ALERT

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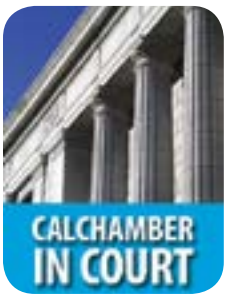
CalChamber
CALIFORNIA CHAMBER OF COMMERCE

Court Sides with Employer in Workers' Comp Case



A state appeals court has ruled that a worker's claim of a psychiatric injury did not meet the tests to qualify for workers' compensation coverage.

The California Chamber of Commerce filed a friend-of-the-court brief in the case of *Travelers Casualty & Surety Company et al. v. Workers' Compensation Appeals Board and Mark Dreher*.

Central to the case was what constitutes a "sudden and extraordinary" employment condition. State law provides an exception to allow a workers' compensation claim for psychiatric injury to be covered within the first six months an employee is on the job if the injury is the result of a sudden and extraordinary employment condition.

The First District Court of Appeal agreed with the CalChamber argument that the psychiatric injury did not qualify for workers' compensation coverage because the worker had been on the job for less than six months and the injury did not result from a "sudden and extraordinary" employment condition.

Background

As outlined in the court decision, the facts are not in dispute. Mark Dreher was working as a live-in maintenance supervi-

See Court Sides: Page 4

Job Creator Bill Passes Senate to Assembly

job creators

A California Chamber of Commerce job creator bill that encourages creation of small businesses by expanding their access to loans has passed the Senate with unanimous bipartisan support and awaits assignment to a committee in the Assembly.

SB 936 (Hertzberg; D-Van Nuys) expands the availability of loans through the Infrastructure and Economic Development Bank's (IBank) California Small Business Loan Guarantee Program.

"The program helps businesses create and retain jobs," said CalChamber Policy Advocate Valerie Nera in a **Capitol Report video**.

"It promotes statewide economic development by supporting loans to small businesses that would not otherwise qualify."

Small businesses establish a favorable credit history with a lender under this program and then are able to obtain future loans on their own. The program has been in place since 1968 with almost no defaults.

SB 936 increases the IBank's ability to leverage state and federal funding, thus incentivizing private lending and economic investments. The loan guarantee program uses state and federal funding to create a loan loss reserve, which reduces the risk of lending to small businesses.

Staff Contact: Valerie Nera

Senate Committee Acknowledges Problems with Environmental Law

job creators

A hearing on a California Chamber of Commerce-**supported** job creator bill provided a forum for senators to acknowledge problems with the state environmental law while disagreeing on the solutions.

The bill was **SB 1306 (J. Stone; R-Temecula)**, which aimed to level the playing field for litigation regarding the California Environmental Quality Act (CEQA).

SB 1306 sought to allow a "prevailing party" to recover attorney's fees instead of allowing only a defendant to recover attorney's fees when the action was filed in bad faith.

Misuse of Process

CalChamber Policy Advocate Anthony Samson pointed out to the Senate Judiciary Committee that far too often, the CEQA process is not used for its intended purpose—environmental protection—but for opponents to stop a project or other interested parties to gain concessions about elements of a project.

The struggles, he pointed out, have pit business versus business, unions versus business, "not in my backyard" (NIMBY) versus business, and even lead agency versus lead agency.

See Senate Committee: Page 7

Inside

Labor Law Corner

Time Off to Attend Funeral Not Eligible for State/Federal Family Leave

David Leporiere
HR Adviser

I operate a business with close to 100 employees, and one of my long-term employees recently informed me that his mother passed away, and he would like to take a week off to travel to the East Coast to attend her funeral. To reduce stress at this difficult time, could I count this time off as protected leave under either or both the federal Family and Medical Leave Act and the California Family Rights Act?

Many employers wish to provide protected time off to employees for bereavement, but want to be sure if there are any leave laws that apply.

However, even assuming that the employee would meet the qualifications to be an eligible "employee" within the meaning of the Family and Medical Leave Act (FMLA) or the California Family Rights Act (CFRA), his time off to attend the funeral of his mother would not be a qualifying reason under either the FMLA or CFRA.

In that the employee is asking for time off to attend a funeral, rather than to assist a family member who is currently suffering from a "serious health condition," the employee's reason for the absence would not qualify under either the FMLA or the CFRA.

A "serious health condition" is defined as a condition that requires either an overnight stay in a medical facility, or ongoing treatment by a health care provider.

Although not required under federal or state law, to ensure employees get the time off that they need, many employers have a bereavement leave policy in their employee handbooks to protect this time off.

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****.*

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CalChamber-Sponsored Seminars/Trade Shows

More at ***www.calchambercom/events***.

Labor Law

HR Boot Camp. CalChamber. May 10, Sacramento; June 7, Santa Clara; September 7, San Diego; September 22, Sacramento. (800) 331-8877.

Leaves of Absence. CalChamber. June 23, Huntington Beach; August 16, Sacramento. (800) 331-8877.

International Trade

Grow California Business Summit. GO-Biz. May 5, Long Beach. (916) 322-0694.

Sacramento IRS Small Business Week Webinar. Internal Revenue Service. May 6, Webinar.

Zhejiang-California Investment and Trade Cooperation Symposium. ChinaSF. May 9, Fremont. (415) 352-8837.

Beyond the Numbers: Air and Sea Cargo Trends. The Port of Los Angeles. May 11, Los Angeles. (310) 732-7765.

Connect Your Small Business to the Global Marketplace. GO-Biz. May 12, Webinar. (916) 322-0694.

Sacramento Regional Global Trade Summit. Northern California-Sacramento Regional Center for International Trade Development. May 18, Sacramento. (916) 563-3219.

World Trade Center International Business Luncheon. Northern California World Trade Center. May 18, Sacramento. (916) 321-9146.

Overview of California's Small Business Loan Guarantee Program. GO-Biz. May 19, Webinar. (916) 322-0694.

Select LA Investment Summit. World Trade Center Los Angeles. June 16, Los Angeles. (213) 622-4300.

SelectUSA Investment Summit 2016. SelectUSA. June 19–21, Washington, D.C. (202) 482-6800.

G-20Y Summit. G-20Y Association. September 21-25, St. Moritz, Switzerland.

2016 Public Forum on "Inclusive Trade." World Trade Organization. September 27–29, Geneva, Switzerland.

CalChamber Calendar

Capitol Summit/Host Breakfast:
May 17–18, Sacramento

International Forum:
May 17, Sacramento

Environmental Regulation Committee:
May 17, Sacramento

Water Committee:
May 17, Sacramento

Fundraising Committee:
May 17, Sacramento

Board of Directors:
May 18, Sacramento

Employment Law Recap: Busy April

Significant amendments to the Fair Employment and Housing Act (FEHA) regulations took effect April 1; lawmakers approved an historic hike to the state minimum wage; and the California Supreme Court issued an important ruling on "suitable seating" requirements.

Following are brief highlights of April employment law happenings in California.

Harassment Prevention

After months of public comment and revisions, the FEHA amendments were finalized and subsequently took effect on April 1, 2016. The FEHA covers California's civil rights laws, protecting workers in California from unlawful discrimination and harassment in employment and providing other rights, such as leaves of absence.

The recent amendments cover a wide range of topics, but perhaps the most important thing for employers to know is that the amendments reinforce state law that it's an employer's affirmative duty to take reasonable steps to prevent and promptly correct discriminatory and harassing conduct.

Since harassment is a major source of litigation in California, employers will want to be absolutely clear on their compliance requirements.

Most significantly, the FEHA amendments:

• Mandate that California employers have a written discrimination, harassment and retaliation prevention policy that includes specific provisions. The mandatory policy must be distributed to all employees with acknowledgment that the employee has received and understands the policy.

• Require employers to establish a compliant complaint process, including information on how an employee can bring a complaint, the employer's investigatory process and supervisor reporting obligations, and include the complaint process in the employer's written policy.

• Create new obligations for mandatory supervisor training for employers with 50 or more employees.

Note: Employers must continue to distribute the mandatory sexual harassment pamphlet to all employees and post the FEHA notice as required by existing law (2 Calif. Code of Regs. secs. 11013(d),11023(b)).

Pregnancy Disability Leave

California's notice obligations relating to pregnancy disability leave (PDL) also changed on April 1. Employers with 5 or more employees must post the updated PDL notice—"Your Rights and Obligations as a Pregnant Employee" (revision date 4/1/2016). This notice replaces the former Notice A, and it satisfies your PDL posting requirements.

Minimum Wage Hike Approved

On April 4, 2016, Governor Edmund G. Brown Jr. signed **SB 3**, a bill that will increase the minimum wage in California to $15 per hour by 2022. There is a one year implementation delay for companies employing 25 or fewer people. (See April 8 *Alert*.)

Suitable Seating Ruling

On April 4, the California Supreme Court issued a long-awaited decision on the issue of when an employer must provide "suitable seats" to an employee (*Kilby v. CVS Pharmacy, Inc.*, 2016 WL 1296101 (2016)). (See April 8 *Alert*.)

The majority of California Wage Orders require "suitable seats when the nature of the work reasonably permits the use of seats." But questions lingered about how to apply this requirement.

The questions before the California Supreme Court came from two class-action lawsuits filed in the Ninth Circuit on behalf of employees, cashiers and bank tellers, whose jobs involve standing for long periods of time.

The court's decision will require employers in many industries to perform a case-by-case analysis of tasks performed at various locations, such as check-out aisles, to determine if a seat is required at that location. There is no "bright line" standard for employers to follow—"Yes, seats are required" or "No, seats are not required."

Other Employment Law News

Paid Family Leave Benefits

Governor Brown signed AB 908 into law. Beginning January 1, 2018, the amount of Paid Family Leave (PFL) benefits an employee can receive will increase. Under the new law, the level of wage replacement benefits will increase from 55% to either 60% or 70% in 2018, depending on the employee's income (up to a maximum weekly benefit amount).

Form I-9

The U.S. Citizenship and Immigration Services (USCIS) announced that employers must continue to use the current version of the *Form I-9* even though it has an expiration date of 3/31/2016. Regulations to update the form are pending. Use the version with the March expiration date until a new form is approved and the USCIS posts an updated form on I-9 Central.

Best Practices

• Make sure you have implemented a harassment, discrimination and retaliation prevention policy that is compliant with the amended FEHA regulations. A sample policy is available as part of the ***California Chamber of Commerce Employee Handbook Creator***.

• If you have 50 or more employees, ensure your mandatory supervisor traing-ing meets April 1 requirements. The CalChamber **online supervisor course** meets state training requirements. Also, consider training all employees, not just supervisors, to help meet your prevention obligations.

• Make sure you are posting the updated Pregnancy Disability Leave Notice.

• Stay informed as new laws go into effect, and begin examining pay practices to comply with upcoming minimum wage increases.

• Don't forget about local minimum wage ordinances that may apply.

Staff Contact: Gail Cecchettini Whaley

Court of Appeal Sides with Employer in Workers' Comp Psychiatric Injury Case

From Page 1

sor for an apartment complex when he slipped and fell on a concrete walkway on October 19, 2009 while walking in the rain to another building in the complex. He had worked for the company that owned the complex for 74 days before the accident.

Dreher suffered numerous injuries, including a fractured pelvis and injuries to his neck, right shoulder, right leg and knee. He also suffered gait derangement, a sleep disorder and headaches. He underwent surgery to repair pelvic fractures, a second surgery to repair a torn meniscus, and additional surgery to address issues with his right foot and ankle.

He sought compensation for a psychiatric injury arising from the accident and was evaluated in June 2011. The workers' compensation administrative law judge found that Dreher sustained an injury arising out of and in the course of his employment, but denied the claim for psychiatric injury, finding that it was barred because Dreher had been employed for less than six months and his psychiatric injury did not result from a sudden and extraordinary employment condition.

Dreher petitioned the Workers' Compensation Appeals Board (WCAB) to reconsider his case. The board decided in Dreher's favor that the injury was caused by an extraordinary employment condition and therefore was not barred from coverage. Travelers Casualty & Surety Company asked the court to review the case.

Court Ruling

The appeals court found that Dreher did not meet the burden of proving "by a preponderance of the evidence, that a sudden and extraordinary condition caused the injury."

Although Dreher's injury was "more serious than might be expected," the court said, "it did not constitute, nor was it caused by, a sudden and extraordinary employment event" within the meaning of the law (Section 3208.3(d)).

"The evidence showed that Dreher routinely walked between buildings on concrete walkways at the work site and that he slipped and fell while walking on rain-slicked pavement," the court stated. Like accidents in other workers' compensation cases, "Dreher's slip and fall was the kind of incident that could reasonably be expected to occur."

Dreher's testimony that he was surprised by the slick surface of the walkway because the other walkways had a rough surface and that the walkway where he slipped was later resurfaced "did not demonstrate that his injury was caused by an uncommon, unusual or totally unexpected event," the court wrote.

The court found Dreher's claim for psychiatric injury was barred from coverage because it was not the result of a "sudden and extraordinary event" and returned the case to the WCAB with instructions to deny the claim for psychiatric injury.

Staff Contact: Heather Wallace

New CalChamber White Paper on Paid Sick Leave

Even though California's Paid Sick Leave (PSL) law took effect last year, California employers continue to be confused on how to comply with the new law, especially when the law was amended a few weeks after the July 1, 2015, start date.

California Chamber of Commerce employment law counsel prepared a white paper, *10 Things You Might Not Know About California's Paid Sick Leave Law*, focusing on areas of the law employers may have overlooked or are perplexed by.

Learn about:

- How to cap employee accruals;
- How PSL can be used;
- Whether you can require a doctor's note; and
- Other practical tips.

10 Things You Might Not Know About California's Paid Sick Leave Law is available for CalChamber **members** and **nonmembers** to download at ***HRCalifornia.com***.

Correction

22 CalChamber Members Among 100 Best Companies to Work For

The April 15 ***Alert*** article listing members on the *Fortune* list of "100 Best Companies to Work For," should have included one additional California Chamber of Commerce member, PCL Construction.

Our apologies for the error and any issues it may have caused. Electronic versions of the article have been updated with the following information:

• **PCL Construction**, ranked No. 60: This commercial construction firm is 100% employee-owned, and staff members (and their loved ones) appreciate the culture of safety in this workplace. More than 700 building projects can be taking place at once, ranging from office towers and condominiums to bridges, airports and petrochemical plants. Yet, PCL maintains a safety record five times better than the national average of its industry. Outstanding statistics are celebrated during safety week with truck-shaped cupcakes, trivia contests and safety-related prizes.

Read the entire story at ***calchamberalert.com.***

Proposed Limit on Use of Criminal History Information Will Harm Employers

New proposed state regulations by the California Fair Employment and Housing Council (FEHC) seek to limit consideration of criminal history in hiring and employment decisions and will impose new burdens on employers as well as expose employers to litigation.

Coalition Comments

A California Chamber of Commerce-led coalition enumerated its concerns in an April 7 letter:

• No Necessity to Adopt Different Burdens of Proof and Definitions for Employment Selection Discrimination Based Upon the Use of Criminal Background.

There is no rationale for an employment selection policy that utilizes an applicant's criminal background to require a different standard, burden of proof or analysis than any other employment selection policy such as a fitness for duty test or other examination.

• No General Legal Authority for FEHC to Adopt the Proposed Standards for "Job-Relatedness and Business Necessity."

The Equal Employment Opportunity Commission guidance is just that, guidance. In addition, the court never sets forth any special or particular list of factors that an employer must consider when developing a policy regarding criminal convictions or a mandate to individually assess all applicants with a criminal background. The coalition respectfully requests the FEHC to withdraw the proposed regulations.

• No Authority for the FEHC to Adopt a Seven-Year Time Frame to Consider Criminal History and Create a Rebuttable Presumption of Discrimination Against Employers.

The proposed regulations state that a bright-line disqualification policy or practice which does not include an individual assessment and includes conviction-related information that is more than seven years old creates a rebuttable presumption that the policy is not job-related or a business necessity. There is no authority to impose this proposed regulation against employers.

• No Authority to Require an Employer to Perform an Individualized Assessment of Each Applicant with a Criminal Background.

First, there is no authority for this mandate. If the individual does not provide any information, the employer is not required to conduct its own individualized assessment. Comparatively, the proposed regulations require an employer to conduct an "individualized assessment" for each applicant excluded by a conviction screen. There is no authority for requiring an employer to conduct an individualized assessment, despite the lack of any information provided by the employee or applicant.

• Labor Code Does Not Prohibit All Employers from Considering Arrests or Detentions that Do Not Result in a Conviction in Employment Decisions.

Labor Code Section 432.7 does not impose a blanket prohibition on all employers with regards to all arrests that do not result in a conviction, as suggested. This section actually provides several exceptions as to when arrests that do not result in a conviction may be inquired into.

• Proposed Regulations Create a Greater Risk of Employers Being Sued for Negligent Hiring.

Imposing these additional burdens, specified definitions, and onerous standards on employers with employment selection policies that include criminal background checks will likely create a disincentive to inquire into such information during the hiring, selection, or promotion process in order to avoid a claim of discrimination under the Fair Employment and Housing Act.

Trend

The proposed regulations are not surprising given the recent trend toward limiting when any criminal history information can be required.

In 2012, the Equal Employment Opportunity Commission issued "Enforcement Guidance on the Consideration of Arrest and Conviction Records in Employment Decisions," which discusses how an employer's use of an individual's criminal history in making employment decisions could violate prohibitions against employment discrimination.

Some cities have taken matters into their own hands, and employers need to be mindful of local ordinances. For instance:

• Under San Francisco's Fair Chance Ordinance, covered employers are required to follow strict rules regarding the use of arrest and conviction records and related information. Employers can't ask about criminal history on a job application or require job applicants to disclose criminal history information on the job application, including any type of check box indicating criminal convictions.

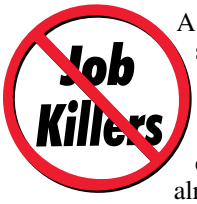
• Los Angeles also is proposing a "ban the box" ordinance.

Coming Up

The FEHC released the proposed regulations in February. The latest comment period closed on April 7. Although the next FEHC hearing is set for June 27, the agenda for that meeting has not yet been released. It is possible that the commission may revise the proposed regulations again.

Staff Contact: Jennifer Barrera

Anti-Arbitration Bill Moves in Assembly



A job killer bill that seeks to ban arbitration clauses for alleged civil rights violations, thereby forcing consumers into an already-overburdened judicial system passed the Assembly Judiciary Committee this week.

AB 2667 (Thurmond; D-Richmond) has been identified as a job killer because the bill unfairly discriminates against arbitration agreements that waive a right to pursue civil rights violations made as a condition of entering into a contract for goods or services and interferes with the fundamental attributes of arbitration, which is likely pre-empted by the Federal Arbitration Act (FAA). This will lead to confusion, uncertainty and costly litigation for such contracts.

Pre-empted by Federal Law

AB 2667 deems any arbitration agreement made as a condition of a contract for goods or services that waives "any legal right, penalty, forum, or procedure" for civil rights violations as unconscionable, involuntary, and against public policy. This prohibition directly conflicts with rulings from both the California Supreme Court and the U.S. Supreme Court.

Banning arbitration clauses made as a condition of a contract will interfere with and disfavor arbitration as a practical matter. Accordingly, AB 2667 is likely pre-empted by the FAA. Forcing parties to litigate this issue through the courts for the next several years to reach a final determination will create uncertainty and significant costs for California businesses.

Arbitration More Efficient

There is general consensus that arbitration is more efficient than litigation, with most cases being resolved in a year or less. In 2014, there were 29,312 civil cases filed in California, according to the U.S. District Court Judicial Caseload Profiler.

As of June 2014, approximately 2,132 cases had been pending in federal court in California for more than three years and the median time from filing a civil complaint to trial in Northern California was 31 months.

A July 2013 report by the Heritage Foundation, titled "The Unfair Attack on Arbitration: Harming Consumers by Eliminating a Proven Dispute Resolution System," concludes that "[a]rbitration is generally faster, cheaper, and more effective than the litigation system. It is not affected by cutbacks in judicial budgets or the increases in court dockets that significantly delay justice." The Heritage Foundation report supported the findings of an analysis of consumer arbitration in California published in July 2006.

In a presentation to the George Washington University Law School in March 2011, attorney Andrew Pincus also agreed that the national data and evidence available demonstrate that consumers do the same, if not better, in arbitration than litigation, as one of the largest arbitration providers documented at least 45% of consumer arbitrations result in a damages award, while more than 70% of consumer-initiated securities arbitrations result in a recovery to the consumer.

Attorneys Biggest Winners

Consumer arbitration provisions can and do provide consumers with a better remedy than pursuing lengthy class action litigation.

In *AT&T Mobility LLC v. Concepcion*, 131 S.Ct. 1740 (2011), the consumer pursued a class action lawsuit against AT&T for false advertisement of a "free phone" when the consumer was required to pay $30.22 for the sales tax.

The arbitration clause in *Concepcion* provided the consumer with the following remedies: 1) the consumer could initiate a dispute on the company's website; 2) once initiated, the company had 30 days to resolve or settle the dispute; 3) if no resolution after 30 days, the consumer could initiate arbitration, all costs of which were covered by the company for nonfrivolous claims; 4) the arbitration had to take place in the county where the customer was billed for his/her services; 5) if the claim was less than $10,000, the consumer could decide whether to have the arbitration take place by phone, in person, or through written statements; 6) the company was barred from seeking reimbursement of any attorney's fees; and 7) if the arbitrator awarded the consumer more than the company's last settlement offer, the consumer automatically received an additional $7,500.

Comparatively, below are several recent consumer class actions pursued through civil litigation with a breakdown of the recovery between the attorneys and consumers:

• *Starks v. Jimmy John's LLC,* Los Angeles Superior Court, BC501113, in which the plaintiff filed a consumer class action against the sandwich franchise, alleging it failed to put sprouts on her sandwich. The class action settled in July 2014 as follows: 1) $5,000 to the named plaintiff; 2) $1.40 coupon to each class member; and 3) $370,000 to the plaintiff's attorney for fees and costs.

• *McCrary v. Elations Company, LLC*, Central District of California, in which the plaintiff alleged the defendant misrepresented the drink as improving joint comfort, joint health, and improving joint flexibility. The class action settled in August 2015 as follows: 1) $5,000 to the named plaintiff; 2) $6 per class action member who has proof of receipt of purchasing the drinks, for up to $18; 3) plaintiff's counsel costs award of $585,000; and 4) plaintiff's counsel attorney's fee award of $362,000.

• A November 23, 2014 article by Jonathan Sourbeer in *The Wall Street Journal* effectively summarized the cost of tort litigation. An owner of a Toyota vehicle received a settlement check for $20.91 for the class action litigation regarding the unintentional acceleration alleged product defect in Toyota vehicles. The court awarded attorney's fees totaling $200 million, plus $27 million for expenses. The 25 primary plaintiffs and class representatives received $395,270.

Key Vote

Assembly Judiciary voted 7-3 on April 26 to pass AB 2667.

Ayes: Alejo (D-Salinas), Chau (D-Monterey Park), Chiu (D-San Francisco), C. Garcia (D-Bell Gardens), Holden (D-Pasadena), M. Stone (D-Scotts Valley), Ting (D-San Francisco).

Noes: Gallagher (R-Yuba City), Maienschein (R-San Diego), Wagner (R-Irvine).

Staff Contact: Jennifer Barrera

14 CalChamber Members Creating Jobs with Help from State Tax Credit

Fourteen California Chamber of Commerce member companies have been selected by the Governor's Office of Business and Economic Development (GO-Biz) as recipients of the California Competes Tax Credit.

The CCTC committee recently approved $70 million in tax credits for 103 companies expanding and creating jobs in California. The awards will help these companies create a projected 9,369 jobs and generate more than $1.3 billion in investment across California.

CalChamber members being awarded credits in this round include:

2. Nordstrom, Inc., online order fulfillment warehouse and retail distribution.

8. ATK Space Systems, Inc., aerospace component manufacturing.

13. Hunter Industries Incorporated, irrigation and sprinkler manufacturing.

17. Baker Electric, Inc., solar power system design, construction, and installation.

18. Standard Homeopathic Company, homeopathic pharmaceutical manufacturing.

25. Small World Trading Co., personal care product manufacturing.

33. Matson, Inc., freight transportation and management services.

36. Daylight Transport LLC, freight transportation services.

42. DataStax, Inc., information technology consulting and data center management.

44. Martin Brothers Construction, highway, street, and bridge construction.

50. North State Electrical Contractors, Inc., electrical contracting.

61. Williams + Paddon/Architects + Planners, Inc., architectural services.

62. Escape Technology, software development

68. MW McWong International, Inc., commercial LED lighting manufacturing.

The complete list of approved companies and award amounts is available at the **GO-Biz website**.

In 2015, GO-Biz allocated approximately $150 million to 212 companies that are projected to create more than 35,000 jobs and make over $9.1 billion in investments.

About California Competes

The California Competes tax credit, focused on helping businesses grow and stay in California, is part of the Governor's Economic Development Initiative, which Governor Edmund G. Brown Jr. signed legislation to enact in 2013 (AB 93 and SB 90). GO-Biz evaluates the most competitive applications based on the factors required by statute, including total jobs created, total investment, average wage, economic impact, strategic importance and more. Companies are exempted from paying state income taxes in the amount awarded.

This fiscal year, GO-Biz is awarding $200 million in tax credits through three award rounds. GO-Biz just concluded the final application period for the 2015–16 fiscal year. The committee will meet on June 16 to vote on the awards.

Applicants are encouraged to apply for awards starting next fiscal year by completing a free, user-friendly application available online at ***www.calcompetes.ca.gov***.

Senate Committee Acknowledges Problems with Environmental Law

From Page 1

He commented that the hearing on SB 1306 carried forward an important dialogue on fixing problems with the CEQA process.

Committee members acknowledged there are problems with how CEQA is being used, including delays in project timelines,while a couple expressed reservations about the approach in SB 1306.

Key Vote

The Senate Judiciary Committee rejected SB 1306 on a vote of 2-4 on April 26, then granted the bill reconsideration.

Ayes: Anderson (R-Alpine), Moorlach (R-Costa Mesa).

Noes: Jackson (D-Santa Barbara), Leno (D-San Francisco), Monning (D-Carmel), Wieckowski (D-Fremont).

No vote recorded: Hertzberg (D-Van Nuys).

Staff Contact: Anthony Samson

CalChamber Policy Advocate Anthony Samson summarizes the misuses that have interfered with the environmental protection goals of the California Environmental Quality Act.

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