for nonqualified deferred compensation from 20% to 5%, as well as provides the ability to utilize the film tax credit to offset income. Support.	Signed - Chapter 536
Invades Taxpayer Privacy. AB 562 (Williams; D-Santa Barbara) Facilitates the misuse of sensitive tax information and discourages local economic development projects by requiring local agencies to publicly disclose sensitive tax information of any employer who receives a public subsidy. Oppose.	Signed - Chapter 740
Improper Tax on Civil Litigants. AB 648 (Jones-Sawyer; D-Los Angeles) Before amendments, sought to unfairly impose a \$30 tax on any civil litigant that requests a hearing of one hour or less to offset the cost of official court reporters without obtaining the necessary two-thirds vote requirement. Opposition removed due to amendments. No Position.	Signed - Chapter 454
Protects Earned Tax Credits. AB 106 (Committee on Budget) Ensures that employers can utilize already-earned enterprise zone tax credits and clarifies that these tax credits may be carried forward for 10 years. Support.	Signed - Chapter 355
Establishes the Centralized Intelligence Partnership Act. AB 576 (V. M. Pérez; D-Coachella) Brings representatives of state tax agencies together as an advisory committee to help fight the underground economy and protect legitimate businesses. Support.	Signed - Chapter 614
Workers’ Compensation	
Increased Workers’ Compensation Costs. AB 454 (Dickinson; D-Sacramento) Exposes employers to higher costs by effectively forcing them to prematurely pay higher temporary disability payments before prevailing wage disputes are adjudicated. Oppose.	Vetoed

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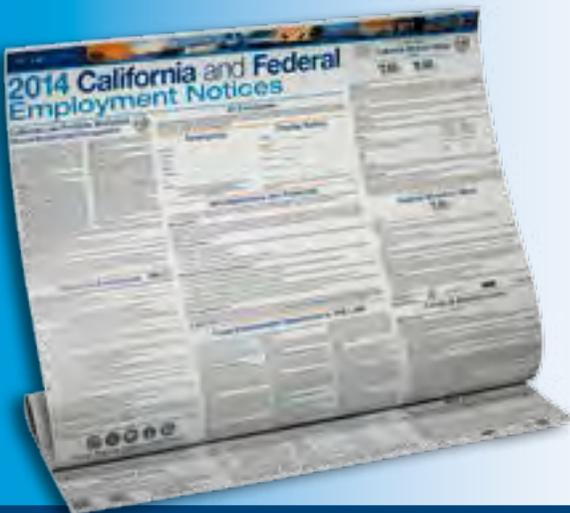
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