

# ALERT

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## CalChamber Stops 18 of 19 Job Killer Bills in 2015



Governor Edmund G. Brown Jr. vetoed the two California Chamber of Commerce-opposed job killer bills on his desk this week.

In 2015, CalChamber identified 19 job killer bills and stopped 18 of them from becoming law.

On October 11, the last day for the Governor to act on legislation sent to his desk, the Governor vetoed **AB 465 (R. Hernández; D-West Covina)**, which would have increased litigation, and **SB 406 (Jackson; D-Santa Barbara)**, which would have significantly expanded the California Family Rights Act.

"We appreciate the Governor's thoughtful approach and attention to the adverse consequences of overly broad legislation," said Allan Zaremberg, CalChamber president and CEO. "These vetoes will help establish the certainty that California businesses need in managing their workforce and will be a positive factor in promoting California job creation."

### AB 465: Increased Litigation

The CalChamber argued that if signed into law, AB 465 would have worsened the litigation environment and hurt job creation because it precluded mandatory employment arbitration agreements, which is likely pre-empted by the Federal Arbitration Act.

Governor Brown agreed with CalChamber, writing: "California courts have addressed this issue of unfairness by insisting that employment arbitration agreements must include numerous protections to be enforceable, including neutrality of the arbitrator, adequate discovery, no limitation on damages or remedies, and a written decision that permits some judicial review and limitation on the costs of arbitration."

On the issue of pre-emption, the Governor wrote that "recent decisions by both the California and United States Supreme Courts have found that state policies which unduly impede arbitration are invalid."

*See CalChamber Stops: Page 4*

## Governor Acts to Limit Litigation, Maintain Fiscal Prudence



A California Chamber of Commerce-supported job creator bill that will help limit

frivolous, costly litigation against employers was signed by the Governor this month.

The Governor's continued attention to fiscal prudence led to vetoes of two job creator bills that contained tax credits and a third job creator bill whose purpose the Governor said could be achieved by other means less burdensome to the state.

### Private Attorneys General Act

Signed by Governor Edmund G. Brown Jr. on October 2 was **AB 1506 (R. Hernández; D West Covina)**, which provides employers with a limited opportunity to cure technical violations in an itemized wage statement before being subject to costly and devastating litigation.

The bill received unanimous support in both houses as it moved through the Legislature. By allowing the employer a limited time period to fix technical violations on an itemized wage statement that does not create any injury to an employee before any civil litigation is pursued, AB 1506 will enable an employer to devote its financial resources to expanding its workforce.

AB 1506 contains an urgency clause and thus went into effect immediately upon being signed.

The Labor Code Private Attorneys General Act (PAGA) allows an employee to

*See Governor Acts: Page 9*

### Inside

**Final Status Report:**  
**Pages 10-19**

## Labor Law Corner

# Sick Leave Waiting Periods May Not Be Imposed on Existing Employees



**Sunny Lee**  
HR Adviser

*We recently changed a part-time employee to full time. Does she have to work 30 days in this new position before she is entitled to sick leave and 90 days before she can use paid sick leave?*

No, you may not impose additional waiting periods on an existing employee when he changes his job or employment classification within a company, whether it involves a new position or change in classification, such as going from temporary to regular or part time to full time.

### New Hires

The law does allow waiting times, but they apply only to new hires that are hired after July 1, 2015.

For new hires, an employer may require that they work for the company for 30 days to be eligible for sick leave and work 90 days before sick leave could be used.

It is important that employees not be denied paid sick leave by requiring a new waiting period after a job or classification change.

For an in-depth review of sick leave, visit the home page of **HRCalifornia.com** and click on the Paid Sick Leave link. You also may call the Helpline with questions.

*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).*

**Next Alert: October 30**

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*Ann A. Amioka*

Ann Amioka  
Vice President, Communications  
September 11, 2015

# Gender Equity Pay Bill Signed into Law



CalChamber Policy Advocate Jennifer Barrera (left) and Senator Hannah-Beth Jackson (D-Santa Barbara) flex their muscle in a show of support of SB 358 at the bill signing ceremony.

A California Chamber of Commerce-supported bill that seeks to eliminate pay disparity based on gender was signed by Governor Edmund G. Brown Jr. on October 6.

**SB 358 (Jackson; D-Santa Barbara)**, which received overwhelming support in both houses as it moved through the Legislature, will ensure that women are paid equally for work that is substantially similar to the work of their

male colleagues, and are not retaliated against if they discuss or ask how much their male colleagues are paid.

"Equal pay for equal work, regardless of gender, shouldn't be an issue in California," said CalChamber President and CEO Allan Zaremberg. "We applaud the Governor and a bipartisan vote in the Legislature for establishing this fundamental tenet in statute and providing guidance to employers to determine appropriate wages for non-gender-related reasons that allow employers to effectively manage their workforce."

## More Clarity

Equal pay for equal work has been the law in California for decades. SB 358 provides clarity on ambiguous provisions that will help California employers avoid costly litigation.

- First, the term "equal" has proven too rigid and in limited cases, created absurd results that have provided a false sense of security for employers to justify a wage differential. Some employers have actually interpreted the term "equal" to mean absolutely identical job duties and title, and pay men a higher wage than women on minor variations.

This was never the intent of the law and certainly is not how the federal coun-

terpart, Equal Pay Act, or similar anti-discrimination laws have been interpreted with regard to wage discrimination.

SB 358 modifies the term "equal" to "substantially similar" in order to emphasize the intent and application of the law.

- Second, SB 358 defines the term "bona fide factor" to provide further guidance to employers regarding the bases that can legitimately justify a wage differential such as education, training, and experience.

While some have commented that SB 358 removed work performed on different shifts or in different establishments as a justification for a difference in pay, it did not, as specifically set forth in Senator Hannah-Beth Jackson's letter to the *Senate Daily Journal* on May 26, 2015.

## Fair Balance

Overall, SB 358 creates a fair balance between ensuring employees receive the same wages for the same work regardless of their gender, while also allowing an employer to continue to manage its workforce and determine appropriate wages for non-gender-related reasons.

The law will go into effect on January 1, 2016.

**Staff Contact: Jennifer Barrera**

## CalChamber-Sponsored Seminars/Trade Shows

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

### Government Relations

Annual Public Affairs Conference.

CalChamber. November 3-4, Marina del Rey. (916) 444-6670.

### International Trade

Baja Manufacturing Tours. U.S.-Mexico Chamber. October 22, Tecate and Tijuana, Mexico. (310) 922-0206.

Global Trade Law and Taxes. Monterey Bay International Trade Association and TradePort. October 22, San Jose. (831) 335-4780.

BPI Global Talk-San Francisco Launch Reception. BPI Global Talk. October 22, San Francisco. (415) 521-4473.

National Aerospace Exposition. Aerospace States Association. October 26-28, Los Angeles. (310) 228-1234.

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.

U.S. Trade and Development Agency: China Smart Grid Business Briefing. 3E-EMI. November 4, Arlington, Virginia. (202) 741-1294.

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 Beijing, China. (916) 446-7883.

Integrating Global Trade, Logistics and Cybersecurity. Center for International Trade Development. November 12-14,

San Francisco. (650) 738-7098.

Exporting Best Practices Workshop.

California Center for International Trade Development. November 17, Clovis. (559) 324-6401.

Importing into the U.S. Workshop.

California Center for International Trade Development. November 17, Clovis. (559) 324-6401.

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

## CalChamber Calendar

*Public Affairs Conference:*

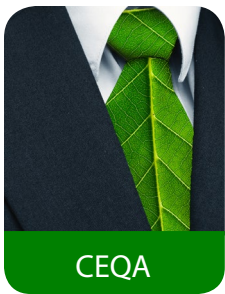
November 3-4, Marina del Rey



## *CEQA, Housing, Mining, Land Use*

# Road Repair Bill Gets OK; Foundation Laid for Mining Act Reform; Housing Bills Pass

With the exception of the signing of a job creator bill streamlining some infrastructure development, 2015 was quiet on most California Environmental Quality Act (CEQA) matters. Also, there was positive movement on housing affordability and a start to reforming the state surface mining and reclamation law.



CEQA

### CEQA

The year was a relatively light one with respect to CEQA reform, in part because the California Supreme Court has a significant docket of CEQA cases that will be

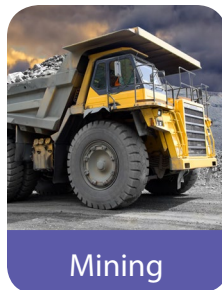
decided later this year and into next. Before taking action to expand or reform CEQA, both sides appear to be waiting on the results of those cases.

The most significant CEQA bill, [\*\*SB 122 \(Jackson; D-Santa Barbara\)\*\*](#), before it was amended, would have made the CEQA process even more lengthy by mandating an additional comment period for every project that required an environmental impact report. After that language was removed, the CalChamber removed its opposition.

SB 122 did not get out of the Assembly Appropriations Committee, but will

likely return in the same form next year. [\*\*AB 323 \(Olsen; R-Modesto\)\*\*](#), a CalChamber job creator, streamlines infrastructure development by extending the current CEQA exemption for certain roadway repair and maintenance projects. The Governor signed the bill into law.

Other CalChamber **supported** CEQA legislation that did not make it through the legislative process included [\*\*AB 641 \(Mayes; R-Yucca Valley\)\*\*](#), which would have streamlined the CEQA process for housing projects, as well as [\*\*AB 311 \(Gallagher; R-Yuba City\)\*\*](#) and [\*\*SB 127 \(Vidak; R-Hanford\)\*\*](#), which each would have streamlined water infrastructure development by creating an expedited CEQA review process for projects funded in whole or in part by the Water Quality, Supply and Infrastructure Improvement Act of 2014.



Mining

### Surface Mining/Reclamation

Responding to the Governor's calls for comprehensive reforms to the Surface Mining and Reclamation Act

(SMARA), **Assembly Member Adam Gray (D-Merced)** introduced [\*\*AB 1142\*\*](#), a CalChamber-supported bill that would have strengthened SMARA by promoting

better communication between government agencies and mining operators.

The bill would have ensured that mines are inspected by qualified professionals, and would have further clarified due dates for various compliance requirements.

Due to last-minute issues coordinating provisions with another SMARA bill, AB 1142 was not voted upon on the floor of the second house; however, the CalChamber fully expects the bill to be revived early next year.



Housing

### Housing and Land Use

The CalChamber **supported** three bills seeking to expand affordable housing opportunities:

• [\*\*AB 35 \(Chiu; D-San Francisco\)\*\*](#),

a CalChamber job creator, would have promoted affordable housing by expanding the existing low-income housing tax credit program, making the state better able to leverage an estimated \$100 million more in federal tax credits.

The Governor vetoed this bill, noting that he was hesitant to expand an existing tax credit just when the state is on the road to economic recovery.

• [\*\*AB 90 \(Chau; D-Monterey Park\)\*\*](#) will designate the California Department of Housing and Community Development (HCD) as the state agency responsible for administering funds received from the federal Housing Trust Fund.

The bill, signed by the Governor, will provide the framework for HCD to ensure that monies are utilized for their intended purposes—helping close the gap between the supply and demand of affordable housing.

• [\*\*AB 1056 \(Atkins; D-San Diego\)\*\*](#) will promote a reduction of recidivism by providing rental housing assistance to formerly incarcerated individuals by using savings accumulated as a result of Proposition 47. The Governor signed this bill into law.

**Staff Contact: Anthony Samson**

## CalChamber Stops 18 of 19 Job Killer Bills in 2015

*From Page 1*

### Expansion of Family Rights Act

[\*\*SB 406 \(Jackson; D-Santa Barbara\)\*\*](#) was identified as a job killer because the bill would have increased costs and the risk of litigation.

The bill would have created inconsistencies with federal law by expanding the family members for whom leave may be taken, which would have provided a potential 24-week protected leave of absence for employers to administer.

The Governor agreed with CalCham-

ber's assessment of SB 406, pointing out that the bill "could require employers to provide employees up to 24 weeks of family leave in a 12-month period."

The Governor continued that he is "open to legislation to allow workers to take leave for additional family members that does not create this anomaly."

### Job Killer Signed

One job killer bill, [\*\*AB 359 \(Gonzalez; D-San Diego\)\*\*](#), dealing with grocery workers, was sent to the Governor in August and was signed into law.

# Workers' Comp Bills Undercutting Reforms Stopped; Helpful Proposals Become Law



## Workers' Comp

Action taken earlier this month by Governor Edmund G. Brown Jr. on two bills closed out another successful legislative year in workers' compensation for the California

Chamber of Commerce.

Introduced in the Legislature, but not passed, was a proposal that threatened to undercut the recent reforms and expand benefits to individuals not injured on the job.

Also introduced and ultimately signed into law were two CalChamber-supported bills that will provide appropriate, less costly and timely care, and ensure all injured workers have access to benefits.

## Job Killer Stopped

The CalChamber **opposed SB 563 (Pan; D-Sacramento)** and designated it a job killer because it would have undermined the entire medical treatment review process in the California workers' compensation system, thereby triggering significant system cost increases and exposing injured workers to delays and potentially inappropriate treatment.

The medical review process—including both utilization review and independent medical review—was updated as part of the joint labor-management system reforms in 2012.

The goals of these updates were to:

- ensure timely, evidence-based treatment for injured workers;
  - allow physicians, not judges, to make medical decisions; and
  - reduce system litigation and friction.
- SB 563 threatened to obstruct each of

these goals by creating ambiguous exceptions to the review process, each of which would have resulted in more treatment delays and disputes.

SB 563 was held in the Senate Appropriations Committee.

## Vetoed

The CalChamber also **opposed AB 305 (Gonzalez; D-San Diego)**, which would have required employers to compensate some injuries that occurred outside of the workplace.



CalChamber Policy Advocate Jeremy Merz highlights features of positive workers' compensation legislation signed into law and a harmful bill that was vetoed in a Capitol Report video released this week. See the video at [youtube.com/calchamber](http://youtube.com/calchamber).

The California workers' compensation system was designed to cure and relieve industrial injuries or, more simply put, injuries that occur at work. Therefore, when making permanent disability determinations, physicians may apportion between industrial (workplace) and nonindustrial (outside the workplace) causes of the disability.

AB 305 would have eliminated apportionment for certain conditions, thereby expanding workers' compensation beyond industrial injuries. The CalChamber worked with coalition partners to stop this bill and it was vetoed by the Governor on October 6.

## Positive Outcome

Collectively, the actions taken on the following bills by both the Governor and the Legislature were positive for the workers' compensation system and California employers.

• **AB 1124 (Perea; D-Fresno)** creates a prescription medication formulary that will ensure clinically appropriate medications are provided to injured workers and potentially decrease dispute-driven procedural delays and reduce costs in the workers' compensation system.

Formularies have proven successful in managing pharmaceutical costs in other health systems—including Medi-Cal, private group health care and other state workers' compensation systems.

The CalChamber worked with the author's office and other system stakeholders to develop the language in the bill, and it was signed into law on October 6.

• **SB 623 (Lara; D-Bell Gardens)** clarifies current law to ensure that no injured worker is refused benefits from the Uninsured Employers Benefit Trust Fund (UEBTF) and the Subsequent Injuries Benefit Trust Fund (SIBTF) based on the worker's immigration status.

The UEBTF provides workers' compensation benefits to injured workers who have been injured on the job and work for an illegally uninsured employer. The SIBTF is a source of additional compensation for injured workers who already had a disability or impairment at the time of injury.

The CalChamber **supported SB 623**, along with the California Labor Federation and the California Applicants' Attorneys Association, and it was signed by the Governor on September 9.

**Staff Contact: Jeremy Merz**

# Environmental: CalChamber Stops Worst Bills, Secures Changes to Others



The California Chamber of Commerce actively engaged in environmental legislation this year, positioning on dozens of bills related to hazardous waste permitting, Proposition

65, consumer product regulation, and oil and gas development.

## Hazardous Waste Permitting

In response to the troubled Exide Battery Plant in Vernon, California, which was shut down earlier this year in part due to local air quality violations and an impending federal prosecution, the California Legislature proposed three significant pieces of legislation to reform the state's hazardous waste permitting program.

### Job Killer Delayed

The most problematic proposal, [\*\*SB 654 \(de León; D-Los Angeles\)\*\*](#), which the CalChamber labeled a job killer, would have shut down hazardous waste facilities if the Department of Toxic Substances Control (DTSC) failed to take final action on a hazardous waste permit renewal application within a specified timeframe.

Facing significant opposition from the business community, the author elected not to bring the bill to the floor of the second house; however, it can still be revived next year.

### Opposed Bills Amended

Another bill, [\*\*SB 673 \(Lara; D-Bell Gardens\)\*\*](#), establishes new permitting criteria that DTSC must consider when issuing or denying hazardous waste permits.

Finally, [\*\*AB 1075 \(Alejo; D-Salinas\)\*\*](#) attempts to crack down on serious and repeat hazardous waste violators.

After mounting significant opposition to both bills, CalChamber removed opposition when the authors accepted favorable amendments.

The original version of SB 673 required DTSC to adopt new and potentially problematic permitting criteria, while the amended version makes establishing the specified criteria voluntary only.

As for AB 1075, the original version

gave DTSC the authority to revoke or suspend a hazardous waste permit for minor or mere paperwork violations, while the amended version, among other things, would give DTSC such authority only for serious repeat violations.

The Governor signed both bills into law.

## Proposition 65

In light of recent statistics released by the Attorney General demonstrating that Proposition 65 is abused by unscrupulous lawyers who sue under the law for reasons unrelated to protecting public health, the CalChamber supported two reform proposals aimed at reducing the number of Proposition 65 warnings and curbing litigation abuse.

A CalChamber supported bill, [\*\*AB 543 \(Quirk; D-Hayward\)\*\*](#), would have helped to address the "overwarning" problem by stating that a business need not provide a warning when the business has conducted an exposure assessment by a qualified scientist which concludes that no warning is required.

Another bill, [\*\*AB 1252 \(Jones; R-Santee\)\*\*](#), would have helped protect small businesses from unwarranted lawsuits related to alleged missing or inadequate signage.

Despite significant support from the business community, neither bill made it for a vote in their respective policy committees.

## Consumer Products Regulation

This year, CalChamber opposed three bills seeking to impose new labeling requirements on certain consumer products, and to ban others outright.

• [\*\*AB 708 \(Jones-Sawyer; D-South Los Angeles\)\*\*](#) sought to stifle innovation and exacerbate the "overwarning" problem by requiring manufacturers of certain consumer products to disclose the 20 most prevalent ingredients contained in the product by posting that information on the product label without providing any confidential business information protections.

AB 708 was never taken up for a vote by the full Assembly, but can be expected to reappear next year.

• [\*\*SB 763 \(Leno; D-San Francisco\)\*\*](#) sought to unnecessarily alarm consumers

by requiring manufacturers of certain juvenile products to provide an on-product label regarding the presence of flame retardants, even if the product did not contain flame retardants.

The author decided not to pursue the bill when an Assembly committee sought an amendment eliminating the requirement to provide a label when the product does not contain flame retardants.

• [\*\*AB 888 \(Bloom; D-Santa Monica\)\*\*](#) prohibits the sale of personal care products containing plastic microbeads and, in doing so, bans the use of naturally derived or nature identifiable alternatives that pose no risk to the environment or public health. The Governor signed AB 888 into law.

## Oil and Gas Development

The CalChamber opposed numerous bills aimed at limiting or shutting down in-state energy development, including several proposals to undermine the state's Underground Injection Control (UIC) program and impose a de facto moratorium on hydraulic fracturing. Fortunately, none of these proposals made it to the Governor.

CalChamber opposed as a job killer [\*\*AB 356 \(Williams; D-Carpinteria\)\*\*](#), which could have shut down certain in-state oil production operations by redefining critical components of the UIC program.

These new definitions would have compromised oil production without providing any additional environmental or groundwater protections beyond those already proposed by state regulators.

Other proposals to undermine the UIC program, [\*\*SB 248 \(Pavley; D-Agoura Hills\)\*\*](#) and [\*\*SB 454 \(Allen; D-Santa Monica\)\*\*](#), also did not survive the legislative process.

Finally, CalChamber succeeded in stopping job killer [\*\*AB 1490 \(Rendon; D-Lakewood\)\*\*](#), which would have driven up fuel processing and energy prices by halting all hydraulic fracturing activities after an earthquake of a magnitude 2.0 or higher.

Given the high frequency of such small magnitude earthquakes, this bill amounted to a de facto moratorium on all hydraulic fracturing activities.

**Staff Contact: Anthony Samson**



# Trans-Pacific Partnership Talks Reach Successful Conclusion; Ratification Next



Negotiators among the 12 Trans-Pacific economies for the Trans-Pacific Partnership Agreement (TPP)

successfully concluded their wide-ranging trade negotiations on October 5.

The TPP includes the 12 Trans-Pacific Partnership economies of Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam.

The California Chamber of Commerce **supports** the TPP trade agreement process as an important vehicle for economic integration throughout the Pacific.

This regional agreement of 30 chapters sets a high standard that will enhance the competitive of the countries that are a part of it, helping facilitate trade and promoting investment between participants in the agreement, increasing their economic growth and development.

## Benefits for Nation

According to the U.S. Trade Representative's Office, the TPP is the most significant trade negotiation in a generation, and promises significant economic benefits for American businesses, workers, farmers, ranchers and services providers.

The TPP ministers announced that this agreement brings higher standards to nearly 40% of the global economy.

"After more than five years of intensive negotiations, we have come to an agreement that will support jobs, drive sustainable growth, foster inclusive development, and promote innovation across the Asia-Pacific region," the ministers said in a statement. "Most importantly, the agreement achieves the goal we set forth of an ambitious, comprehensive, high standard and balanced agreement that will benefit our nation's citizens."

U.S. President Barack Obama, who sees the pact as a key element in his "pivot to Asia" foreign policy, lauded the deal in a statement on October 5:

"This partnership levels the playing field for our farmers, ranchers, and manufacturers by eliminating more than 18,000 taxes that various countries put on our

products. It includes the strongest commitments on labor and the environment of any trade agreement in history, and those commitments are enforceable, unlike in past agreements. It promotes a free and open Internet. It strengthens our strategic relationships with our partners and allies in a region that will be vital to the 21st century. It's an agreement that puts American workers first and will help middle-class families get ahead."



Susanne T. Stirling, CalChamber vice president, international affairs, explains the impact of the renewal of Trade Promotion Authority on the recently completed Trans-Pacific Partnership Agreement in a Capitol Report video. See the video at [youtube.com/calchamber](http://youtube.com/calchamber).

## Eliminates Taxes

According to a fact sheet released by the White House, TPP will eliminate and reduce import taxes—or tariffs—on the following:

- **U.S. manufactured products:** TPP eliminates import taxes on every Made in America manufactured product that the U.S. exports to TPP countries. For example, TPP eliminates import taxes as high as 59% on U.S. machinery products exports to TPP countries. In 2014, the U.S. exported \$56 billion in machinery products to TPP countries.

- **U.S. agriculture products:** TPP cuts import taxes on Made in America agricultural exports to TPP countries. Key tax cuts in the agreement will help American farmers and ranchers by expanding their exports, which provide roughly 20% of all farm income in the United States. For example, TPP will eliminate import taxes as high as 40% on U.S. poultry products, 35% on soybeans, and 40% on fruit exports. Additionally, TPP will help American farmers and ranchers compete by tackling a range of barriers they face abroad, including ensuring that foreign regulations and agricultural inspections are based on science,

eliminating agricultural export subsidies, and minimizing unpredictable export bans.

- **U.S. automotive products:** TPP eliminates import taxes as high as 70% on U.S. automotive products exports to TPP countries. In 2014, the U.S. exported \$89 billion in automotive products to TPP countries.

- **U.S. information and communication technology products:** TPP eliminates import taxes as high as 35% on U.S. information and communication technology exports to TPP countries. In 2014, the U.S. exported \$36 billion in information and communication technology products to TPP countries.

## TPP Impact

A TPP agreement provides global income benefits of an estimated \$223 billion per year, by 2025, according to a 2013 analysis supported by the Peterson Institute. Real income benefits to the United States are an estimated \$77 billion per year.

The TPP could generate an estimated \$305 billion in additional world exports per year by 2025, including an additional \$123.5 billion in U.S. exports.

The market size is nearly 800 million consumers with a combined gross domestic product (GDP) of \$28.1 trillion in 2012 (39% of world GDP). Trade with the TPP countries supported 15.3 million American jobs, and 44% of U.S. goods exports went to those countries in 2013.

In 2014, U.S. exports with the TPP members reached \$726.5 billion and California exports were \$71.6 billion, according to the U.S. Department of Commerce.

## Next Step

The Office of the U.S. Trade Representative (USTR) has just launched a new website: <https://ustr.gov/tpp/> that includes fact sheets on TPP chapters and related issues.

Over the coming weeks and months, negotiators will continue technical work to prepare a complete text for public release, including the legal review, translation, and drafting and verification of the text. USTR will engage with stakeholders on the specific features of this agreement and undergoing the domestic processes to put the agreement in place.

*See Trans-Pacific: Page 9*

# CalChamber Hosts Singapore Ambassador at 50th Anniversary of Independence Lunch



The strong trading ties between Singapore and the United States, as well as California, were

the focus on October 6 as the California Chamber of Commerce hosted an International Luncheon with the Consulate General of Singapore in celebration of Singapore's 50th National Day.

The 50th anniversary of independence is a milestone in the journey of an economic miracle.

"Singapore is one of the most highly educated and strongest economies, not just in the Pacific Rim, but in the world," said CalChamber President and CEO Allan Zaremberg to the roomful of attendees. "Singapore has taken itself in 50 years through independence and become a world leader."

Singapore is a parliamentary republic, located between Malaysia and Indonesia. Once a colony of Great Britain and part of the East India Company, Singapore has been a major Asian port for centuries.

The country formally separated from Malaysia on August 9, 1965; National Day commemorates that independence.

## U.S. Integral to Independence

With its strategic location, connectivity, networks, and business-friendly policies, Singapore has consistently been ranked the top country in the world to do business, explained Ambassador Ashok Kumar Mirpuri, Singapore Ambassador to the United States.

The United States was instrumental in helping Singapore become a globalized state. U.S. companies invested in Singapore extensively and today Singapore holds more U.S. investments than anywhere else in the Asia Pacific.

"Now think of that," Ambassador Mirpuri said. "A country that has 5 million people, smaller than the size of Rhode Island, your smallest state, has got

more U.S. investments there than China and India combined."

U.S. direct investment to Singapore totaled \$179.8 billion in 2014. Foreign direct investment from Singapore into the United States was \$20.6 billion.

is also a major base and launchpad for American companies to reach out to these regions, which are the fastest-growing and most dynamic in the world.

"Because we have partnered with the U.S. over 50 years and the scale of investment has grown and grown, and the quality of investments grown and grown, that today the U.S.-Singapore economic partnership means that many of your companies are doing very, very innovative work in Singapore, things that sometimes they don't even do in the U.S.," the Ambassador said.

## Free Trade Agreement

The U.S.-Singapore Free Trade Agreement, signed in 2004, was the United States' first trade agreement with an Asian country and remains a key anchor and pathfinder for the United States' strategic engagement of the region. Singapore's enduring partnership with the United States is an important gateway to the promise and opportunities of the Asia-Pacific growth story.

"This agreement was important because it was the first free trade agreement the U.S. signed with any Asian country," Ambassador Mirpuri said. "It has become the foundation for other free trade agreements the U.S. has done with Asia, including the Trans-Pacific Partnership."

## Trans-Pacific Partnership

Negotiators among the 12 Trans-Pacific economies for the Trans-Pacific Partnership Agreement (TPP) successfully concluded their wide-ranging trade negotiations on October 5.

The TPP includes the 12 Trans-Pacific Partnership economies of Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam.

The CalChamber supports the TPP trade agreement process as an important vehicle for economic integration throughout the Pacific.

The Ambassador explained that the next step in the process is the "legal

*See CalChamber Hosts: Page 9*

Photos by Sara Espinosa



Ambassador of the Republic of Singapore to the United States Ashok Kumar Mirpuri



(From left) Susanne T. Stirling, CalChamber vice president, international affairs; Singapore Ambassador to the United States Ashok Kumar Mirpuri; and Chris Cheang, Consul General of Singapore.

## Friendly Economic System

Ambassador Mirpuri explained that U.S. companies didn't originally come to Singapore because they had innovation or "special sauce"—they came because Singapore was able to create "an economic ecosystem that is friendly to economic investments, a system that focuses on their people. Education is the number one reason for its success."

Singapore is California's 12th largest export destination worldwide, 7th largest in Asia, and the largest in the Association of Southeast Asian Nations (ASEAN). It



## Governor Acts to Limit Litigation, Maintain Fiscal Prudence

*From Page 1*

file a “representative action” against an employer for any violation of the Labor Code and subjects an employer to statutory penalties ranging from \$100 per employee per pay period to \$200 per employee per pay period, as well as attorney’s fees.

Labor Code Section 226 sets forth the categories of information that must be included in an itemized wage statement. The section is one area in which employers have seen an increase in frivolous litigation regarding technical violations that do not harm or injure the employee.

AB 1506 will help curb this type of frivolous litigation under PAGA with regard to only two parts of Labor Code Section 226—226(a)(6) and 226(a)(8) by allowing an employer 33 days to cure any alleged technical violation.

If the employer cannot cure the violation, then the employee still would be able to file a civil action and obtain any unpaid wages, penalties and attorney fees. This reform will provide the appropriate balance of allowing an employer to correct unintentional errors without the threat of a multimillion-dollar lawsuit that could put the employer out of business, while still protecting the employee’s ability to obtain accurate information.

### Tax Credits Vetoed

On October 10, Governor Brown vetoed [\*\*AB 35 \(Chiu; D-San Francisco\)\*\*](#) and [\*\*SB 251 \(Roth; D-Riverside\)\*\*](#).

AB 35 would have promoted affordable housing by expanding the existing low-income housing tax credit program, making the state better able to leverage an estimated \$100 million more in Federal Tax Credits.

SB 251 would have limited frivolous litigation and claims regarding construction-related accessibility violations by providing businesses that have proactively sought to become compliant with the Americans with Disabilities Act with an opportunity to resolve any identified violations as well as provide a tax credit for such improvements.

In his veto message on these bills, Governor Brown said that “Despite strong revenue performance over the past few years, the state’s budget has remained precariously balanced due to unexpected costs and the provision of new services... Given these financial uncertainties, I cannot support providing additional tax credits that will make balancing the state’s budget even more difficult.”

### Enhanced Driver Licenses

Also vetoed was [\*\*SB 249 \(Hueso; D-San Diego\)\*\*](#), which would have encouraged international trade and tourism by authorizing the Department of Motor Vehicles to issue enhanced driver licenses to U.S. citizens to expedite legal traffic at the border.

In his October 9 veto message, the Governor stated that while he supports the purpose of SB 249, he believes that “there are other means, such as the U.S. Passport Card, that achieve the same goal without imposing new burdens on the Department of Motor Vehicles.”

### Previously Signed

In July, Governor Brown signed job creator [\*\*AB 323 \(Olsen; R-Modesto\)\*\*](#), which streamlines infrastructure development by extending until January 1, 2010 the current California Environmental Quality Act (CEQA) exemption for certain roadway repair and maintenance projects.

### More Information

For more information on the 2015 CalChamber job creator list, visit [calchamber.com/jobcreators](http://calchamber.com/jobcreators).

## Trans-Pacific Partnership Talks Reach Successful Conclusion

*From Page 7*

The U.S. Congress will review the agreement under the rules of the recently passed and CalChamber supported Trade Promotion Authority for a 90-day period. A congressional vote is expected in 2016. All 12 nations must vote on the agreement.

If implemented, the TPP will be the

largest U.S. trade deal since the North American Free Trade Agreement took effect in 1994.

World Trade Organization Director-General Roberto Azevêdo said reaching agreement on a difficult range of issues proves that complex trade deals can be reached and called on World Trade Orga-

nization members to accelerate their work so that agreements on negotiated outcomes can be achieved by the organization’s 10th Ministerial Conference in Nairobi, December 15–18.

For more information, visit [www.calchamber.com/TPP](http://www.calchamber.com/TPP).  
**Staff Contact: Susanne T. Stirling**

## CalChamber Hosts Singapore Ambassador at 50th Anniversary Lunch

*From Page 8*

scrubbing” and a chance for everyone to read it. After the 90-day period, U.S. President Barack Obama will decide if he will sign it and then the agreement will go to Congress for approval.

Ambassador Mirpuri said that as each country moves toward the ratification of the TPP, it is important for the U.S. to take an economic leadership role in the region.

“The TPP becomes so much more strategically important for the U.S.,” Ambassador Mirpuri explained. “The idea is to use this agreement to capitalize on

your strengths, innovation and entrepreneurship, and combine that with the natural energy that you have in these people and combine that with the Asia Pacific to really become much more deeply engaged in the region, and this agreement gives you the incentive to engage.”

In addition to the U.S. approval, the 11 other countries have to ratify TPP as well. “and it won’t be easy in Japan or Australia or Vietnam,” Ambassador Mirpuri warned.

Ambassador Mirpuri expressed gratitude to the CalChamber for its leadership

role in supporting TPP because, as he explained, “your members will benefit, whether they are small or medium-size businesses or even large, they will benefit from this agreement.”

Ambassador Mirpuri closed his remarks by looking forward to the next 50 years of economic partnership with the U.S., promising: “Singapore will be there by your side. When we’ve reached our 100th anniversary, we can speak even much more positively about this.”

**Staff Contact: Susanne T. Stirling**

# 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, as well as federal action on international proposals.

The CalChamber will publish a record

of legislators' votes on key bills affecting the California business climate on November 6. Generally, the bills selected for the vote record have appeared in one of the status reports.

Bills signed by the Governor will

become law on January 1, 2016. Urgency and tax measures went into effect immediately upon being signed.

Federal bills are marked with an \*.

Status of bills as of October 11, 2015.

Subject—CalChamber Position	Status
<b>Agriculture, Food and Natural Resources</b>	
<b>Agricultural Labor Relations.</b> AB 561 (Campos; D-San Jose) Limits an employer's due process rights to seek an appeal of an order issued by the Ag Labor Relations Board and unfairly requires an employer to post a bond for the entire economic cost of the order. Oppose.	Vetoed
<b>Preference.</b> AB 429 (Dahle; R-Bieber) Boosts rural economies and in-state forestry companies' revenues by directing state agencies to give preference to purchasing lumber products harvested in California. Support.	Vetoed
<b>Land Use.</b> AB 498 (Levine; D-San Rafael) Before amendments, delayed development projects and increased costs for mitigation in wildlife corridors of the state. Opposition removed due to May 22, 2015 amendments. Neutral.	Signed—Chapter 625
<b>Inspection Fees.</b> AB 732 (Cooper; D-Elk Grove) Saves ranchers money by clarifying that transferring cattle from one ranch brand to another under the same ownership is exempt from inspection fees. Support.	Signed—Chapter 406
<b>Food Safety Education.</b> AB 384 (Perea; D-Fresno) Continues a successful food safety education and training program funded by industry. Support.	Signed—Chapter 477
<b>Pesticide Ban.</b> AB 559 (Lopez; D-San Fernando) Before amendments, gave new authority to the Department of Fish and Wildlife to ban pesticides used on farms and ranches. Opposition removed due to September 4, 2015 amendments. Neutral.	Signed—Chapter 478
<b>California Environmental Quality Act (CEQA)</b>	
<b>Expedites and Reduces Cost for Roadway Repair and Maintenance Projects.</b> AB 323 (Olsen; R-Modesto) Streamlines infrastructure development by extending until January 1, 2020, the current CEQA exemption for certain roadway repair and maintenance projects. Support/ <b>Job Creator</b> .	Signed—Chapter 52
<b>Climate Change</b>	
<b>Costly Duplicative Regulation.</b> AB 1496 (Thurmond; D-Richmond) Before amendments, increased costs and created duplicative regulations by mandating additional studies to reclassify methane as a precursor to air pollution and life cycle analysis of methane to be conducted by the California Air Resources Board. Opposition removed due to September 4, 2015 amendments. No Position.	Signed—Chapter 604
<b>Premature AB 32 Auction Revenue Expenditure.</b> SB 101 (Committee on Budget and Fiscal Review) Prematurely authorizes AB 32 auction revenues to be used to fund various programs. Oppose.	Signed—Chapter 321
<b>General Plan Safety Elements.</b> SB 379 (Jackson; D-Santa Barbara) Before amendments, would have created an additional parallel process, with unclear definitions, in order to incorporate adaptation and resiliency into the planning process. Opposition removed due to June 22, 2015 amendments. No Position.	Signed—Chapter 608

Subject—CalChamber Position	Status
<b>Corporate Governance</b>	
<b>Simplifies Filing Procedures for California Businesses.</b> AB 1471 (Perea; D-Fresno) Improves the efficiency of existing and future Secretary of State business filing procedures. Support.	Signed—Chapter 189
<b>Crime</b>	
<b>Criminal Profiteering.</b> AB 160 (Dababneh; D-Encino) Protects law-abiding businesses and limits criminal profiteering by expanding the list of crimes subject to asset forfeiture and expanding the definition of organized crime. Support.	Signed—Chapter 427
<b>Economic Development/Local Government</b>	
<b>Local Economic Development Investment.</b> AB 2 (Alejo; D-Salinas) Encourages local economic growth by permitting certain local agencies to create a Community Revitalization and Investment Authority for the purpose of developing and financing infrastructure projects, affordable housing and economic revitalization projects. Support.	Signed—Chapter 319
<b>Education</b>	
<b>Guarantees Funding for CTE.</b> SB 148 (McGuire; D-Healdsburg) Before being gutted and amended on August 17, 2015, ensured career technical education (CTE) programs and courses would be adequately supported during the transition to local control and accountability by establishing a \$600 million matching grant program for school districts, county offices of education, and charter schools to support and expand CTE course offerings and programs, and stated the Legislature’s intent to provide additional funding for the program in 2017–18 and 2018–19. CTE funding included in adopted budget. Support for SB 148 changed to No Position due to amendments.	Signed—Chapter 448
<b>Expands College and Career Pathways.</b> AB 288 (Holden; D-Pasadena) Provides high school students with increased access to college-level CTE coursework, gives them a head-start on transferring to a four-year institution, improves high school graduation rates and helps high school students achieve college and career readiness by authorizing high school districts and community college districts to partner and offer dual enrollment programs that further these purposes. Support.	Signed—Chapter 618
<b>Oversight of Transfer Degree Program.</b> AB 1016 (Santiago; D-Los Angeles) Allows the Legislature to better evaluate the effectiveness of the state’s transfer degree program by asking the chancellors of the California Community 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 those students enter the CSU with, and their graduation rates after 2 and 3 years attending a CSU. Support.	Signed—Chapter 437
<b>Updates Workforce Development Law.</b> AB 1270 (E. Garcia; D-Coachella) Updates the state’s primary workforce development law to align it with the recently enacted federal Workforce Innovation and Opportunity Act, encourage collaboration and articulation with the state’s systems of CTE and adult education, and to better reflect California’s focus on regional and industry-specific workforce needs. Support.	Signed—Chapter 94



Subject—CalChamber Position	Status
<b>Energy</b>	
<b>Costly and Burdensome Regulations.</b> SB 350 (de León; D-Los Angeles) Before amendments, potentially increased costs and burdens on all Californians by mandating an arbitrary and unrealistic reduction of petroleum use by 50%, increasing the current Renewable Portfolio Standard to 50% and increasing energy efficiency in buildings by 50%—all by 2030 without regard to the impact on individuals, jobs and the economy. Opposition and job killer status removed due to September 11, 2015 amendments. No Position/ <b>Former Job Killer</b> .	Signed—Chapter 547
<b>Improves Building Energy Efficiency.</b> AB 802 (Williams; D-Carpinteria) Aids California businesses to save on energy bills and improve energy efficiency by authorizing utilities to use financial incentives to bring existing buildings up to code. Support.	Signed—Chapter 590
<b>Imposes Inappropriate Compensation Limits.</b> AB 1266 (Gonzalez; D-San Diego) Imposes inappropriate limits around executive compensation for energy utility officers thereby interfering with the ability to retain qualified executives. Oppose.	Signed—Chapter 599
<b>Environmental Regulation</b>	
<b>Imposes New Burdens on Hazardous Waste Facilities.</b> SB 673 (Lara; D-Bell Gardens) Before amendments fundamentally undermined the DTSC's recently proposed plan to issue protective and timely hazardous waste permits by requiring DTSC to develop regulations establishing additional criteria that DTSC must use to determine whether to issue a hazardous waste permit, including the vulnerability of nearby populations using the CalEnviroScreen tool, a tool which was never intended to be used for permitting decisions. Opposition removed due to September 4, 2015 amendments. No Position.	Signed—Chapter 611
<b>Jeopardizes Hazardous Waste Permits.</b> AB 1075 (Alejo; D-Salinas) Before amendments, potentially shut down certain hazardous waste facilities by giving the Department of Toxic Substances Control “compelling cause” to suspend, revoke or deny a hazardous waste permit for violations that present no endangerment to the public health, safety or the environment. Opposition removed due to September 2, 2015 amendments. No Position.	Signed—Chapter 460
<b>Product Ban.</b> AB 888 (Bloom; D-Santa Monica) Stifles innovation by banning the use of naturally derived or nature identifiable alternatives that pose no risk to the environment or public health by prohibiting the sale of personal care products that contain plastic microbeads. Oppose Unless Amended.	Signed—Chapter 594
<b>Avoids Double Fees for Crude Oil and Petroleum Product Shipments.</b> AB 815 (Ridley-Thomas; D-Los Angeles) Reduces business costs by creating a presumption that emergency spill prevention fees imposed on petroleum products derived from crude oil refined in the state has previously been paid at the refinery and does not need to be paid a second time by a marine terminal operator. Support.	Signed—Chapter 108
<b>Health</b>	
<b>Increases Health Care Premiums.</b> AB 339 (Gordon; D-Menlo Park) Drives up health care premiums by severely restricting the ability of health care issuers and pharmacy benefit managers to control health care costs on behalf of purchasers through their prescription drug benefit designs, and places strict caps on prescription drug copayments. Oppose.	Signed—Chapter 619
<b>Large Group Rate Review.</b> SB 546 (Leno; D-San Francisco) Threatens employers with higher premiums by imposing unnecessary and burdensome new reporting requirements on health plans and insurers in the large group market. Job killer tag removed due to April 30, 2015 amendments eliminating authorization for state regulators to veto or unilaterally alter large-group rate changes, but CalChamber remains opposed. Oppose/ <b>Former Job Killer</b> .	Signed—Chapter 801

Subject—CalChamber Position	Status
<b>Continues Review of Health Care Mandates.</b> SB 125 (E. Hernandez; D-West Covina) Protects employers from increased health care premiums by extending authorization of the California Health Benefits Review Program to provide the Legislature valuable independent analyses of the medical, financial and public health impacts of proposed health insurance benefit mandates and repeals. See AB 1578 (Pan; D-Sacramento) from 2014. Support.	Signed 6/17/15—Chapter 9 (Urgency)
<b>Increases Prescription Drug Spending.</b> AB 374 (Nazarian; D-Sherman Oaks) Before amendments, reduced health plan flexibility in benefit management, increased health care costs and premiums, and reduced employers' choice of benefit packages to offer their employees by effectively prohibiting plans from using step-therapy protocols to ensure prudent use of prescription medications. Opposition removed due to September 1, 2015 amendments. No Position.	Signed—Chapter 621
<b>Protects Innovative Health Care Delivery.</b> AB 684 (Alejo; D-Salinas) Avoids costly litigation by providing a safe harbor until January 1, 2017 for retailers with co-located vision care centers while stakeholders discuss how both to update California law and clarify which business models are permissible. Support.	Signed—Chapter 405
<b>Drives Up Health Care Premiums.</b> AB 1305 (Bonta; D-Oakland) Before amendments, forced health care plans to absorb more of the cost of enrollee health care and build it into their premium costs in two ways: 1) modifying the annual out-of-pocket limit for families by adding a requirement that each individual family member also have their own out-of-pocket limit, such that a family member that hits his/her individual limit would start receiving free care long before the family out-of-pocket limit is reached; and 2) requiring that plans that include deductibles set individual deductibles for each family member rather than one aggregate deductible for the whole family. Opposition removed due to May 5, 2015 amendments. No Position.	Signed—Chapter 641
<b>Housing and Land Use</b>	
<b>Creates Affordable Housing Opportunities.</b> AB 35 (Chiu; D-San Francisco) Promotes affordable housing by expanding the existing low-income housing tax credit program, making the state better able to leverage an estimated \$100 million more in Federal Tax Credits. Support/ <b>Job Creator</b> .	Vetoed
<b>Expands Housing Opportunities.</b> AB 1056 (Atkins; D-San Diego) Promotes a reduction of recidivism by providing rental housing assistance to formerly incarcerated individuals by using savings accumulated as a result of Proposition 47. Support.	Signed—Chapter 438
<b>Low-Income Housing Assistance.</b> AB 90 (Chau; D-Monterey Park) Increases affordable housing opportunities by designating the Department of Housing and Community Development to administer the Federal Housing Trust Fund. Support.	Signed—Chapter 686
<b>Imposes Unnecessary New Costs on Businesses.</b> AB 662 (Bonilla; D-Concord) Imposes new financial burdens on businesses and complicates building code compliance issues by requiring that certain facilities install adult changing stations in every restroom stall. Oppose.	Signed—Chapter 742
<b>Revives Land Use Entitlements.</b> AB 1303 (Gray; D-Merced) Incentivizes land development and encourages economic growth in economically depressed counties by extending the expiration date of existing land use entitlements that were approved before the recession but not acted upon thereafter. Support.	Signed—Chapter 751
<b>Industrial Safety and Health</b>	
<b>Cal/OSHA Safety Variances.</b> AB 578 (Low; D-Campbell) Creates uncertainty and potential delays for all employers seeking variances from safety standards by creating expansive new notification requirements from employers to individuals who are not employees of the employer and who may not be known to the employer, in order to solve a narrow concern with variance applications for elevators. Oppose Unless Amended.	Vetoed

Subject—CalChamber Position	Status
<b>International Relations/Trade</b>	
<b>*Trade Promotion Authority (TPA).</b> Renews authority for the President and/or U.S. Trade Representative to negotiate trade agreements to help boost U.S. exports and create American jobs. Support.	Signed by President 6/29/15
<b>*Export-Import Bank (ExIm).</b> Reauthorizes funding for the official U.S. export credit agency with mission to assist financing export of goods and services. Funding expired 6/30/15. Support.	Reauthorization Pending
<b>Export-Import Bank.</b> AJR 14 (Chu; D-San Jose) Helps maintain and create U.S. jobs and contribute to a stronger national economy by urging Congress to reauthorize the Export-Import Bank of the United States thereby enabling U.S. companies—both large and small—to turn export opportunities into real sales. Sponsor/Co-Sponsor.	Resolution Chapter 84
<b>*Generalized System of Preferences (GSP).</b> Provides special tariff preferences for imports from less developed countries into advanced industrialized countries as most effective vehicle for promoting Third World economic development. Support.	Signed by President 6/29/15
<b>*African Growth and Opportunity Act (AGOA).</b> Extends 2000 Act until 2025 and provides tangible economic benefits and opportunities to sub-Saharan Africa by helping companies improve their competitiveness and invest in building a strong private sector. Support.	Signed by President 6/29/15
<b>Labor and Employment</b>	
<b>Increased Litigation.</b> AB 465 (R. Hernández; D-West Covina) Significantly drives up litigation costs for all California employers as well as increases pressure on the already-overburdened judicial system by precluding mandatory employment arbitration agreements, which is likely pre-empted by the Federal Arbitration Act. Oppose/ <b>Job Killer</b> .	Vetoed
<b>Significant Expansion of California Family Rights Act.</b> SB 406 (Jackson; D-Santa Barbara) Increases costs, risk of litigation and creates less conformity with federal law by expanding the family members for whom leave may be taken, which will provide a potential 24-week protected leave of absence for employers to administer. Oppose/ <b>Job Killer</b> .	Vetoed
<b>Labor Code Private Attorneys General Act of 2004.</b> AB 1506 (R. Hernández; D-West Covina) Seeks to limit frivolous and costly litigation against employers for technical violations on an itemized wage statement that does not create any injury to an employee, by allowing the employer a limited time period to fix the violation before any civil litigation is pursued, so that an employer can devote its financial resources to expanding its workforce. Support/ <b>Job Creator</b> .	Signed 10/2/15—Chapter 445 (Urgency)
<b>Costly Employee Retention Mandate.</b> AB 359 (Gonzalez; D-San Diego) Inappropriately interferes with and alters the employment relationship by mandating that a successor grocery employer retain the employees of the former grocery employer for 90 days, potentially under the terms of a collective bargaining agreement to which the successor employer was not a party, and then forces the successor employer to consider offering continued employment to such employees beyond the 90 days unless the employee's performance was unsatisfactory. Oppose/ <b>Job Killer</b> .	Signed—Chapter 212
<b>Frivolous Litigation.</b> AB 1017 (Campos; D-San Jose) Threatens only private employers with civil litigation for seeking an applicant's prior salary and benefit information even though the applicant suffered no harm in compensation from the inquiry. Oppose.	Vetoed
<b>Expansion of Labor Commissioner Authority.</b> AB 970 (Nazarian; D-Sherman Oaks) Significantly expands the Labor Commissioner's authority and increases employer costs by permitting the Labor Commissioner to enforce local minimum wage laws through the citation process, which will increase annual assessments to fund the Labor Commissioner's office for all employers across the state, including those in areas with no local minimum wage. Oppose.	Signed—Chapter 783



Subject—CalChamber Position	Status
<b>State Contractor Equal Pay Reporting.</b> AB 1354 (Dodd; D-Napa) Before amendments, increased the reporting requirements of state contractors with 100 or more employees by requiring such contractors to submit a workforce analysis and equal pay report that includes data of wages paid to employees by ethnicity, gender and race. Opposition removed due to August 31, 2015 amendments. No Position.	Vetoed
<b>Gender Equity Pay Act.</b> SB 358 (Jackson; D-Santa Barbara) Before amendments, would have created a vague and ambiguous standard regarding the payment of wages to employees performing comparable duties, as well as a virtually impossible standard to satisfy any differential in payment based upon a strict definition of business necessity. After amendments, supported the bill as it clarified ambiguous standards, and balanced the payment of equal wages for substantially similar job duties, while still maintaining an employer's ability to control the workforce and payment of higher wages for legitimate reasons other than gender. Support.	Signed—Chapter 546
<b>Expansion of Public Works.</b> AB 219 (Daly; D-Anaheim) Increases construction costs by expanding the definition of public works and therefore the mandate of prevailing wages to include the delivery of ready-mix concrete to public contracts, despite the fact that such concrete providers are not located on the site of the public works project and supply material to other projects. Oppose.	Signed—Chapter 739
<b>Increase of Frivolous Employment Litigation.</b> AB 883 (Low; D-Campbell) Before amendments, subjected employers to frivolous litigation and essentially precluded an employer from inquiring into an employee's work history, by stating that an employer cannot take any adverse employment action, such as the failure to hire an applicant, based upon the applicant's prior status as a public employee. Opposition removed due to July 16, 2015 amendments. No Position.	Vetoed
<b>Paid Sick Leave.</b> AB 304 (Gonzalez; D-San Diego) Before amendments, it would have unfairly expanded the paid sick leave law by eliminating an employer's ability to maintain a pre-existing paid sick leave/paid time off policy that was more beneficial to an employee, yet accrued time off in a manner other than hours worked. Opposition removed due to June 18, 2015 amendments. No Position.	Signed 7/13/15—Chapter 67 (Urgency)
<b>Wage Garnishment.</b> SB 501 (Wieckowski; D-Fremont) Before amendments, limited the ability to collect outstanding debt by reducing the amount of eligible wages as well as complicating the calculation by including local minimum wage ordinances. Opposition removed due to September 4, 2015 amendments. No Position.	Signed—Chapter 800
<b>Expansion of Paid Sick Leave.</b> SB 579 (Jackson; D-Santa Barbara) Before amendments, forced employers to allow employees to use paid sick leave for "childcare or school emergencies," thereby undermining the purpose of paid sick leave, expanding the conditions for using paid sick leave, and increasing the administrative burden on employers. Opposition removed due to June 2, 2015 amendments. No Position.	Signed—Chapter 802
<b>Wage Theft.</b> SB 588 (de León; D-Los Angeles) Initially concerned with the scope of the bill expanding joint liability for services contracts, personal liability for unpaid wages, and allowing attorney's fees in Labor Commissioner hearings. Successfully negotiated amendments to alleviate concerns. No Position.	Signed—Chapter 803
<b>Meal Break Waivers.</b> SB 327 (E. Hernandez; D-West Covina) Confirms the enforceability of the Industrial Welfare Commission Wage Orders for employees in the health care industry to avoid confusion amongst employees and employers that ultimately leads to unnecessary litigation. Support.	Signed 10/5/15—Chapter 506 (Urgency)
<b>Legal Reform and Protection</b>	
<b>Incentivizing Disability Access and Education.</b> SB 251 (Roth; D-Riverside) Seeks to limit frivolous litigation and claims regarding construction-related accessibility violations by providing businesses that have proactively sought to become ADA compliant with an opportunity to resolve any identified violations as well as provide a tax credit for such improvements. Sponsor/Co-Sponsor/ <b>Job Creator</b> .	Vetoed

Subject—CalChamber Position	Status
<b>ADA Reform.</b> AB 1342 (Steinorth; R-Rancho Cucamonga) Encourages employers to hire a Certified Access Specialist to inspect their property for compliance with California’s construction-related accessibility standards, which will improve access and limit frivolous litigation. Support	Vetoed
<b>Trial Court Contracting.</b> SB 682 (Leno; D-San Francisco) Limits the trial courts’ ability to manage their budgets through contracts for labor or services unless certain standards are met, including clearly proving that the contract will result in overall cost savings and will not displace any existing trial court employees. Oppose.	Vetoed
<b>Increases Litigation Costs.</b> SB 383 (Wieckowski; D-Fremont) Drives up costs and attorney’s fees by forcing parties to “meet and confer” before filing a demurrer, which will not produce any greater level of cooperation amongst the parties and will interfere with a defendant’s ability to timely file a demurrer. Oppose.	Signed—Chapter 418
<b>Automated External Defibrillators.</b> SB 658 (Hill; D-San Mateo) Encourages the obtainment and use of AEDs by eliminating the threat of civil liability and simplifies the maintenance of an AED for the owner of the premises. Support.	Signed—Chapter 264
<b>Judicial Efficiency.</b> SB 470 (Jackson; D-Santa Barbara) Promotes judicial efficiency by requiring a judge ruling on a motion for summary judgment/adjudication to only rule on evidence that is necessary for disposition of the motion, yet preserves any objection not ruled upon for appeal. Support.	Signed—Chapter 161
<b>Judicial Branch Investment.</b> SB 229 (Roth; D-Riverside) Supports a responsive judicial system by mandating a General Fund appropriation for six superior court judge positions. Support.	Vetoed
<b>Hearsay: Admissibility of Statements.</b> AB 593 (Levine; D-San Rafael) Eliminates the sunset date to continue excluding from the hearsay rule an unavailable declarant’s statement if the reason the declarant is unavailable is because of wrongdoing by the party to whom it is offered against. Support.	Signed—Chapter 55
<b>Code of Civil Procedure Clarification.</b> AB 432 (Chang; R-Diamond Bar) Promotes judicial efficiency by clarifying that “signature” or “subscription” in the Code of Civil Procedure includes an electronic signature, electronic sound, or process attached to an electronic record. Support.	Signed—Chapter 32
<b>Expedited Jury Trials for Limited Civil Cases.</b> AB 555 (Alejo; D-Salinas) Before amendments, mandated all limited civil cases to be handled as expedited jury trials, with exceptions as to when a party may opt out of the expedited jury trial. Support removed due to July 2, 2015 amendments. No Position.	Signed—Chapter 330
<b>ADA Litigation.</b> AB 1521 (Committee on Judiciary) Before amendments, created additional procedural burdens and financial costs for businesses that seek to defend themselves against claims regarding alleged construction-related accessibility standards. Oppose Unless Amended position removed due to September 3, 2015 amendments. No Position.	Signed 10/10/15—Chapter 755 (Urgency)
<b>Other/Miscellaneous</b>	
<b>Made in the USA.</b> SB 633 (Hill; D-San Mateo) Before amendments, increased marketability of items by changing the California definition of Made in the USA to conform to federal law. Removed support based on May 19, 2015 amendments. No Position.	Signed—Chapter 238
<b>Privacy and Confidentiality</b>	
<b>Increases Litigation Exposure and Costs.</b> SB 570 (Jackson; D-Santa Barbara) Before amendments, unnecessarily created new litigation exposure on employers for insufficient breach notices and expanded costly breach mitigation service requirements without providing any additional benefits to consumers. Opposition removed due to July 2, 2015 amendments. Neutral.	Signed—Chapter 543

Subject—CalChamber Position	Status
<b>Requires Unnecessary and Incomplete Consumer Notifications.</b> AB 964 (Chau; D-Monterey Park) Before amendments, created an arbitrary 30-day deadline for businesses to notify consumers of personal information breaches which would potentially result in premature, incomplete or unnecessary notifications being sent out prior to completion of a breach investigation. Opposition removed due to May 28, 2015 amendments. No Position.	Signed—Chapter 522
<b>Provides Clarity to Businesses.</b> SB 178 (Leno; D-San Francisco) Modernizes digital surveillance laws and, in doing so, provides clarity to businesses regarding when and how the government can access electronically stored consumer information. Support.	Signed—Chapter 651
<b>Extension of Liability for Wrongful Occupation of Land.</b> SB 142 (Jackson; D-Santa Barbara) Expands liability for the wrongful occupation of real property to include operation of an unmanned aerial vehicle below the navigable airspace above someone's property. Oppose Unless Amended.	Vetoed
<b>Procurement</b>	
<b>Increased Cost for Contracting with Public Agencies.</b> SB 331 (Mendoza; D-Artesia) Drives up the cost for vendors, suppliers and local government agencies for contracting by creating new contracting requirements if the local agency has adopted transparency provisions or a civic openness in negotiations (COIN) ordinance in regards to the collective bargaining process. Oppose.	Signed—Chapter 714
<b>Public Retirement Systems</b>	
<b>Retirement Fund Divestiture.</b> SB 185 (de León; D-Los Angeles) Unfairly targets one type of business and potentially jeopardizes retirement funds by prohibiting the Public Employees' Retirement Fund and the Teachers' Retirement Fund from investing in that industry based on principles unrelated to fiduciary responsibility to the retirees, rather than making investment decisions based on sound economic principles. Oppose.	Signed—Chapter 605
<b>Recycling</b>	
<b>Treated Wood Waste Disposal.</b> SB 162 (Galgiani; D-Stockton) Saves tens of millions of dollars each year in disposal costs for businesses and governments that use treated wood products by providing them with the most cost-effective guidance and health-and-safety protection for disposing of treated wood waste. Support.	Signed—Chapter 351
<b>Regulatory Reform</b>	
<b>Transparency.</b> AB 410 (Obernolte; R-Big Bear Lake) Advances transparency of the state government process to facilitate and encourage public engagement by requiring state agencies to post to their website any document that is required or requested by law to be submitted to a legislative committee. Support.	Vetoed
<b>Taxation</b>	
<b>Federal Tax Conformity.</b> AB 154 (Ting; D-San Francisco) Eases taxpayer compliance and reduces the chance of penalties generated by error or mistake by creating conformity between state and federal law on several tax-related issues. Support.	Signed—Chapter 359
<b>Taxation of Aircrafts.</b> AB 1157 (Nazarian; D-Sherman Oaks) Before amendments, subjected aircrafts to uncertainty and administrative burdens by inconsistent assessments in various counties by extending the current property assessment of aircraft carriers. Opposition removed due to May 4, 2015 amendments. No Position.	Signed—Chapter 440



Subject—CalChamber Position	Status
<b>Abatement of Penalties.</b> SB 540 (Hertzberg; D-Van Nuys) Seeks to reduce taxpayers' exposure to financial penalties, fees and interest due to errors made by the Franchise Tax Board. Support.	Signed—Chapter 541
<b>Employer Disaster Relief.</b> 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. Support.	Signed 9/1/15—Chapter 230 (Tax Levy)
<b>Encourages Research and Development Investment.</b> AB 437 (Atkins; D-San Diego) Assists small businesses in expanding and creating jobs in the state by providing grants for a percentage of unused R&D credits. Support.	Vetoed
<b>Telecommunications</b>	
<b>Telecommunications.</b> AB 57 (Quirk; D-Hayward) Provides needed reliability in the process for installing the infrastructure essential for improving wireless communication in all of our communities. Support.	Signed—Chapter 685
<b>Handheld Electronic Devices.</b> AB 632 (Eggman; D-Stockton) Encourages the recycling of handheld electronic devices by updating the provisions within California's Second Hand Dealer law to reflect current technologies. Support.	Signed—Chapter 169
<b>Transportation</b>	
<b>Enhanced Driver's License.</b> SB 249 (Hueso; D-San Diego) Encourages international trade and tourism by authorizing the Department of Motor Vehicles to issue enhanced driver licenses to U.S. citizens to expedite legal traffic at the border. Support/ <b>Job Creator</b> .	Vetoed
<b>Increases Public Safety.</b> AB 1422 (Cooper; D-Elk Grove) Increases public and rider safety by allowing transportation network companies to participate in the Department of Motor Vehicle's pull-notice program, which provides constant updates of driver records. Support.	Signed—Chapter 791
<b>Water Supply and Quality</b>	
<b>Drought Budget Trailer.</b> SB 88 (Committee on Budget and Fiscal Review) Inappropriately expands State Water Board authority to impose drought monitoring and reporting requirements with no sunset provision, expands local enforcement authority to impose penalties for violations of conservation measures, and expands civil liability authority to any violation of any regulation adopted by the Water Board. Oppose.	Signed 6/24/15—Chapter 27 (Budget-Related)
<b>Well Logs.</b> SB 83 (Committee on Budget and Fiscal Review) Potentially causes security risks and financial hardships for farmers by publicizing well locations. Oppose Unless Amended.	Signed 6/24/15—Chapter 24 (Budget-Related)
<b>Groundwater Adjudication.</b> AB 1390 (Alejo; D-Salinas) Reduces the burdens of adjudications for courts and claimants without altering groundwater rights laws and without disrupting the new groundwater management planning process by making improvements to the judicial proceedings in a groundwater adjudication. Support.	Signed—Chapter 672
<b>Groundwater.</b> SB 226 (Pavley; D-Agoura Hills) As amended September 3, 2015, works in concert with AB 1390 to expedite groundwater adjudications of high- and medium-priority basins without changing groundwater policy or existing water rights. Before amendments, CalChamber opposed because bill negatively affected existing water rights laws and clouded the issue of expedited adjudication by prematurely making significant policy changes to the Sustainable Groundwater Management Act before the act is completely implemented. Opposition removed due to September 3 amendments. Support.	Signed—Chapter 676
<b>Coastal Commission.</b> SB 798 (Committee on Natural Resources and Water) Before amendments, reduced the number of Coastal Commission meetings to 10 annually, causing conflicts with existing statutory time frames. Opposition removed due to July 6, 2015 amendments. Neutral.	Signed—Chapter 683

Subject—CalChamber Position	Status
<b>Performance Standards.</b> AB 1312 (O'Donnell; D-Long Beach) Ensures ships can comply with state law by delaying implementation of performance standards, which have not been developed, for ballast water. Support.	Signed—Chapter 644
<b>Workers' Compensation</b>	
<b>Increases Workers' Compensation Costs.</b> AB 305 (Gonzalez; D-San Diego) Increases litigation and frictional costs by expanding workers' compensation coverage beyond industrial injuries by barring apportionment for some pre-existing injuries or conditions. Oppose.	Vetoed
<b>Workers' Compensation Pharmaceutical Formularies.</b> AB 1124 (Perea; D-Fresno) Ensures that clinically appropriate medications are provided to injured workers and begins to combat the overutilization of dangerous and habit-forming prescription drugs by requiring the Administrative Director of the Division of Workers' Compensation to establish a formulary for prescription medications in the workers' compensation system. Support.	Signed—Chapter 525
<b>Protects Victims of the Underground Economy.</b> 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. Support.	Signed—Chapter 290

## Cumulative Job Killer Vetoes

- 2015: **19 job killer bills identified**, 3 sent to Governor Edmund G. Brown Jr., 1 signed, 2 vetoed;
- 2014: **27 job killer bills identified**, 2 sent to Governor Brown, 2 signed;
- 2013: **38 job killer bills identified**, 1 sent to Governor Brown, 1 signed;
- 2012: **32 job killer bills identified**, 6 sent to Governor Brown, 2 vetoed;
- 2011: **30 job killer bills identified**, 5 sent to Governor Brown, 4 vetoed;
- 2010: **43 job killer bills identified**, 12 sent to Governor Arnold Schwarzenegger, 10 vetoed;
- 2009: **33 job killer bills identified**, 6 sent to Governor Schwarzenegger, 6 vetoed;
- 2008: **39 job killer bills identified**, 10 sent to Governor Schwarzenegger, 9 vetoed;
- 2007: **30 job killer bills identified**, 12 sent to Governor Schwarzenegger, 12 vetoed;
- 2006: **40 job killer bills identified**, 11 sent to Governor Schwarzenegger, 9 vetoed;
- 2005: **45 job killer bills identified**, 8 sent to Governor Schwarzenegger, 7 vetoed;
- 2004: **23 job killer bills identified**, 10 sent to Governor Schwarzenegger, 10 vetoed;
- 2003: **53 job killer bills identified**, 13 sent to Governor Gray Davis, 2 vetoed;
- 2002: **35 job killer bills identified**, 17 sent to Governor Davis, 5 vetoed;
- 2001: **12 job killer bills identified**, 5 sent to Governor Davis, 2 vetoed;
- 2000: **No job killers identified.** Of 4 bad bills identified at end of session, Governor Davis signs 2 and vetoes 2;
- 1999: **30 job killer bills identified**, 9 sent to Governor Davis, 3 vetoed;
- 1998: **64 job killer bills identified**, 11 sent to Governor Pete Wilson, 11 vetoed;
- 1997: **57 job killer bills identified**, 9 sent to Governor Wilson, 9 vetoed.

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OCTOBER 16, 2015 • PAGE 20

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