

ALERT

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CalChamber Releases List of New Employment Laws



The California Chamber of Commerce has released the list of new employment laws scheduled to take effect in 2018 and beyond that will affect California employers' daily operations and policies. Some new laws made significant changes while others made small changes to existing law.

CalChamber's new white paper, which summarizes the new laws' effects on California employers, is available for download.

The white paper explains new laws relating to:

- Leaves of absence;
- Hiring practices and enforcement;
- Discrimination, harassment and retaliation protections;
- Wage-and-hour; and
- Workplace safety and workers' compensation.

Some of the noteworthy new legislation includes:

- The New Parent Leave Act, which requires small businesses with as few as 20 employees to provide up to 12 work-weeks of unpaid, job-protected parental leave for baby bonding;
- Ban-the-box legislation that restricts

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GOP Senators Offer Variations on House Tax Code Rewrite



Republicans in the U.S. Senate last week released a plan for overhauling the federal tax code that differs on a number of key provisions from the proposal by U.S. House Republicans.

As **Alert** went to print, proposed changes to the Senate plan were being discussed, including a repeal of the individual mandate to have health insurance. The House Republican plan passed on Thursday.

Individual impacts from the Senate and House plans may differ depending on business or personal situations. Of particular concern to Californians is the deductibility of state income taxes, the cap on mortgage deductions in the House proposal, and the tax brackets because California is a higher-cost state in which to live.

The Senate plan eliminates all state and local tax deductions, whereas the House proposal permits property tax deductions up to \$10,000.

The Senate plan retains the current mortgage interest deduction (\$1 million), rather than capping it at \$500,000, as the House plan does.

Like the House proposal, the Senate plan cuts the top corporate tax rate to 20% (from 35%), but delays the start of

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CalChamber Brings HR Experts to LA



Erika Frank (far right), CalChamber executive vice president, legal affairs/general counsel, moderates a litigation roundtable at the first CalChamber HR Symposium. Story and more photos on [Pages 4-5](#).

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Labor Law Corner

Only Qualified Representative Can Complete Form I-9 for Remote Hires



Erika Pickles
HR Adviser

My office is located in San Francisco and I am hiring an employee who will work remotely in San Diego. Can I contract with a notary public to complete the Form I-9 for this employee?

Although you can designate an authorized representative to complete the Form I-9 on your behalf, you can use a California notary public to do so only if the notary is also an immigration consultant registered with the California Secretary of State.

Remote Hires

When you hire a remote employee, you may not be physically present with the employee and able to complete the Form I-9. In that case, you can designate an authorized representative to meet with the employee, inspect the employment eligibility documents presented by the employee and complete Section 2 of the Form I-9 on your behalf.

The U.S. Citizenship and Immigration Services (USCIS) explains how to do so in its Handbook for Employers:

You may designate or contract with someone such as a personnel officer, foreman, agent, or anyone else acting on your behalf, including a notary public, to complete Section 2. Note that anyone else who completes Form I-9 on your behalf must carry out full Form I-9 responsibilities. It is not acceptable for the designated person to physically examine the employee's employment authorization and identity documents, and leave Section 2 for you to complete. You are

liable for any violations in connection with the form or the verification process, including any violations of the employer sanctions laws committed by the person designated to act on your behalf.

(USCIS Handbook for Employers, Chapter 4.0.)

Although the USCIS allows an employer to designate a notary public as an authorized representative, California law prohibits a notary public from completing Forms I-9 unless the notary public also is a registered immigration consultant.

California Notaries

Under California law, the only individuals who can assist clients with completing immigration forms (such as the Form I-9) are licensed attorneys, individuals authorized under federal law to provide immigration services, and individuals qualified and bonded as an immigration consultant under California law (Business & Professions Code, Sections 22440, 22441).

A notary public who is not qualified and bonded as an immigration consultant is prohibited from completing immigration forms for his or her clients (Government Code, Section 8223 (c)).

If you need to remotely hire an employee in California, you can design-

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CalChamber-Sponsored Seminars/Trade Shows

More at www.calchamber.com/events.

Labor Law

HR Boot Camp. CalChamber. December 6, San Francisco; February 13, 2018, Modesto; February 28, San Diego; April 11, Oakland; April 26, Costa Mesa; June 5, Santa Clara; August 21, Sacramento; September 5, Long Beach. (800) 331-8877.

International Trade

Consumer Electronics Show 2018. Consumer Technology Association and U.S. Department of Commerce International Trade Administration. January 9-12, 2018, Las Vegas. (858) 467-7042.

CalChamber Calendar

Education Committee:

December 7, San Francisco

Water Committee:

December 7, San Francisco

Board of Directors:

December 7-8, San Francisco

International Trade Breakfast:

December 8, San Francisco

Annual Meeting:

December 8, San Francisco

Next Alert: December 1



Translating Attitudes: CalChamber Poll Finds Voters Open to a Middle Lane



The Third Annual California Chamber of Commerce Poll ([see November 3 Alert](#)) found California voters generally anxious about the future. Voters are very concerned about the cost of

living—especially as it might affect the ability of their children to live in California. They cite the cost of housing, taxes and crime as concerns that are not being adequately addressed by the Legislature.

So how will voter attitudes translate to politics? This is speculative, of course, since the poll measured a point in time about a year ahead of the general election. But gauging voter priorities is important to understand how candidates can and should present their ambitions to voters in the coming year.

Gubernatorial Prospects

The most striking finding is that a theoretical Republican gubernatorial candidate may be down, but not out.

For example, a week after Donald Trump was elected in 2016, a Democratic candidate had a 12-point advantage over a Republican, 42% to 30%.

This year, surveying the same likely 2018 general election voter, the Democrat led by only three points, 41% to 38%. Since President Trump's approval ratings

have not improved in the past year, the most likely explanation of this movement is dissatisfaction among California voters with the performance of elected Democrats.

This is supported by a finding that a majority of voters are concerned that the Legislature (82%) and Governor (63%) “are out of touch with the issues that are most important to people like me.”

Problem Solving

To be sure, you can't beat somebody with nobody. Democratic candidates with long résumés are motivating their voters by hammering on President Trump, and Republican candidates are widely unknown. Nonetheless, voters want the next Governor to try to work with the President to solve California's problems.

An overwhelming (and bipartisan) majority of voters (71%) agree that “the state Legislature is spending too much time and attention resisting President Trump instead of trying to solve the real-life problems Californians face.”

And by a 57% to 16% margin, voters would vote for a gubernatorial candidate “who does not support President Trump, but who would work with the President to get California's fair share of federal funding.”

In fact, even California voters value an anti-establishment bent.

A majority (54%) of voters agree that, “regardless of your feelings toward Donald Trump, his opposition towards

the traditional political establishment is necessary.” While Democrats and Republicans are split on the question, voters who do not affiliate with a party agree with this sentiment by a 58%–37% margin.

Looking at a hypothetical candidate for the Legislature, statewide voters tagged tougher anti-crime positions, fixing water infrastructure and changing teacher seniority rules as the most important issues.

Voters were least impressed with candidates who supported the recent gas tax hike or who support changing the private health care system to create either a “Medicare for All” or single-payer system.

Open Primary Support

Finally, voters still firmly support (73%) the all-party primary system, where the top two candidates in a primary election, regardless of party, advance to the general election. Regardless of political affiliation, Democrat (82%), Republican (59%) and no affiliation (73%) voters supported the current election system.

The CalChamber poll was conducted online by Penn Schoen Berland (PSB) from October 4 to October 6, 2017 among n=1,000 definite California voters. The margin of error is +/- 3.1% at the 95% confidence level.

Contact: Loren Kaye

Only Qualified Representative Can Complete Form I-9 for Remote Hires

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nate an authorized representative to meet with the employee, inspect the documents provided by the employee and complete Section 2 of the Form I-9 on your behalf.

If you contract with a notary public to do so, however, the person also must be an immigration consultant. If not, the notary public is prohibited from completing the Form I-9 on your behalf and you

will have to find another representative to complete the form.

If you designate a representative to complete the Form I-9, make sure that person understands what he/she needs to do to complete the Form I-9. As the employer, you will be liable for any violations committed by the representative when completing the Form I-9.

Employers with questions about the

Form I-9 and verifying eligibility to work can find more information in the HR Library on HRCalifornia.com.

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.

First CalChamber HR Symposium Features Lab

HR symposium

A sold-out crowd gathered in Los Angeles recently for the first California Chamber of Commerce HR Symposium.

The October 26 gathering featured a full day of informative and engaging sessions with top experts on a variety of labor and employment issues relevant to California employers, including:

- Lisa Buehler of Ellis Buehler Makus LLP walked attendees through a hypothetical sexual harassment investigation to highlight common issues that employers face during that process and tips on how to proceed.

- Jennifer Shaw of Shaw Law Group explained what employers should do when they face an audit by a federal or state government agency, including how

to respond to the audit request and the rights employers have.

- Victor M. Andersen of Finnegan, Marks, Theofel & Desmond discussed what HR professionals should know about the workers' compensation system, including what to do when an employee is injured on the job.

- Ann M. Noel, Esq., of Noel Workplace Consulting covered the numerous leaves of absence available to California employees and how to manage those leaves.

A roundtable discussion on litigation missteps that can lead to lawsuits, moderated by CalChamber Executive Vice President, Legal Affairs, and General Counsel Erika Frank, offered attendees insights on common mistakes that can land employers in trouble and discussed emerging trends employers face.

Attendees also were treated to a lively

lunch conversation between Jennifer Barrera, CalChamber senior policy advocate, and Gina Hester, southern regional manager, Wage Adjudication Offices for the Division of Labor Standards Enforcement (DLSE). Hester and Barrera discussed the function of the DLSE, how it handles and investigates complaints, and resources it offers for employers.

Attendees were able to ask Hester numerous questions about wage-and-hour issues, including DLSE investigations, meal-and-rest break compliance, and final pay requirements.

The day concluded with a cocktail reception, where attendees were able to mingle, network and further discuss all that was covered during the day.

CalChamber thanks everyone who attended the first annual HR Symposium and is already planning the 2018 event.



Photos by Matt Lara

Lisa Buehler (right), Ellis Buehler Makus LLP, discusses unique issues in workplace investigations to the sold-out crowd at the first CalChamber HR Symposium.

or/Employment Law Experts



Erika Frank (right), CalChamber executive vice president, legal affairs, and general counsel, moderates a roundtable discussion with (from left) Lisa Buehler, Ann Noel, Victor Andersen and Jennifer Shaw.



Jennifer Shaw, Shaw Law Group, outlines tools for surviving government agency audits.



Gina Hester (left) of the state Division of Labor Standards Enforcement (DLSE) and CalChamber Senior Policy Advocate Jennifer Barrera treat attendees to a lively lunch conversation about DLSE functions, including a chance for attendee questions and answers.



CalChamber's Erika Frank (right) and Victor Andersen, Finnegan, Marks, Theofel & Desmond, at the afternoon session on the workers' compensation system and what to do when an employee is injured on the job.



Ann Noel, Noel Workplace Consulting, before the final session on managing leaves of absence.

CalChamber-Supported Workforce Development Bill to Become Law



SUPPORT

competitive grant program was signed by Governor Edmund G. Brown Jr.

AB 1111 (E. Garcia; D-Coachella) is designed to assist individuals who face multiple barriers to employment by providing them with remedial education and work readiness skills to prepare them for training, educational, apprenticeship or employment opportunities.

A California Chamber of Commerce-**supported** bill that will help increase California's skilled workforce by authorizing a

The bill establishes the Breaking Barriers to Employment Initiative within the Labor and Workforce Development Agency and calls for the formation of partnerships between community-based organizations and workforce development boards to successfully deliver assistance to one or more targeted populations, including unskilled or underskilled, low-earning workers, workers displaced by the movement of an employer, long-term unemployed individuals, women seeking training or education to move into nontraditional fields of employment, as well as other individuals who face barriers to employment.

The Public Policy Institute of California (PPIC) has projected that the state will produce 1.5 million fewer workers

with some postsecondary education than the workforce will need by 2025. Not only is this skills gap a concern for employers, it also has serious implications for individuals hoping to find middle-class jobs that can support their families.

AB 1111 will help California reduce this skills gap and address the needs of employers, by ensuring that those individuals who need the most assistance and who face the greatest barriers to employment receive the remedial education and work readiness skills they need to prepare them to participate in training, educational, apprenticeship, or employment opportunities.

Staff Contact: Karen Sarkissian

CalChamber Releases List of New Employment Laws

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employers with five or more employees from asking about criminal history on job applications;

- A new law that bans all employers from asking job applicants about their prior salary history;

- The Immigrant Worker Protection Act, which shields workers from immigration enforcement while on the job; and
- A new law that expands mandatory sexual harassment prevention training.

An Overview of New 2018 Laws Affecting California Employers is now

available for nonmembers to download. CalChamber **members can download the white paper** by logging onto *HRCalifornia*. Also available to CalChamber members on *HRCalifornia* is a **full discussion of the new laws**.

GOP Senators Offer Variations on House Tax Code Rewrite

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the lower rate until 2019 (versus 2018 for the House proposal).

The Senate plan keeps the seven individual tax brackets (the House plan reduces the number of brackets to four), but drops the top rate slightly, to 38.5% (from the current 39.6%).

Like the House plan, the Senate proposal raises the threshold for the estate tax to \$11 million of inheritance (versus \$5.49 million today). But the Senate plan retains the estate tax, rather than repealing it in 2024 as the House plan does.

The Senate proposal preserves the deductibility of medical expenses, rather than eliminating that option as the House plan does.

For many small businesses organized as "pass-through" companies, like sole proprietorships, partnerships and S corporations that currently pay taxes at the owners' individual rates, the Senate plan

will create a 17.4% income deduction. The effect will be to lower the top rate to 31.8% compared to the current 39.6%. Some "service businesses," such as consulting, engineering, law, medicine and financial services companies making more than \$75,000 a year (\$150,000 for married couples) may not take the deduction.

The House plan proposes a tax rate of 25% for pass-through businesses.

The Senate proposes a 12.5% tax on certain foreign profits from intangible assets like patents and copyrights, whether those assets are located in the United States or abroad. The House proposes a new global minimum tax of 10% on income that subsidiaries of U.S. companies earn anywhere in the world.

Similarities between the Senate and House plans include:

- nearly doubling the standard deduction to \$12,000 individual/\$24,000 married filing joint (Senate) or \$12,200

individual/\$24,400 married filing joint (House), versus \$6,530/\$12,700 today.

- eliminating the personal exemption.
- eliminating the alternative minimum tax.

- net operating losses (NOL). Both plans repeal the two-year carryback except for farm losses. Losses are limited to 90% of taxable income in future years. The 20-year limit on NOL carryforwards is repealed.

- leaving 401(k) retirement plans largely unchanged.

- changing the current unlimited deduction for business interest to limit net interest to 30% of modified taxable income.

- increasing the child tax credit. This week the Senate tax committee chair proposed increasing the credit from the current \$1,000 per child to \$2,000 (versus \$1,650 in last week's proposal); the House increases the credit to \$1,600 per child.

CalChamber Blog Highlights Synergies with California on Israel Trip



Commerce Vice President of International Affairs Susanne T. Stirling joined a small group of state and metro chambers from around the U.S. on a five-day business trip through Israel.

Stirling found her trip to be an excellent opportunity to learn about the high-tech industry and startups in Israel, and gain a deeper understanding of the many similarities between Israel and California, together with areas where we can learn from each other.

The trip itinerary enabled participants to look at some specific sectors where there are synergies with business communities also represented in California, and spend some time seeing cultural, religious, and historic sites.

Trip attendees met with top government officials and business leaders to better understand Israel's business, geopolitical, and historical landscape. Attendees also met with venture capitalists and scientists; visited American research and development centers; toured Tel Aviv's unique startup scene; and saw many of Israel's historic and religious sites.

Stirling, along with other chamber leaders, also had the opportunity to meet with Israeli chambers and representatives of companies that are looking to do business in the United States.

Israel Trip Blog

Stirling chronicled the Israel trip in a five-part blog for the CalChamber. The trip followed the October 16 convening of the 32nd session of the U.S.-Israel Joint Economic Development Group (JEDG), the annual economic policy dialogue between the two countries. Both sides acknowledged significant progress in the bilateral economic relationship over the last three decades, and pledged to continue expanding and deepening policy coordination and cooperation across a broad range of sectors.

Below is a sampling of Stirling's blog

At the invitation of the U.S. Chamber, California Chamber of

entries. To read the full blog, visit www.calchamber.com/international.

Israel Trip: Day 1

"We met in the lobby of the hotel bright and early and headed to the ancient fortification of Masada, a little over a two-hour drive away from Tel Aviv..."

"The Welcome Dinner brought together the entire delegation with leaders from the U.S. Chamber's Israel partner organization, the Israel-American Chamber of Commerce (AmCham Israel)."



(From left) Oded Rose, Josh Kram, former U.S. Ambassador to Israel Dan Shapiro, Susanne Stirling, and Myron Brilliant.

Israel Trip: Day 2

"This morning we received an orientation from Myron Brilliant, delegation leader, and EVP and Head of International Affairs for the U.S. Chamber of Commerce, as well as Josh Kram, the Senior Director of Middle East Affairs for the U.S. Chamber. Both formally welcomed the group and expressed again the purpose of this trip was for the first-time visitors to Israel to better understand the country, from the business side, to the major political issues, to history and culture."

Israel Trip: Day 3

"After exploring Jerusalem all morning, we had the opportunity to meet the mayor of the ancient city, Nir Barkat. Mr. Barkat assumed the office in 2008 and was re-elected in 2013. He has worked to preserve the rich culture of the city with a message of respect and pluralism for its many residents. Mr. Barkat himself was

formerly a tech entrepreneur as well as a major in the Israel Defense Forces. He spoke to us about his role as mayor for the City of Jerusalem. Mayor Barkat has increased the municipal budget by an average of 10% each year in office, spurring dramatic growth in employment, investment in infrastructure, and cultural development."

Israel Trip: Day 4

"Today we received a briefing at Intel's Development Center in Haifa.

"Intel was first established in Israel in 1974, with four major sites in the country. Intel is the largest private sector employer in Israel with 10,200 employees and indirectly supports the employment of 30,000 others in Israel. Intel is also Israel's largest private exporter. This year Intel purchased Mobileye, an Israeli smart car start-up for US \$15 billion."

Israel Trip: Day 5

"To close the trip, the group heard again from Myron Brilliant, EVP and Head of International Affairs at the U.S. Chamber of Commerce; Josh Kram, Senior Director of Middle East Affairs at the U.S.

Chamber; and Oded Rose, CEO of AmCham Israel. All shared our experiences of the past week and ideas of how we can increase U.S.-Israeli commerce in our communities back home. Brilliant spoke how he had recently met with Chemi Peres, the son of former President of Israel Shimon Peres. Brilliant asked Chemi Peres what he thought of his father's legacy, and Peres replied saying his father was one of the fathers of the State of Israel and that he was most proud of his father's vision of hope and optimism. His father, Shimon Peres, wanted everyone, not just Israelis, to live big and dream even bigger.

"I will take back with me to California all of my experiences from the past week in Israel and look forward to developing networks that will advance our community's connection to the bilateral relationship with Israel."

The full blog is posted at www.calchamber.com/international.
Staff Contact: Susanne T. Stirling

Mandatory Updates to Required Poster and Pamphlets for January 1

CalChamber
HR Expert & Business Advocate™



Simplify your compliance with CalChamber's 2018 Required Notices Kit. It contains an updated all-in-one poster with the 17 required state and federal employment notices all California employers must post on January 1.

The kit also provides 20 copies each of the most current required pamphlets for employees—including the Rights of Victims of Domestic Violence, Sexual Assault and Stalking pamphlet.

Preferred and Executive members receive their 20% member discount.

PREORDER at calchamber.com/2018kit or call (800) 331-8877.

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