

ALERT

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‘Job Killer’ Bills Meeting Mixed Fates in Final Days



With less than two weeks remaining before the scheduled end of the legislative year, numerous “job killer” proposals are still moving through the process.

The Senate and Assembly Appropriations committees met last week to consider long lists of legislation. September 11 is the last day for each house to pass legislation for consideration by Governor Arnold Schwarzenegger.

In Senate

As *Alert* went to press, the following “job killers” awaited action by the Senate:

● **AB 5 (Wolk; D-Davis) Housing Development Restrictions.** Stops new housing development in the Central Valley by punishing new development for the failure of local agencies to develop flood control plans which are based on information not available until 2011.

● **AB 8 (Núñez; D-Los Angeles) Health Care Tax on Employers.** Imposes a tax on small employers who can’t afford to provide health care coverage, to fund health care coverage for those who don’t currently purchase it.

● **AB 35 (Ruskin; D-Redwood City) Increased Construction Costs.** Increases cost to businesses by shifting the development of “green building” standards for

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Bill Ending Farmworker Union Elections Heads to Governor



California Chamber of Commerce-**opposed** legislation that hurts the competitiveness of California agriculture producers and sends the wrong message to California

businesses has passed the Legislature and now awaits action by the Governor.

SB 180 (Migden; D-San Francisco) will drive businesses out of state, kill jobs and increase the loss of farmland by artificially increasing labor costs for California producers who must compete in a global market with lower-than-average operating costs. The bill removes the secret ballot election requirement for union representation and prohibits employer communication with employees.

SB 180 proposes to take away a worker’s right to a private ballot when deciding whether to join a union by replacing the private ballot with a “card check” process, which allows a union to organize if a majority of workers simply sign a card. Under this system, the union organizers themselves oversee the process, and the workers’ votes are made public to the employer, the union organizers and co-workers.

In opposing the bill, the CalChamber pointed out that workers are better pro-

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CalChamber Hosts Korean, German Officials



Luncheons hosted by the California Chamber of Commerce provide opportunities for attendees to hear from His Excellency Lee Tae-sik (left), Korean ambassador to the United States, and the Honorable Frank-Walter Steinmeier, minister for foreign affairs of the Federal Republic of Germany. See stories on Pages 4-5.

Inside

CalChamber Urges Revise of Meal/Rest Rules: Page 3

Korean Ambassador Urges Support for U.S.-Korea Free Trade Agreement

His Excellency Lee Tae-sik, Korean Ambassador to the United States, enumerated the benefits of the U.S.-Korea Free Trade Agreement (FTA) at an international luncheon forum hosted by the California Chamber of Commerce on August 28.

Approval of the FTA is pending before Congress. Korea is California's fifth largest exporting partner, and in 2006 California exported \$7 billion worth of goods to Korea.

"We have a historic opportunity to create the third largest free trade area in the world after the European Union and the North American Free Trade Agreement," Ambassador Lee said. "This is a far-reaching and comprehensive free trade agreement covering all aspects of our two nations' economic relationship."

Increased Trade

The U.S.-Korea FTA will lower tariffs and foster increased trade between both countries as a critical element of the U.S. strategy to liberalize trade through multilateral, regional and bilateral initiatives.

"Our two nations' economies are increasingly compatible and intertwined," Lee said. "Last year, Korea and the United States took the ambitious steps of pursuing a free trade agreement, and after more than one year of intense negotiations, this past June, the landmark agreement was officially signed."

In 2006, two-way trade between the two countries topped \$78 billion. The FTA will increase U.S. exports to Korea by 54 percent and Korean imports to the United States by 21 percent, according to a report by the International Trade Commission.

Korea is the seventh largest U.S. export market in the world and the sixth largest market for farm exports. In 2006, U.S. exports to Korea reached \$43 billion, with U.S. small and medium-sized companies accounting for a third of this total.

The United States should not miss this opportunity to advance into the Korean market, Lee explained. "For Korea, this FTA will provide U.S. businesses with a strategic springboard to strengthen their positions among the other dynamic econ-



His Excellency Lee Tae-sik, Korean Ambassador to the United States, accepts a gift from California Chamber of Commerce President Allan Zaremberg following remarks at a CalChamber International Luncheon Forum on August 28.

omies of Northeast Asia," he said.

Duty-Free Exports

The U.S.-Korea FTA would grant unprecedented access to the South Korean market. Under the FTA, nearly 95 percent of bilateral trade in consumer and industrial products becomes duty-free within three years of the FTA's entry into force, including key U.S. exports such as electronic machinery and parts, auto parts, power generation equipment, most chemicals, and medical and scientific equipment.

U.S. farmers and ranchers would benefit from the fact that more than half of current U.S. farm exports to South Korea will become duty-free immediately, including high-value agricultural products such as almonds, pistachios, wine and cherries. For many other key agricultural goods, such as pork and citrus products, the FTA will provide unparalleled access to the South Korean market and its prosperous consumer base.

Korean Investment

Along with trade, investment between the two countries is flourishing and is becoming increasingly two-way.

For U.S. investors operating in South Korea, the FTA establishes a stable legal framework that will protect all forms of

investment. Under nearly all circumstances, U.S. investors will enjoy the right to establish, acquire and operate investments in South Korea on equal footing with local investors, and investor protections will be backed by a transparent, binding international arbitration mechanism.

From an economic standpoint, the potential benefits of the U.S.-Korea FTA to U.S. workers, farmers, manufacturers and service suppliers are undeniable.

"The relationship between our two countries is very special. This free trade agreement is very comprehensive," Lee said. "The agreement covers the full range of trade-related areas, from goods and services to intellectual property rights, competition, labor and the environment. The United States should not miss this opportunity to advance into the Korean market before others."

CalChamber Position

The CalChamber, in keeping with long-standing policy, enthusiastically supports free trade worldwide, expansion of international trade and investment, fair and equitable market access for California products abroad and elimination of disincentives that impede the international competitiveness of California business.

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