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CalChamber-Backed Bills Go to Governor



SUPPORT

A number of bills **supported** by the California Chamber of Commerce have passed the Legislature in recent weeks and will be considered next by

Governor Edmund G. Brown Jr.

The CalChamber is asking the Governor to sign the following bills:

• Gender Equity Pay: SB 358 (Jackson; D-Santa Barbara) seeks to eliminate gender pay disparity by specifying that employees who are similarly situated and performing substantially similar duties should be paid the same wage rate.

The Governor's executive secretary, Nancy McFadden, announced on Twitter last week that the Governor would sign the legislation when it reaches his desk.

CalChamber Policy Advocate Jennifer

Barrera has noted that that SB 358 "provides a great balance between making sure there is no gender inequity in pay, but also leaving flexibility for an employer to reward employees for education, skill, training experience with regard to compensation as well.

"We are hopeful that SB 358 will limit litigation as it provides an objective criteria for employers at the outset to determine the pay base for employees and make sure those are not determined based on gender."

• Oversight of Transfer Degree Program: AB 1016 (Santiago; D-Los Angeles) will allow for continued oversight and improvements to the Student Transfer Achievement Reform Act through 2023.

The bill allows the Legislature to better evaluate the effectiveness of the state's transfer degree program by asking the chancellors of the California Com-

See CalChamber: Page 6

Job Killer Bill Will Cause Arbitrary Petroleum Cutback



An arbitrary and unrealistic reduction of petroleum use is a major consequence of a California Chamber of Commerce-opposed job killer bill pending before lawmakers.

SB 350 (de León; D-Los Angeles) has the potential to increase costs and burdens on all Californians with its mandate to cut petroleum use in half by 2030.

The goal of reducing petroleum consumption by 50% fails to recognize the needs of average Californians.

As amended July 16, SB 350 provides broad and undefined authority to the California Air Resources Board (CARB) to adopt regulations, standards and specifications in furtherance of achieving the reduction of petroleum use in motor vehicles by 50% by January 1, 2030.

The bill does not specify whether CARB should adopt and implement policies that impact the demand for petroleum fuels, or whether it should adopt and implement policies that affect the supply of transportation fuels.

SB 350 fails to require CARB to give consideration to the costs or job loss associated with the mandatory reduction.

Driving Integral to Daily Life

Without legislative guidance or protections against increased costs or job loss, what tools could CARB employ to meet the reduction mandate:

See Job Killer: Page 4

News Updates Between Print Editions

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Labor Law Corner

Factors to Weigh When Employee Out on Disability for Extended Period



Dana Leisinger HR Adviser

We are a small employer (22 employees). Our employee has been on disability for two months. I know we can't terminate her while she's on disability, but what are our options?

First, please note that the federal Family Medical Leave Act (FMLA) and the California Family Rights Act (CFRA) do not apply to you because you have fewer than 50 employees.

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Email: alert@calchamber.com. Home page: www.calchamber.com. At one point, simply being on disability did not afford job protection on its own. Recent changes to the California regulations on disabilities have changed that position, however (see the Department of Fair Employment and Housing website, www.dfeh.ca.gov).

One of the "reasonable accommodations" under the Fair Employment and Housing Act is a leave of absence. Even employers with fewer than 50 employees need to make an effort to provide a paid or unpaid leave for treatment and recovery.

Although the recent regulations give some definition as to what is a reasonable accommodation, there is no guidance as to how long of a leave would be considered acceptable. This must be decided on a case-by-case basis, and several factors come into play, including, but not limited to:

- The length of time requested;
- How critical is the individual's job.

- How large is the company;
- How busy is the company (given seasonal issues).

Other issues to consider are any policies in your employee handbook, and any past practices. If you have handled requests for time off for other employees in the past, those can be considered precedent.

It is always wise to seek counsel in making these critical decisions. The various governmental entities that evaluate these situations are increasingly sensitive, and employers should be similarly responsive.

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.

CalChamber-Sponsored Seminars/Trade Shows

More at <u>www.calchamber.com/events</u>. Labor Law

Whew! Harassment Investigation Done
— Or Is It? CalChamber. September
17, webinar. (800) 331-8877.

Business Resources

Financial Management for Your Business. Finagraph. September 29–30, Sacramento. (206) 922-4502.

Government Relations

Prop. 65/Green Chemistry Conference. Prop. 65 Clearinghouse. September 28–29, San Francisco. (415) 391-9808. Special rate for CalChamber members.

Annual Public Affairs Conference. CalChamber. November 3–4, Marina del Rey. (916) 444-6670.

International Trade

Trade Winds-Africa Trade Mission. U.S. Commercial Service. September 14–21, Johannesburg, South Africa. (304) 347-5123.

Exporting Best Practices Workshop. California Center for International Trade Development. September 15, Clovis. (559) 324-6401.

Importing into the U.S. Workshop. California Center for International Trade Development. September 15, Clovis. (559) 324-6401.

T-TIP: Opportunities for California. U.S. Department of Commerce. September 17, Los Angeles.

CalAsian Business Summit. CalAsian Pacific Chamber. September 17–18, Costa Mesa. (916) 446-7883.

Export Lenders Roundtable. U.S. Small Business Administration. September 18, Southern California (location to be determined). (415) 744-7730.

Power Engineering for Industry-2015. Ministry of Energy and Coal Industry of Ukraine. September 22–24, Kiev, Ukraine.

Americas-Africa Trade Show/Conference <u>See CalChamber Sponsored: Page 4</u>

CalChamber Calendar

Public Affairs Conference: November 3–4, Marina del Rey

Next Alert: September 18





CalChamber Webinar: Critical Steps After Harassment Investigation



Moderator Erika Frank

You've worked closely with your legal department to investigate a harassment complaint, taken corrective action and disciplined the harasser. So why are your employees spreading rumors, and why

is the employee who filed the initial complaint now filing a second one alleging retaliation?

A harassment complaint often affects many more people than the harasser and the victim—and an investigation focused solely on whether the harassment occurred overlooks disruption to the workplace caused by the initial harassment and the subsequent investigation.

The California Chamber of Com-

merce has scheduled a live 60-minute webinar on September 17 covering critical steps to "heal the workplace" by implementing a Healing Process Protocol.

Special Guest Presenters

Moderator Erika Frank, CalChamber vice president, legal affairs and general counsel, will join special guest presenters Ann Noel, Esq., Noel Workplace Consulting, and Stephen F. Anderson, president, Anderson-davis, Inc.

Both presenters are top experts in sexual harassment and discrimination in the workplace. They bring varied and extensive experience about what can go right but often goes wrong with workplace investigations and their resolution.

Noel was the California Fair Employment and Housing Commission's executive officer through the end of 2012.

Anderson has designed and delivered

live theatre-based workplace harassment investigations training since 1987.

Webinar Details

The "Whew! Harassment Investigation Done – Or Is It?" webinar will run from 10 a.m. to 11 a.m. on Thursday, September 17. The cost is \$99 for the public and free for CalChamber members.

Register online at *store.calchamber. com/products/10032189/HIW/* or call (800) 331-8877.

For those who can't attend, the webinar purchase includes a recorded version that's available after the live event.

The webinar is optimized for viewing on mobile devices. It is approved for 1.0 HRCI and MCLE credit hours, as well as 1.0 SHRM Professional Development Credit.

Join Cal/OSHA for Call on Heat Illness Prevention Standard



The call, scheduled for 11 a.m. to noon, will feature Christine Baker, director of the state Department of Industrial Relations, and Juliann Sum, chief of the California Division of Occupational Safety and Health (Cal/OSHA).

A valuable feature of the conference call is the opportunity to pose questions

and comments directly to Cal/OSHA staff members prior to and during the call about employer challenges and concerns about implementing the Heat Illness Prevention Standard.

The call is sponsored by the Heat Illness Prevention (HIP) Network, a voluntary public/private partnership established to increase both employers' and employees' awareness of the hazard of heat illness and the importance of heat illness prevention measures to prevent fatalities and serious illnesses in California workplaces.

The California Chamber of Commerce is a founding member of the HIP Network.

Network members work together to help prevent heat illness in workplaces throughout California in partnership with Cal/ OSHA by providing timely information to employers and employees.

New Heat Illness Rules

New heat illness regulations took effect on May 1. The changes include several significant provisions:

- Access to shade must be provided when temperatures exceed 80 degrees, instead of the current standard of 85 degrees;
- A change to what is considered "potable water" that must be made available to employees;
- Monitoring of employees taking a "preventative cool-down rest"; and
 - Changes to high heat procedures.

Questions/Comments

Questions or comments may be submitted in advance of the conference call by emailing *heat@dir.ca.gov*.

The online *Alert* will provide the call-in number as soon as it is available.

Interested readers also can send a request for the call-in number by emailing *heatillness@calchamber.com*.

Staff Contact: Marti Fisher

CalChamber Member Feedback



"If you believe in business and commerce in California, there is no better source of information and relationship building than the CalChamber."

JOSEPH OTTING
PRESIDENT AND CEO
ONEWEST BANK N.A., PASADENA

in the state with 104,000 of those jobs

tax dollars to the state and local govern-

ment. If half of this is taken away, the job

The industry has provided billions of

located in Los Angeles County.



Job Killer Bill Will Cause Arbitrary Petroleum Cutback

From Page 1

- Ration the use of petroleum?
- Limit driving to certain days of the week?
- · Demand vehicle efficiency without available technology?

Implementation of any of those approaches will come at a high cost to the families and residents in California.

Most of California's businesses and families rely on petroleum for their day-to-day transportation needs. Businesses rely on petroleum to transport goods and people.

SB 350 has the ability to compromise the availability of transportation fuels.

The California Energy Commission reported in its 2014 Integrated Energy Policy Report that 92% of all transportation fuels in California are made up of petroleum.

In opposing SB 350, the CalChamber and a coalition of employer groups ask

lawmakers to imagine the upset reducing petroleum by 50% will have on day-today life activities, such as getting to and from work, taking children to school, grocery shopping, getting to the doctor, the list goes on and on.

Petroleum Jobs Are Good Jobs

The coalition also cites questions like: Will there be a 50% straight reduction in the production of petroleum in the state?

and economic losses to the state would be devastating.

Impacts on Energy

As *Alert* went to print, news reports indicated that amendments to this bill were being negotiated. Please check the *Alert* app or *calchamber*. com for timely updates on amendments to this pending legislation.

AJobKillers.co

What would that do to the good-paying jobs in the petroleum industry?

The petroleum industry is a major economic engine in the state and has been helping California grow for more than 100 years. In 2014, the Los Angeles County Economic Development Corporation reported that in 2012, the petroleum industry was responsible for 468,000 jobs

CalChamber Opposes

Given the cost and economic burdens SB 350 would impose on all Californians, the CalChamber is urging policymakers to stop SB 350 from becoming law.

Staff Contact: Amy Mmagu

CalChamber-Sponsored Seminars/Trade Shows

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2015. Economic Promotion Office of Côte d'Ivoire in the United States. Canada and Mexico, and MSE Management. September 25–27, New York City. (646) 864-0670.

Sino-U.S. SME Forum 2015. China General Chamber and the Bank of China. September 28, New York City. (646) 231-3024.

International Business Culture. Port of Los Angeles. September 29, Santa Ana. (310) 732-7765.

Bilateral Forum: CA and Latin America. Port of Los Angeles and The Elden Company. October 1–3, San Pedro. (949) 300-5700.

Russian-American Pacific Partnership. Russian Federation in the U.S.

October 7-8, Yuzhno-Sakhalinsk, Russia. (202) 232-5988.

Luncheon Celebrating Singapore's 50th Anniversary. CalChamber. October 6, Sacramento. (916) 444-6670.

Dubai Investment Forum 2015. Dubai Investment Development Agency. October 12, Dubai.

Academia and Related Export Controls. U.S. Commercial Service. October 14, Claremont. (909) 390-8429.

Evolving Export Controls, Compliance, Enforcement. U.S. Commercial Service and California Inland Empire District Export Council. October 15, Ontario. (909) 390-8283.

21st Century Maritime Silk Road International Expo. Guangdong Economic and Trade Office in the U.S. October 29-31, Guangdong, China. (626) 278-3112.

Discover Global Markets: Pacific Rim. U.S. Commercial Service. October 29–30, Orange County.

Nagoya Trade Show. Japan America Society of Southern California. November 4–7, Nagoya, Japan. (310) 965-9050.

Hong Kong/China Trade and Leadership Mission. CalAsian Pacific Chamber. November 7–19, Hong Kong, Guangzhou, Shanghai, and Bejing, China. (916) 446-7883.

How to Do Business in the Pacific Rim. CalAsian Pacific Chamber. December 2-3, Fresno. (916) 446-7883.

Tools to stay in touch with your legislators.

calchambervotes.com



Pundit, Pollster Frank Luntz to Speak at Fall Public Affairs Conference

Assessing the victories and setbacks of the first half of the 2015–16 California legislative session, plus forecasting the priorities for the second half, will be major topics of discussion at the California Chamber of Commerce Fall Public Affairs Conference.

The conference will take place from Tuesday, November 3 to Wednesday, November 4 at The Ritz-Carlton in Marina del Rey.

Panel Discussions

• Did gains at the ballot box in 2014 manifest themselves in creating a legislature willing to work on and support issues pertinent to the needs of California employers?

Attendees will get the answers and be able to ask questions at the afternoon panel of legislators, titled "Big Battles and Major Victories—2015 Legislative Year in Review," moderated by Jeanne Cain, CalChamber executive vice president, policy.

- A discussion with legislators on "The Wizards of What's Next—2016 Second Year Session Preview," moderated by CalChamber President and CEO Allan Zaremberg will cover new bills and the two-year leftovers. Attendees will have ample opportunity to ask questions, and mix and mingle with legislators at the reception immediately following this panel.
- As 2016 is an election year, the conference will feature three panel sessions with insiders from both major parties offering insights and predictions on key statewide and legislative races, as well as the upcoming ballot initiatives: "The Top Two and You—2016 California



Dr. Frank Luntz

Election Forecast," "Bags, Bonds, Taxes and Pot—2016 Initiatives Campaign Preview," "The Reformers Agenda—Priorities for 2016."

• A special session, "Where's the Breach?" will discuss data security policy challenges.

Luncheon Guest Speaker

The featured speaker at the Wednesday luncheon will be media pundit, focus group and survey guru Dr. Frank Luntz, who will lead a talk titled "Words that Matter."

Luntz is the best-selling author of Words that Work: It's Not What You Say, It's What People Hear.

In addition to his work in politics and with the media, he has a client list that reads like the who's who of the Fortune 500, advising companies such as Merrill Lynch, Coca Cola and the U.S. Navy.

He also is the author of What Americans Really Want...Really: The Truth About Our Hopes, Dreams, and Fears.

Register Today

Sign up before October 1 and take advantage of the special early registration fee. Registration information is available at <u>regonline.com/2015CalChamberPublic AffairsConf.</u>





CalChamber-Backed Bills Go to Governor

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munity College system and the California State University (CSU) to report on the extent to which transfer degree students are being admitted to the CSU campuses of their choice to programs related to their transfer degrees, the number of units with which those students enter the CSU, and their graduation rates after two and three years attending a CSU.

When the Legislative Analyst's Office (LAO) reviewed the implementation status of the program in February, it found most community college and CSU campuses had made considerable progress, but also identified areas where improvement is still needed and data that would be useful to allow all aspects of the program to be evaluated properly.

AB 1016 addresses the LAO's observations and will enable the Legislature to continue monitoring the program over the next few years so it can make adjustments if necessary.

• Automated External Defibrillators: SB 658 (Hill; D-San Mateo) encourages businesses and individuals to assist in an emergency with an automated external defibrillator (AED) by limiting the risk of civil liability. It also simplifies the maintenance of an AED for the owner of the premises.

Under SB 658, neither a business that acquires an AED for its premises, nor an individual who renders emergency assistance with an AED will be civilly liable for any damage as long as the person complies with routine maintenance, inspection, and an annual demonstration of the AED to make sure the devices are functioning and at least one person in the building is aware of how to use an AED.

The bill still holds a manufacturer, developer, installer, or distributor liable for potential product defects or performance, as well as a person who engages in willful or wanton misconduct.

• Protects Victims of the Underground Economy: SB 623 (Lara; D-Bell Gardens) ensures that all injured workers receive benefits by clarifying that workers cannot be denied their benefits due to their immigration status.

The bill clarifies current law so that no injured worker is refused benefits based on immigration status from a fund that provides workers' compensation benefits to workers who have been injured on the job and work for an illegally uninsured employer; and a fund that is a source of additional compensation for insured workers who already had a disability or impairment at the time of injury.

- Employer Disaster Relief: SB 35 (Wolk; D-Davis) assists businesses that have suffered losses as a result of a natural disaster by permitting tax deductions for those losses. The bill will apply to 2014 and subsequent taxable years, with a January 1, 2024, sunset date. Therefore, taxpayers in Napa, Solano and Sonoma counties, who suffered losses as a result of the August 2014 Napa earthquake, would be afforded the special tax relief.
- Performance Standards: AB
 1312 (O'Donnell; D-Long Beach)
 enables ships to enter state waters while
 technology is developed that will meet
 California's stringent standards for
 ballast water management. The bill
 delays implementation of interim and
 final performance standards for ballast
 water management. The State Lands
 Commission recently made the assessment that there is no current technology
 available to meet the state's ballast
 water management standards.

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Partner discounts available to CalChamber Online, Preferred and Executive members.





CalChamber Urges Support for Transatlantic Economic Partnership



The California Chamber of Commerce is urging the California congressional delegation to

support the Transatlantic Trade and Investment Partnership (TTIP).

Europe and the United States are negotiating an agreement to further enhance the largest regional trading and investment relationship in the world.

Jobs Coast to Coast

According to a new report released August 20, congressional districts in California stand to benefit if the European Union and United States reach an ambitious trade agreement.

"Northern California and the Pacific Northwest benefit from hundreds of millions of dollars in exports and job growth, proving that Americans would be better off as a result of TTIP," said the British Consul General San Francisco Priya Guha. "This report shows that a comprehensive trade agreement is a win for California."

The report, published by the British government and conducted by an independent economic consultancy, concludes that the TTIP would generate significant economic gains across the United States, with net gains for every U.S. congressional district.

The report highlights that successful implementation of TTIP is estimated to increase California's exports to the EU by an average of about 27.9% and could boost net employment by 75,250 jobs for the targeted congressional districts (1st through 53rd) in the report.

The report is based on the Centre for Economic Policy Research report "Reducing Transatlantic Barriers to Trade and Investment: An Economic Assessment," The Trade Partnership's CDxports database and the approach used by Ecorys to quantify nontariff measures.

The full report, TTIP and the Fifty States: Jobs and Growth from Coast to Coast, can be downloaded from gov.uk, and follows from the 2013 report, which

concluded that TTIP would create 740,000 jobs across the United States.

Transatlantic Partnership

The transatlantic economic partnership is a key driver of global economic growth, trade and prosperity. It is the most integrated and longest-standing regional economic relationship in the world.

According to a 2015 study by the British Embassy in Washington, the Bertelsmann Foundation, and the Atlantic Council, the EU-U.S. relationship supports a combined 13 million jobs and nearly \$3.9 trillion in investment, and represents 45% of global gross domestic product (GDP).

The transatlantic relationship defines the shape of the global economy as a whole; either the European Union or the United States also is the largest trade and investment partner for almost all other countries.

According to the World Bank, the EU market represents 508.3 million people, and has a total GDP of \$18.5 trillion. The United States has 318.9 million people and a GDP of \$17.4 trillion.

Total bilateral goods trade between the European Union and United States was \$694.3 billion in 2014, with the United States exporting \$276.1 billion worth of goods to EU member nations.

California Exports

California exports to the European Union in 2014 totaled \$29.6 billion. California is one of the top exporting states to Europe, with computers, electronic products and chemical manufactures as the state's leading export sectors to the region. EU countries purchase 17% of all California exports.

For California companies, the single market presents a stable market with huge opportunity.

A free trade agreement could increase economic output and the GDP in the long term, benefiting industries ranging from chemicals to automakers. EU-U.S. commercial links are unrivaled. Total U.S. annual investment in the EU is higher than in all of Asia, while EU investment

in the U.S. far outstrips EU investment in India and China combined.

Case for Investing in Europe

During a CalChamber International Forum in May, Jake Slegers, chair of American Chambers in Europe (ACE), offered highlights of ACE's recent publication, *The Case for Investing in Europe* 2015.

Slegers explained that the transatlantic partnership remains critical to the long-term health of the global economy. Although Slegers didn't shy away from some of the recent criticism of the EU economy, he argued that Europe still remains among the most attractive long-term places in the world for business.

"Europe is not only the largest economy in the world, but what is a very important distinction, it is one of the wealthiest," Slegers commented.

"It's size and wealth that sets it apart from other parts of the world, and it is indeed the access to these wealthy, well-established, stable consumers that is among the primary reasons why U.S. companies venture overseas and especially enter Europe. You basically know what you're going to get and you have a stable, well-funded environment to operate in."

Trade Talks

Trade and investment initiatives being focused on in the ongoing trade talks between Europe and the United States to deepen the world's largest trading relationship include:

- eliminating tariffs on transatlantic trade in goods;
- establishing compatible regulatory regimes in key sectors to address regulatory divergences that unnecessarily restrict trade:
 - a bilateral investment agreement;
- liberalizing cross-border trade in services; and
- bilateral expansion of government procurement commitments.

For more information on TTIP, visit the CalChamber international portal page, www.calchamber.com/TTIP.

Staff Contact: Susanne T. Stirling



Protect your business and employees.

California companies with 50 or more employees are required to provide two hours of sexual harassment prevention training to all supervisors **within six months of hire or promotion**, and every two years thereafter. CalChamber's online supervisor course meets state training requirements and helps your company avoid work situations that put you at risk for costly lawsuits. Regardless of company size, we recommend training for all nonsupervisory employees as well. Learners can start and stop anytime because the system tracks their progress.

Take 20% off our online California Harassment Prevention courses.

Preferred and Executive members save an extra 20% after their 20% member discount! Use priority code HPTDAA by 9/30/15.





Learners can take the California courses in English or Spanish, on most tablets or right from the desktop.

ORDER online at calchamber.com/HPTdeal or call (800) 331-8877.

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CALIFORNIA CHAMBER OF COMMERCE

