

# ALERT

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## Host Breakfast Speakers Spotlight Ways to Secure California's Future



Photo by Steve Yeater

Governor Edmund G. Brown Jr. emphasizes to the audience at the 89th Annual Sacramento Host Breakfast that California's budgeting needs to avoid 'the booms and the busts' of the past.

Ways to secure or improve California's future were highlighted by featured speakers at the 89th Annual Sacramento Host Breakfast on May 21.

More than 1,300 business and civic leaders from throughout the state heard

calls for changes from Governor Edmund G. Brown Jr., California Chamber of Commerce Board Chair [Anne Buettner](#), and Vance Raye, presiding justice of the Third District Court of Appeal.

The annual gathering is a longtime

collaboration between the Sacramento Host Committee, made up of 27 leaders of the Sacramento business community, and the CalChamber.

### Governor Brown

Brown said that he wanted to point out that "California is definitely back." Thanks to the budget cuts the Legislature has made, the new taxes the public has voted for, and a growing economy, California is no longer a failed state, having "utterly transformed" its credit rating and deficit, the Governor declared.

Brown said that in the last three years, more than 1 million new jobs have been created, which is more than any other state in the country. California also draws in more than half of venture capital in America, houses more Fortune 500 companies than any other state, and is still the largest manufacturing state, he commented.

He also touched on how important the rainy day fund measure is to the state. California shouldn't repeat the lessons of the past, "the booms and the busts," he emphasized. Although the state is currently enjoying a surplus, Brown warned that it is derived almost entirely from capital gains and investments, which history has shown have sharp rises and falls. For this reason, he said he proposed the rainy day fund measure.

Governor Brown acknowledged, however, that there still are significant challenges facing California, namely educa-

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### Get 'Job Killer' Bill Update on Alert App

As *Alert* went to print, the fate of many California Chamber of Commerce-**opposed** "job killer" bills was up in the air, with the appropriations committees in both houses scheduled to decide whether legislation delayed while its fiscal impact was being reviewed would be passed along for consideration by the entire Senate or Assembly. The CalChamber *Alert* App will provide an update on the status of "job killer" bills before the next print edition. To download the app, visit [calchamber.com/mobile](http://calchamber.com/mobile).

### Inside

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## Labor Law Corner

# Time Off Between Work Shifts: Some Rules in Wage Orders, Labor Code



**Barbara Wilber**  
HR Adviser

*Some of our supervisors require employees to work late and then return to work the next morning at 8 a.m. Is there any requirement that employees have a certain amount of time between shifts?*

Except in certain industries, neither federal nor state law establishes a certain number of hours between work shifts. Hours exceptions do exist in both the

Industrial Welfare Commission (IWC) wage orders and the Labor Code.

Absent any of the restrictions discussed below, an employer may schedule employees to meet its business needs.

### Restrictions

- Pursuant to the alternative workweek rules found in IWC Wage Orders 4 and 5, Section 3(B)(9) and (10), employees working a 12-hour alternative workweek shift may not be required to work more hours except in declared emergencies and are restricted to at least 8 hours between shifts in specified situations.

- Labor Code Section 750 relating to underground and smelter operations says employees cannot work beyond 8 hours within 24 hours except in defined circumstances. Closely review this section before allowing employees to exceed 8 hours.

- Pharmacy employees are subject to restrictions found in Labor Code Section 850.

- Labor Code Sections 601, 602, 603 and 607 limit hours for railroad workers.

- In addition, the transportation industries, airline, railroad, and trucking, provide minimum breaks and sleep time between shifts. Collective bargaining agreements or an employee contract also may have specified requirements.

### Review Requirements

Each IWC order has differences. To assure compliance, review the requirements found in the order covering your industry or occupation. Plan ahead to mitigate these concerns and consider implementing a policy requiring a mini-

imum time between work shifts except in emergency situations.

There are occurrences such as employee illness, emergency production problems, utility failures and many more that require schedule modifications. These types of problems may be addressed in the short term by requiring employees to work extra hours or even a double shift, both of which shorten the number of hours between work shifts.

### Safety Concerns

If scheduling consistently causes a limited time between shifts, consider safety issues and exercise caution. While in most cases the law does not prevent a short turn-around time, nevertheless safety concerns should be a high priority. Ongoing scheduling fluctuations may contribute to accidents and increase workers' compensation claims.

Overtime usually will be a factor depending on how the work falls within the employee's designated workday. Calling an employee back to work may trigger reporting time pay if the employee is not provided at least two hours of work on a second reporting.

In addition, split shift pay may be a factor when a work schedule is interrupted by nonpaid, nonworking periods of more than one hour.

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

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## CalChamber-Sponsored Seminars/Trade Shows

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

### Labor Law

HR Boot Camp. CalChamber. June 10, Santa Clara; August 19, Santa Rosa; September 3, Anaheim. (800) 331-8877.

### Business Resources

Design/Build Solutions for Aging and Accessibility. Southern California Remodelers Council. May 30, Huntington Beach. (949) 553-9500.  
Business Management for Building/

Construction. Southern California Remodelers Council. May 31, Huntington Beach. (949) 553-9500.

### International Trade

Discover Europe Conference. U.S.

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## CalChamber Names Small Business Advocate of the Year Award Recipients

The California Chamber of Commerce honored business executives from Fresno, Redondo Beach, San Francisco and Turlock this week with its “2014 Small Business Advocate of the Year” award, recognizing them for outstanding advocacy on behalf of small businesses.

The CalChamber announced the awards in Sacramento before more than 200 attendees at the CalChamber Legislative Briefing.

The 2014 Small Business Advocate of the Year Award recipients are:

- Scott Miller, owner, Gazebo Gardens Nursery and Miller-Clark Landscaping, Fresno;
- Michael Jackson, chairman of the board, The Dardanelle Group, Inc, Redondo Beach;
- Michael Lynch, owner, Mike Lynch Consulting, Turlock; and
- Mark Dwight, owner, Rickshaw Bags, San Francisco.



### Scott Miller

Scott Miller is the former chair of the board for the Greater Fresno Area Chamber of Commerce and has been actively involved in advocacy for most of his adult life.

In his more than 10 years of service with the Fresno Chamber, Miller also has served as a

board member of the San Joaquin Political Academy, chair of the Political Action Committee, a member of the Governmental Affairs Council, founding director of the Jr. Board (which advocates civic activity to high school students) and the Small Business University, which offers business and advocacy seminars for small businesses.



### Michael Jackson

Michael Jackson serves as chair of the board for the Redondo Beach Chamber of Commerce & Visitors Bureau for the 2013–15 term. In addition, he serves on the

chamber’s Government Relations Committee and chairs the city’s Harbor Commission.

Jackson saw the need for a focus on issues at the local level and recently created a “local issues” committee, which he chairs, to deal with numerous issues occurring in Redondo Beach. He currently heads the chamber’s Political Action Committee and is leading the chamber through a community issues polling process.

### Michael Lynch

Michael Lynch took on the leadership role for the Turlock Chamber of Com-

merce Government Relations Committee, arranging for speakers on key challenges and issues facing Turlock, including the financial health of the three largest local public employee pension funds, county-wide transportation and water.

He has orchestrated a letter-writing campaign to advise the State Water Resources Control Board on water challenges facing the community and worked on bringing Altamont Corridor Express commuter service to Stanislaus County.

### Mark Dwight

Mark Dwight serves on the Board of Directors of the San Francisco Chamber of Commerce. He is the founder of SFMade, whose mission is to build and support a vibrant manufacturing sector in San Francisco.

He is an advocate for the “maker movement,” arguing that micro-manufacturers like his small cut-and-sew factory, are the future of American manufacturing.

### Criteria

Small Business Advocate Award recipients are nominated by local chamber of commerce executives. The criteria used in the selection process include taking leadership roles in or working on federal, state or local ballot measures, testifying before the state Legislature and representing a local chamber of commerce before local government.

Read about past winners at [calchamber.com/smallbusiness](http://calchamber.com/smallbusiness).

## CalChamber-Sponsored Seminars/Trade Shows

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- Commercial Service and Los Angeles Area Chamber. June 3–4, Los Angeles. (213) 894-8785.
- Computex Taipei 2014. Taiwan External Trade Development Council. June 3–7, Taipei, Taiwan. (408) 988-5018.
- 9th Annual International Trade Outlook. Los Angeles County Economic Development Corporation. June 5, Long Beach. (213) 236-4812.
- California-China Cooperation on Climate Change. California-China Office of

- Trade and Investment. June 5, San Francisco. (415) 946-8737.
- Hayward Chamber Luncheon for Japan Consul General. Hayward Chamber of Commerce. June 6, Hayward. (510) 537-3737.
- U.S.-Israel Business Mission. U.S. Chamber of Commerce. June 15–16. (202) 659-6000.
- The 15th Malaysia International Food and Beverage Trade Fair. Sphere Exhibits Malaysia Sdn Berhad and Mutiara Sigma (M) Sdn Bhd. June

- 19–21, Kuala Lumpur, Malaysia.
- Mongolian Business Summit. U.S. Chamber of Commerce. June 19–21, Ulaanbaatar, Mongolia. (202) 659-6000.
- Governor’s Mexico Mission Accepting Applications. CalChamber. July 27–30, Mexico City, Mexico. (916) 444-6670.
- Ethiopia Business and Investment Forum. Consulate General of Ethiopia in Los Angeles. August 1, Los Angeles. (310) 616-6910.



## President's Circle Chambers Gain Recognition for Excellence in Business Advocacy, Helping Members Comply with Labor Laws



The California Chamber of Commerce has named 26 local chambers of commerce to receive the President's Circle award.

The award, first presented in 2009, recognizes chambers for excellence in business advocacy and helping their members comply with California employment laws.

Nine of the chambers have received the award all six years it has been presented.

The 2014 recipients of the President's Circle award are as follows. Six-year recipients are marked with an \*:

- Greater Bakersfield Chamber\*:

Cynthia Pollard, president/CEO;

- Brawley Chamber: Jason Zara, executive director;

- Camarillo Chamber: Gary Cushing, interm president/CEO;

- Catalina Island Chamber & Visitors Bureau: Wayne Griffin, president/CEO;

- Greater Conejo Valley Chamber\*:

- Corona Chamber: Bobby Spiegel, president/CEO;

- Culver City Chamber\*: Steven Rose, president/CEO;

- El Centro Chamber\*: Darletta Willis, CEO;

- Greater Fresno Area Chamber: Al Smith, president/CEO;

- Fullerton Chamber: Theresa Harvey, president/CEO;

- Gilroy Chamber: Mark Turner, president/CEO;

- Lake Elsinore Valley Chamber: Kim Cousins, president/CEO;

- Lodi Chamber, Pat Patrick, president/CEO;

- Long Beach Area Chamber\*: Randy Gordon, president/CEO;

- Napa Chamber\*: Brian Kelly, consulting CEO;

- Oxnard Chamber: Nancy Lindholm, president/CEO;

- Palm Desert Area Chamber\*: Barbara deBoom, president/CEO;

- Porterville Chamber: Donnette Silva Carter, president/CEO;

- Greater Riverside Chambers\*: Cindy Roth, president/CEO;

- Roseville Chamber: Wendy Gerig, CEO;

- San Jose Silicon Valley Chamber, Matthew Mahood, president/CEO;

- Simi Valley Chamber: Leigh Nixon, president/CEO;

- Temecula Valley Chamber: Alice Sullivan, president/CEO;

- Turlock Chamber\*: Sharon Silva, president/CEO;

- Ventura Chamber, Ed Summers, president/CEO; and

- Visalia Chamber, Glenn Morris, president/CEO.

President's Circle award recipients published vote records of their state legislators on key business issues, generated letters to state elected officials on issues of interest to members and participated in the CalChamber compliance product resale program at an exemplary level.

In 2013, 27 chambers received the award; in 2012, there were 23 recipients; in 2011, 21 chambers received the recognition; in 2010, there were 22 award recipients; and in 2009, 13 local chambers received the award.

**Staff Contact: Cathy Mesch**

## Governor's Mexico Mission Accepting Delegate Applications



Applications are available now for companies and organizations wishing to be part of the trade and investment mission to Mexico this July led by Governor Edmund G. Brown Jr. and organized by the California Chamber of Commerce.

The mission will strengthen ties with California's neighbor and largest export market, building on the momentum of last year's mission to China.

Joining the Governor on the mission will be senior members of the administration and a diverse delegation of California

government, business, economic development, investment and policy leaders.

Given the border relationship and long-standing historical, cultural and economic ties, Mexico is a natural partner to further expand two-way trade and investment, and strengthen cooperation on global climate change.

Delegates will visit with high-ranking officials in Mexico City, tour California companies and projects in Mexico, and lead events to promote California to potential Mexican investors.

Download the delegate application at [www.calchamber.com/July2014MexicoMission](http://www.calchamber.com/July2014MexicoMission).

The Los Angeles Area Chamber of Commerce and the San Diego Regional Chamber of Commerce will work together with the CalChamber to reach out to and

recommend businesses for the delegation, and to develop trade mission activities.

The Los Angeles Area Chamber of Commerce represents the interests of business in the Los Angeles region. The chamber works to advance global trade in the region and help local businesses build international relationships and expand global reach. For more information, visit [www.lachamber.com](http://www.lachamber.com).

The San Diego Regional Chamber of Commerce represents the business community in the San Diego-Baja region. Its nonprofit Mexico Business Center is dedicated to promoting business between Mexico and San Diego, raising San Diego's business profile and strengthening its competitiveness globally. For more information, visit [www.sdchamber.org](http://www.sdchamber.org).

**Staff Contact: Susanne Stirling**

*Remarks by Anne Buettner*

# Dreams Can Come True If California Takes Actions Today to Secure Future

*Following are remarks presented by Anne Buettner, 2014 chair of the California Chamber of Commerce, at the Sacramento Host Breakfast on May 21. Buettner is a senior vice president of The Walt Disney Company.*

This is my first time speaking to you as California Chamber of Commerce chair. And as I was thinking about how much this organization has achieved, working hand-in-hand with the leaders of this great state, I was reminded of something that Walt Disney once said: “The era we are living in today is a dream coming true.”

Walt made that optimistic declaration in the late 1950s, after watching a little dream of his own come to life in a former citrus grove in Southern California. He called his dream Disneyland.

I like Walt’s quote, because I think the promise of his words is as true today as when he said them: We can make our dreams for tomorrow come true—if we take the right actions today.

## Vision for State’s Future

Whether we’re talking about a company like Disney, a state like California, or a family like your own, it’s essential to have goals and a shared vision if you’re going to build a better future. That vision for California’s future is what I would like you to consider today.

Think of how much our state has changed in the past couple of decades—how different we are technologically, demographically, and economically. What is California going to look like in 20 to 30 years? Do we have a shared vision for that future?

The California business community, through the California Chamber, would welcome the opportunity to work with the Administration and legislative leadership to develop the plan that will not just complete the California Comeback—but assure that our state is number one for

decades to come in economic competitiveness, talent development, and quality of life.

## The Right People

Another thing Walt said is that “You can dream, create, design and build the most wonderful place in the world... but it requires people to make the dream a reality.” Well, California has been building a stronger team of people to help guide us into the decades to come.

you’re guaranteed to win election in November.”

We’ve only had one election cycle with these reforms in place, but we’re already seeing there’s more of a political “middle” in the State Legislature. And that’s a good thing!

Now, with the right people in place, I’m hopeful that our chances of getting things done are more attainable than they’ve been in years.

## Rainy Day Reserve

Look at how Democrats and Republicans have come together on the Rainy Day Fund—thanks to the tireless efforts of Governor Brown, who has done so much to turn our state around.

Past budget crises were caused by the California Legislature spending one-time revenues for ongoing programs. A solid reserve requirement will remove the state’s budget from that fiscal roller coaster. By putting prudence above politics, our elected officials are ensuring we’re saving for the next fiscal downturn AND paying off our wall of debt.

As we put California’s financial house in order, I think we also need to think about increasing investment in programs that create good, solid, well-paying jobs, so we can continue the economic upswing. We’re seeing that job creation playing out in today’s economy and we can’t afford to forget the important role job creation will continue to play now that the economy has turned the corner.

## Immigration Reform

Federal immigration reform is also particularly important to California’s future. When it comes to immigration reform, California has the most to lose if it’s not addressed—and it has the most to gain if we can get Congress to take action.

There are approximately 2.6 million

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Photo by Steve Yeater

After years of polarizing politics, recent political reforms have made a big difference, particularly now that we have the Top-Two Primary System and citizens doing reapportionment instead of allowing the Legislature to draw their own districts. Candidates must now appeal to the entire electorate in the general election. Gone are the days of “win the primary by appealing to party activists and

## Dreams Can Come True If California Takes Actions Today to Secure Future

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undocumented immigrants in our state—that's 23% of the nation's total. Half of those individuals have lived here for more than 10 years, and most of them, the vast majority of them, are holding jobs and doing work that's important to our economy.

Reforming the undocumented immigration system, and expanding and streamlining the legal immigration system, will stimulate economic growth.

Employers throughout California want reform and want more certainty. Our technology industry is urging reform of the H-1B visa program, and our agricultural industry needs a temporary worker program that will promote a predictable workforce.

America, and especially California, cannot compete and win in the global economy without attracting a talented workforce of big dreamers coming here to make a better future for themselves and their families.



Photo by Steve Yeater

### Big Dreams

Ninety years ago, a big dreamer from Missouri came to California with little more than a cardboard suitcase, a borrowed suit, and a handful of drawing pencils—and he went on to transform an

entire industry. That man was Walt Disney.

Let's honor the spirit of everyone who's come to California with big dreams—by joining together to secure California's future as the Golden State—the place where dreams really do come true.

## Capitol Press Corps Insiders Comment on Shifts in State Political Scene



Photo by Steve Yeater

Allan Zarembeg (left), CalChamber president and CEO, serves as moderator of a quip-filled discussion with John Myers (center), KQED News, and Anthony York, Fiona Hutton & Associates, including subjects like the California gubernatorial campaign, changing voter demographics, the future of the two-party system in the state, and the impact of the top two primary system. Questions from the audience of more than 200 local chamber of commerce and business leaders highlighted the continuing issue of unfunded public pensions and what the health care system will look like when the federal Affordable Care Act is fully implemented.



## Legislative Analyst Presents Budget Update to CalChamber Board

The California budget is in much better shape than in years past due to the recovering economy, but the underlying revenue structure problems that contributed to the state budget woes remain, state Legislative Analyst Mac Taylor told the California Chamber of Commerce Board of Directors this week.

Two-thirds of General Fund revenues come from personal income tax collections, Taylor noted. In good years, half of those personal income tax revenues comes from 1% of taxpayers, a group for whom a significant portion of income depends on highly volatile sources, such as the stock market, rather than more predictable wages and salaries.

A continuing concern in state budget planning, he said, is that retirement benefits make up the bulk of the state's liabilities. The Governor's May budget proposal aims to deal with a big part of that issue with a plan to address imbalance in the state teachers retirement system.



California Legislative Analyst Mac Taylor reviews with the CalChamber Board of Directors his analysis of the Governor's May budget plan: the package continues to build reserves and pay down debts, and includes a new proposal to fund the teachers' pension system over about 30 years.

## Speaker Reviews California Loss of Entertainment Industry Jobs

The lead author of a series of studies on California job losses in the entertainment industry presented the California Chamber of Commerce Board of Directors with a closer look this week at some of the statistics uncovered in those reports.

Since 2004, California has lost more than 16,000 entertainment industry jobs, said Kevin Klowden, managing economist for the Milken Institute and director of its California Center.

A significant finding, according to Klowden, is that California is losing production of one-hour television dramas to other states and Canada. California's share of drama productions has dropped from 65% in 2005 to 35% in 2012.

A successful drama, he pointed out, means stability for both actors and workers behind the cameras, from electricians to camera operators, for the lifetime of the drama, which can run from five years to a decade or more.

The erosion of the industry employment base eventually means employees have to leave the area to maintain their livelihood, he said.



Kevin Klowden, managing economist for the Milken Institute and director of its California Center, presents highlights to the CalChamber Board of Directors of a study he co-authored on the erosion of entertainment industry jobs. Among the findings: California is losing hour-long television dramas to other states, to the detriment of local employees who can count on steady work from these productions.

Photos by Steve Yeater



Presiding Justice Vance Raye of the Third District Court of Appeal urges listeners to get involved in programs that address problems affecting young people.



CalChamber President and CEO Allan Zarembert and CalChamber Chair Anne Buettner stand behind a table decorated with California produce, a hallmark of the Host Breakfast.

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compensation reform, workers' reform, and criminal justice. In some of these areas, the state has relegated control to local authorities in order to tackle the issues with tailored treatment.

As examples, Brown pointed to the greater flexibility now given to school districts for coming up with their own plans on how to achieve academic excellence; and efforts with local criminal justice committees, where probation officers, presiding judges, public defenders and others work together to figure out the best ways to handle lower-level offenders.

### Anne Buettner

Anne Buettner, a senior vice president of The Walt Disney Company, spoke on how important federal immigration reform is to California's future. California holds 23% of the nation's total number of undocumented immigrants, the vast majority of whom are holding jobs and doing work that's important to the economy.

Furthermore, employers want reform and certainty. The technology industry is urging reform of the H-1B visa program, and the agricultural industry needs a temporary worker program that will promote a predictable workforce, she said.

"When it comes to immigration reform, California has the most to lose if it's not addressed," she told attendees. "It

has the most to gain if we can get Congress to take action."

Buettner added that as California's financial house is being put in order, there also needs to be increased investment in programs that create good, solid, well-paying jobs in order for the state to continue to see an economic upswing.

"We can't afford to forget the important role job creation will continue to play now that the economy has turned the corner," she said.

Buettner also commended Governor Brown's effort to turn the state's economy around, saying that the bipartisan support of the rainy day fund measure is "putting prudence above politics." The reserve requirement, she said, will ensure the state is saving for the next fiscal downturn and paying off its wall of debt.

### The Honorable Vance Raye

Third District Court of Appeal Presiding Justice Vance Raye brought to the audience's attention the overwhelming percentage of criminal cases courts hear each year. California, Raye said, arguably has the largest judicial system in the world, with 8.5 million filings received annually. In the Court of Appeal, 65% of the case load consists of criminal cases.

Researchers, Raye continued, have a good idea of who commits crime and whose cases end up in court. About 70% of the people who commit crime and are

sentenced to prison were at one time or another in foster care, he said. Truants are eight times more likely to become prisoners than anyone else in any other category. Furthermore, Raye said, one of the best predictors of criminality in later years is how students do in third grade reading, as it also correlates with dropout rates.

For this reason, Raye has been deeply involved with the 100 Black Men, an organization of successful men that provides black youth with mentors, and education and wellness services to help the youth succeed in life. He also is involved with The Achievers Program, which aims to motivate already high-achieving African-American male students to become even more high achieving.

Raye said there are many nonprofit organizations that run programs to help students succeed. He encouraged attendees to become involved in any way in programs that address problems affecting young people.

"In helping them out, you also help my colleagues out in the Third District Court of Appeals, you help me out, you help the entire community out," Raye said.

View video clips of Host Breakfast speakers via the CalChamber Alert App or online at calchamber.com.



## California District Export Council Members Gather at CalChamber



Photo by Steve Yeater

Members of the four California District Export Councils gather for a luncheon meeting at the CalChamber offices on May 20. Seated at center front are Susanne Stirling, CalChamber vice president, international affairs and a member of the National District Export Council Steering Committee; keynote speaker Roy Paulson, chair of the National District Export Council and president of Paulson Manufacturing Corporation, a CalChamber member; and Janice Cooper, chair of the Northern California District Export Council.

## CalChamber Water Committee Examines Water Bond Proposals



Photo by Garrett Johnston

State Senator Lois Wolk (D-Davis), center, listens to concerns raised May 20 by members of the CalChamber Water Resources Committee, co-chaired by Robert MacLean (right), about the importance of adequately funding water storage to ensure a reliable water supply for California. As *Alert* went to press, a number of water bond proposals, including Wolk's [SB 848](#), were pending before legislative fiscal committees.



*CalChamber International Forum*

# Speakers: Strong Trade Opportunities Essential



Ambassador Eleni Kounalakis



John G. Murphy



Brian Peck

The importance of trade to the California economy was the focus of an international forum hosted by the California Chamber of Commerce in observance of World Trade Week.

Members of the business community, state and federal governments, together with representatives from more than 50 countries attended the May 20 event at the CalChamber offices to listen to a series of speakers addressing three main themes:

- New California International Trade and Investment Advisory Council;
- U.S. trade issues and
- California international trade strategy/interagency cooperation.

### New California International Trade and Investment Advisory Council

To bolster the state's efforts to grow international business opportunities for California companies, Governor Edmund G. Brown Jr. established the California International Trade and Investment Advisory Council, naming former U.S. Ambassador to Hungary Eleni Kounalakis as chair.

Ambassador Kounalakis explained the council will help the Governor's Office of Business and Economic Development (GO-Biz) identify foreign markets with

the greatest potential for export expansion and develop specific export strategies for those markets.

Recently GO-Biz released its International Trade and Investment Strategy report and Ambassador Kounalakis said that the report "is everything that needs to be done to begin to really flex our power here at home to have a concerted effort to increase exports out of California and to increase the amount of foreign direct investment into California."

### U.S. Trade Issues

John G. Murphy, vice president of international affairs for the U.S. Chamber of Commerce, told the attendees "trade is vital to economic growth and job creation here at home. Trade is vital to our ability to sell American goods and services to the 95% of the world's consumers that live somewhere else."

Murphy highlighted that U.S. trade already supports 38 million American jobs. In fact, one in three manufacturing jobs depends on exports, and one in three acres on American farms is planted for export. As a result, U.S. services exports top \$600 billion, leading the world rankings.

### Trade Vital to Small Business

Dispelling the notion that only large

companies benefit from international trade, Murphy told the group that more than 97% of the 300,000 U.S. companies which export their products are small and medium-sized companies.

These small firms account for more than one-third of all U.S. merchandise exports.

### Trade, Investment and Regulatory Policy

Murphy went on to enumerate ways that international trade, investment and regulatory policy can level the playing field for U.S. companies:

- Renew Trade Promotion Authority (TPA) to ensure effective executive-legislative collaboration in the negotiation of new trade agreements.
- Reach new trade and investment agreements to ignite U.S. economic growth.
- Secure reauthorization of the Export-Import Bank of the United States.
- Improve U.S. trade promotion programs to help small businesses export.
- Fight economic isolationism, including undue restrictions on exports, investment, procurement, sourcing, travel, and foreign exchange.
- Redefine the international role, responsibility and coordination of U.S. regulators.

# for California to Compete in Global Market



Aimee Barnes



Josh Eddy



Drew Bohan

### Trade Strategy/Interagency Cooperation

Brian Peck, deputy director of international affairs and business development for GO-Biz, moderated a panel of four speakers representing four state agencies explained the roles of their agencies in expanding business and trade for the state of California and its businesses.

### California Energy Commission

Representing the California Energy Commission, chief deputy director Drew Bohan explained that his agency "doesn't interact in international trade per se, but we export a lot of ideas, policy ideas in particular."

In fact, the agency hosts about one international delegation a week that wants to discuss how California has maintained a robust economy, and yet moved forward with progressive energy and environmental policies.

### Cal/EPA

Aimee Barnes, deputy secretary for board and intergovernmental relations for the California Environmental Protection Agency (Cal/EPA), said that her agency's key take is that "California has become an example that many look to in how environmental protection and economic

prosperity can go hand in hand."

In fact, Barnes explained that her position was created only four months ago to help meet and coordinate a lot of the international climate-related engagements because California's expertise in this area is in such high demand.

### Transportation Agency

Benjamin De Alba, assistant secretary for rail and ports with the state Transportation Agency, explained the vital role his agency plays in coordinating the freight traffic for California as it relates to international trade.

More than 40% of the containerized cargo entering the United States arrives at California seaports. In fact, port activity in California employs more than a half million people in the state, and generates \$7 billion in state and local revenue each year.

The state's freight railroad industry operates more than 6,000 miles of track, more than any other state in the nation.

### Food and Agriculture Board

Josh Eddy, executive director for the California State Board of Food and Agriculture, shared that in 2012, California agricultural exports reached \$18.18 billion, representing an 8% increase over the previous year.



Benjamin De Alba

"In terms of trade and investment, the agency really has redefined itself and has a strong network to help promote California's businesses internationally and really makes strides moving forward," he said.

### More Information

For more information, please see [www.calchamber.com/international](http://www.calchamber.com/international).  
Staff Contact: Susanne Stirling

# ALERT

CALIFORNIA CHAMBER OF COMMERCE

P.O. BOX 1736 SACRAMENTO, CA 95812-1736  
(916) 444-6670 FACSIMILE (916) 444-6685  
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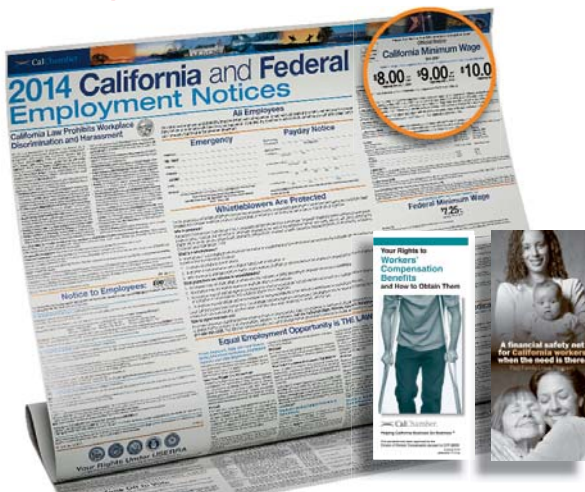
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## July 1 Compliance Alert

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If you aren't displaying a required employment notices poster that includes the \$9.00 state minimum wage for July 1, 2014, act now. Mandatory changes to required Workers' Compensation and Paid Family Leave pamphlets also take effect on that date.

By law, employers must post and hand out the most current employment notices, even if you only have one employee in California. Not informing employees of their rights in the workplace can result in costly lawsuits and fines.

Why wait for "or else"? Order your July 1 compliance products today. CalChamber offers **20% off**—while **Preferred and Executive members save an extra 20%** after their member discount—through June 30.

**PURCHASE** at [calchamber.com/july1c](http://calchamber.com/july1c) or call (800) 331-8877 with priority code JULC13.