

# ALERT

## High Court Decisions Leave Employers with Uncertainty

*Labor Law Standards Subject to Interpretation*



California employers are once again left with uncertainty regarding the

Division of Labor Standards Enforcement (DLSE) *Enforcement Policies and Interpretations Manual* following a California Supreme Court ruling earlier this month.

The state high court's March 5 ruling in *Alvarado v. Dart Container Corporation of California* dealt mainly with how an employer must calculate overtime compensation for an employee who earns both an hourly rate and a flat sum nondiscretionary bonus.

In its analysis, the Supreme Court also provided lengthy discussion on whether the DLSE's manual was binding authority on the courts. The Supreme Court concluded that the *DLSE Enforcement Manual* is a void underground regulation and not entitled to any deference. However, the Supreme Court held that it still could

consider the DLSE's interpretation if the court was independently persuaded that the interpretation was ultimately correct.

In this case the Supreme Court was persuaded and adopted the DLSE's method of calculating overtime on flat sum bonuses. The DLSE's method was more favorable to the plaintiff than the federal standard used by the employer.

### Earlier Decision

This is not the first time that the California Supreme Court has opined about the validity of the DLSE manual. More than two decades ago, the California Supreme Court discussed the legitimacy of the DLSE manual in *Tidewater Marine Western, Inc. v. Bradshaw* (December 19, 1996).

In *Tidewater*, the Court was tasked with deciding whether the DLSE manual constituted regulations within the meaning of the Administrative Procedure Act (APA).

If a policy constitutes a regulation under the APA, it must follow specific

*See High Court Decisions: Page 4*

## State of Judiciary Address Highlights Civil Justice Reforms



The funding boost proposed in the state budget plan for the coming year will help the judicial branch continue reforms to provide access and fairness to court users, California Chief

Justice Tani G. Cantil-Sakauye told lawmakers in her State of the Judiciary address on March 20.

After years of funding cuts, the 2018–2019 state budget proposed by Governor Edmund G. Brown Jr. grants the state's judiciary an additional \$150 million for critical trial court operations and commits to funding construction for 10 new courthouse projects in the next two years.

### Funding Civil Justice

Due to limited resources in past years, the judicial branch focused primarily on criminal matters and civil court services took a "back seat," greatly delaying civil dockets, Cantil-Sakauye said.

Civil justice addresses claims for personal injury, discrimination, retaliation, misconduct, and lost jobs, among others. Delays in civil cases, Cantil-Sakauye stressed, meant that children, elders, veterans, businesses and constituents were left behind.

Thanks to the proposed \$123 million in increased funding, the Chief Justice said, the trial courts will have the flexibility to restore services and resolve the

*See State of Judiciary: Page 4*

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### Inside

**Preparing More Graduates for College/Careers: Page 3**

*Labor Law Corner*

**Duration of Written Meal Period Waivers Depends on Your Needs**



**Barbara Wilber**  
HR Adviser

*We have employees working 6-hour shifts who want to waive their meal period and employees who want to waive their second meal period after 10 hours. How often do we have to renew the written waiver?*

Pursuant to the California Labor Code, both the 6- and 10-hour waiver allow an employer and employee to mutually waive the required meal period.

Although other types of meal waivers must be in writing, a written waiver is not required in these instances.

Meal period rules and regulations are found in both the Industrial Welfare Commission (IWC) orders and in the California Labor Code, Section 512 (stated in part as follows):

**512.**

*(a) An employer may not employ an employee for a work period of more than five hours per day without providing the employee with a meal period of not less than 30 minutes, except that if the total work period per day of the employee is no more than six hours, the meal period may be waived by mutual consent of both the employer and employee. An employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes, except that if the total hours worked is no more than 12 hours, the second meal period may be waived by mutual consent of the employer and the employee only if the first meal period was not waived.*

**Waiver Best Practices**

Nevertheless, to prove that employees actually intend to waive their meal period, it is a best practice to get the waiver in writing. How long you rely on this written waiver is up to each individual employer.

When making your decision, think about how often the waiver is needed. Does the employee work a 6- or 10-hour schedule every day, or only infrequently? Work with your legal counsel to make this determination.

It is recommended that you review both the IWC orders and the California Labor Code to determine whether a meal period exception applies to your specific industry.

In addition, [HRCalifornia.com](http://HRCalifornia.com) provides waiver forms that may be modified to reflect the time period covered by the waiver.

*Column based on questions asked by callers on the Labor Law Helpline, 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).*

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**Labor Law**

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Fair Pay to Final Pay: Paying Your California Employees. CalChamber. April 19, Webinar. (800) 331-8877.

HR Boot Camp. CalChamber. April 11, Oakland; April 26, Costa Mesa; June 5, Santa Clara; August 21, Sacramento; September 5, Long Beach. (800) 331-8877.

Leaves of Absence: Making Sense of It All. CalChamber. June 21, San Diego; August 10, Oakland. (800) 331-8877.

**Business Resources**

TECHSPO LA 2018. TECHSPO. June 13-14, Santa Monica. (800) 805-5385.

**International Trade**

Comprehensive Export Training. Orange County Center for International Trade Development. April 13-14, Santa Ana.

(714) 564-5413.

Asia Pacific Business Outlook Conference. University of Southern California Marshall School of Business. April 16-17, Los Angeles. (213) 740-7130.

*See CalChamber-Sponsored: Page 5*

**CalChamber Calendar**

*Capitol Summit:*

May 23, Sacramento

*International Forum:*

May 23, Sacramento

*Host Breakfast:*

May 24, Sacramento

**Next Alert: April 6**



# Four Ways California Can Help Get More Grads Ready for College, Career



Loren Kaye

The California economy is humming. Unemployment is at historic lows, even in many parts of the state often left behind in good times.

But even this silver lining has a cloud.

Parts of the Bay Area and Southern California are beyond full employment, which means some California regions are creating more jobs than the labor force can support.

## Talent-Worker Mismatch

As Robert Kleinhenz of Beacon Economics wrote, “with the state at full employment, job growth and general economic gains will largely be constrained by the availability of workers. This is good for workers who might achieve pay increases in the coming months and quarters, but it poses a challenge for firms that want to grow but cannot because they are unable to hire the necessary workers.”

Nationally, half of open, available positions go unfilled because the candidates aren’t available. At the same time, 40% of businesses can’t take on more work because they can’t fill open jobs.

We have an extraordinary mismatch between our talent needs and the pipeline of new or potential workers.

The flip side is that many of our students face a different future. Only 40% of the state’s 2.2 million young adults hold an associate’s degree or higher and many lack the skills needed for workforce success.

According to the **Public Policy Institute of California**, California needs an additional 1.1 million career-ready college graduates by 2030 to meet the needs of the economy. Unless trends are reversed, California’s stature as a vibrant, global economy is at risk.

In other words, we’re all in this together.

## Linked Learning

Fortunately, many public leaders and groups are working to address these needs. For my part, I want to share the promise of Linked Learning—which we believe can provide a long-term pipeline of well-qualified students, as well as enabling high school and college graduates to stay in California in jobs that pay well and provide for upward mobility.

Linked Learning is based on the idea that students work harder and dream bigger if their education is relevant to them. The Linked Learning approach integrates four key elements to develop college- and career-ready graduates:

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## Guest Commentary By Loren Kaye

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- **Rigorous academics** prepare students to take credit-bearing, college-level courses and be university admissible, maximize articulation between high school and postsecondary programs of study, and facilitate and accelerate completion of postsecondary credentials, certificates, and degrees.

- **Career technical education** is embedded through a sequence of classes and integrated with academic content standards, aligned with career opportunities in a variety of high-need, high-skill occupations, including opportunities for stackable certificates, credentials, or degrees, where relevant.

- **Work-based learning** sequences reach from career awareness and exploration into postsecondary training and education, providing opportunities to apply core academic content and technical training, while developing the skills, competencies and dispositions that are critical to workplace success.

- **Comprehensive support services** are central components of a program of study, address unique needs of individual students, and include academic and socio-emotional supports, to ensure equity of access, opportunity, and success.

Why a focus on both career and college?

First, the probability of making a living wage in today’s economy without some

form of postsecondary education is already low and will only diminish. Increasingly, career success depends on a postsecondary degree or credential.

Second, without an explicit goal for preparing high school students for a full range of post-graduation opportunities, we risk reverting to tracking students whom an adult may think are incapable of college.

A core component of the experience in any Linked Learning pathway is work-based learning, which allows students to apply their classroom learning in professional settings and gain real-world experience in the process. Students learn what it takes to thrive in the professional world through partnerships with local employers that offer internships, mentoring, job shadows and similar opportunities. This adds depth and meaning to students’ education, as classroom learning becomes more meaningful and relevant to students when paired with opportunities to experience the subject matter firsthand.

## Business Challenge

Where do we in the business community fit in?

Our challenge is to overcome a current lack of engagement by the California business community in providing workplace experiences for youth, despite a strong business case for the recruitment of young people. Talent pipeline strategies support long-term business productivity and competitiveness in an aging society. Investing in young people helps employers engage with their community and strengthen their brand. Growing your own workforce is also more cost-effective than buying the skills on the open market.

Our response to the twin challenges of a talent pipeline deficit and high school graduates underprepared for career and college is to continue our momentum to engage chambers of commerce and other local economic development organizations to promote employer engagement in work-based learning.

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*Loren Kaye is president of the California Foundation for Commerce and Education, a think tank affiliated with the California Chamber of Commerce.*

## High Court Decisions Leave Employers with Uncertainty

From Page 1

protocols to be adopted. The APA outlines a technical process that requires public participation to “ensure that those persons or entities whom a regulation will affect have a voice in its creation as well as notice of the law’s requirements so that they can conform their conduct accordingly.”

If a regulation is not properly adopted per the APA requirements, it will be deemed unlawful. Notably, the DLSE manual has never been adopted through the APA process.

### Procedures Not Identical

Although the Labor Code does include procedural protections for adopting some regulations “analogous to those in the APA,” the procedures are not identical to the APA. The procedures also apply only to the Industrial Welfare Commission and not the DLSE manual.

Ultimately, the *Tidewater* court held that because the DLSE manual provided interpretation of the law itself in its policy manual, the manual is actually regulatory in nature. And since “[n]o state agency shall issue, utilize, enforce, or attempt to enforce ... a regulation” without complying with the APA’s notice and comment provisions, the DLSE manual was found to be a void underground regulation.

The *Tidewater* court went on to say that the DLSE manual is simply “one among several tools available to the court,” stating that “[d]epending on the context, it may be helpful, enlightening, even convincing,” or “[i]t may sometimes be of little worth.”

### Employer Uncertainty

So, where does this leave employers? Employers are still in the same position

they have been in for decades. *Tidewater* and now *Alvarado v. Dart* have unfortunately not changed a thing. The DLSE will continue to interpret and enforce state labor laws and employers still will not know in advance whether the courts will uphold the DLSE’s interpretations—potentially subjecting an employer to a retroactive interpretation and penalties and/or damages, as seen in *Alvarado v. Dart*.

Businesses need more certainty that they’re correctly applying the law and shouldn’t be left to guess. For now, employers should still rely on legal counsel when making difficult employment decisions and should assume that the courts will continue to utilize the DLSE manual as “one among several tools available to the court” when interpreting California law.

Staff Contact: **Laura E. Curtis**

## State of Judiciary Address Highlights Civil Justice Reforms

From Page 1

backlog of cases in a timelier manner.

She announced a three-tiered civil justice reform initiative:

- The first tier of the initiative will restore courthouses to their full operating hours and staff, with fair compensation.
- The second tier will provide additional funding for self-represented litigants, technology and traffic, and language access.
- The final tier will develop and employ “legal Wayfinders.”

Legal Wayfinders, the Chief Justice said, are people who can personally assist people who come to court without an attorney. A legal Wayfinder can meet and guide people to the appropriate window, courtroom/courthouse, and could explain consequences and procedures. A legal Wayfinder could even help people find and fill out forms, and get the form filed

in the correct place. These services could be provided on a one-on-one basis or in a workshop setting.

The increased proposed revenue for civil courts also will help resolve an anticipated surge of fire-related cases from last year, Cantil-Sakauye said. So far, California residents have filed more than 45,000 insurance claims, totaling nearly \$12 billion, concerning 32,000 homes and 4,000 businesses.

### Future of Justice in California

In the address, Cantil-Sakauye also highlighted some of the recommendations set forth by the Futures Commission. The Commission, comprised of 64 members and formed by the Chief Justice, was asked to “question the past, present, and future and to make recommendations on how [to] go forward with the future of justice in California.”

After two years of work, the Commission submitted recommendations. Three of the recommendations were referenced in the Governor’s proposed budget, the Chief Justice said:

- Expand self-represented litigant services with \$19 million in funding, as more than 4 million Californians go to court without a lawyer and three-fourths of civil cases have at least one party without an attorney;
- A \$3.4 million investment to support the judiciary’s efforts to initiate a tech-based traffic system; and
- \$4 million to fund language access in civil matters.

### More Information

To view the State of Judiciary address or read a transcript of the address, visit <https://newsroom.courts.ca.gov/news/2018-state-of-the-judiciary-address>.

# Chambers Urge Stronger Link Between Career Education Funding, Work Needs



The California Chamber of Commerce and a coalition of local chambers of commerce are

asking legislators to broaden the criteria for career technical education grants to include more activities proven to help prepare students for the working world.

The changes would better apply Career Technical Education (CTE) Incentive Grant funding to Linked Learning programs.

The CalChamber and local chambers have suggested changes to **AB 1743 (O'Donnell; D-Long Beach)**, which passed the Assembly Education Committee this week on a vote of 6-0.

The goal of Linked Learning is to provide graduates with the widest array of postsecondary options, including enrollment into four-year college programs without remediation, as well as apprenticeships, two-year college programs, and certificates, all with the 21st century skills to succeed in the workforce.

## Need for Skilled Workers

California's long-term economic growth depends on a steady stream of highly skilled workers. Although job growth in California has been robust since the last recession, that growth has slowed recently due to a lack of employable workers.

The statewide labor force slowed to a

growth rate of 0.6% in 2017, just two-thirds of the average rate since 1990. The slowing has occurred as job openings across skilled and unskilled occupations alike have reached record highs.

The projected shortage of skilled workers over the next generation is more than a million college graduates with bachelor's degrees, as well as hundreds of thousands of workers with two-year associate's degrees and certificates.

Linked Learning programs have demonstrated they can produce students who have the skills that employers need.

## Past Efforts

Over the last four years, California has invested \$1.5 billion in Linked Learning career pathways and career technical education, which is one of the pillars of Linked Learning. The grants were effective in supporting and expanding a range of CTE programs and career pathways. These funds were used for a variety of activities, including hiring CTE teachers and industry liaisons, instructional materials, building labs, and providing transportation for students to participate in work-based learning.

Funding for CTE incentive grants is essential for continuing success for Linked Learning programs (as well as other CTE models). But the experience of Linked Learning schools has been that the CTE Incentive Grant criteria recognized a too-narrow conception of CTE, in effect barring programs like Linked Learning that structure instruction by integrating career training coursework

with the academic subjects.

For example, students enrolled in a Linked Learning engineering pathway will delve into the career theme in their CTE courses, but also in English, social studies, and math classes, thereby designating the teachers of those subjects as participants in the pathway team. This interaction not only further engages the students in their studies and expands their career knowledge and experience, but also ensures that those students meet eligibility requirements for four-year colleges/universities.

Infusing instruction with skills and examples from present day industry standards requires competencies historically not offered in teacher preparation programs. To support their staff in implementing quality Linked Learning, many school districts send their teachers to professional development activities.

Under the CTE Incentive Grant, school districts are limited to sending only their CTE teachers to a career-based professional development program to support the pathway while excluding the English, math, or science teachers who are responsible for infusing engineering content into their curriculum.

This pattern repeats in other aspects of the Linked Learning model.

Changes to AB 1743 under consideration would specifically recognize college readiness programs that are integrated with CTE programs in devising incentive grant criteria.

**Staff Contact: Jennifer Barrera**

## CalChamber-Sponsored Seminars/Trade Shows

*From Page 2*

Chile California Clean Energy Conference. Chile California Council. April 18, Sacramento.

Business Forum: Innovations in Safety and Security. U.S. Consulate in Hong Kong and the U.S. Commercial Service. April 18–20, Hong Kong. (703) 235-0103.

Expo Seguridad. California Centers for International Trade Development. April 24–26, Mexico City. (951)

571-6458.

Renewable Energy in the State of Jalisco, Mexico. Institute of the Americas. April 25, La Jolla. (858) 453-5560.

Bureau of Industry and Security Export Regulation Course. Bureau of Industry and Security. April 25–26, Newport Beach. (949) 660-0144.

World Trade Week Kickoff Breakfast. Los Angeles Area Chamber. May 4, Los Angeles. (213) 580-7569.

Water and Agriculture Technology

Business Mission to Israel. U.S. Chamber. May 8–10, Israel. (202) 463-3584.

21st Annual International Business Luncheon. World Trade Center Northern California. May 24, Sacramento. (916) 319-4272.

SelectUSA Investment Summit. U.S. Department of Commerce. June 20–22, Oxon Hill, MD. (800) 424-5249.

83rd Thessaloniki International Fair. HELEXPO. September 8–16, Thessaloniki, Greece.

## CalChamber-Backed Bill Helps Minimize California Waste



### SUPPORT

An Assembly policy committee gave near-unanimous approval on March 20 to a California Chamber of Commerce-supported bill that

will reduce the number of surplus household consumer products unnecessarily managed as hazardous waste.

Consumers and the environment will benefit if **AB 2660 (Quirk; D-Hayward)** becomes law. It allows surplus consumer products to be donated or recycled by making explicit that a retail location in California may transport surplus consumer products to a reverse distribution location in compliance with applicable shipping regulations.

Current law regulating when a product

is deemed waste is vague and has resulted in many retailers taking conservative action and disposing of products as hazardous waste when those products are viable candidates for sale into secondary markets, donation and/or recycling.

AB 2660 seeks to clarify the law so that the products can be processed at reverse distribution locations for sale in secondary markets, donation, recalls, or bona fide financial credit.

California retailers have settled significant hazardous waste enforcement actions in recent years. This bill does not seek to undo any of the significant progress that has been achieved in improving hazardous waste management following these enforcement actions.

Indeed, as part of these enforcement action settlements, industry was instructed to seek legislative remedies to clarify the ambiguities in the law related to reverse distribution. AB 2660 provides

that clarification and is a response to that requirement.

Industry is proud of the improvements made throughout the distribution chain to improve compliance with existing law for the benefit of California's environment. By clarifying the role of reverse logistics, AB 2660 builds upon this success and furthers California's waste minimization goals.

### Key Vote

AB 2660 passed the Assembly Environmental Safety and Toxic Materials Committee on March 20 on a vote of 6-0:

**Ayes: Arambula (D-Kingsburg), Chen (R-Walnut), Friedman (D-Glendale), Holden (D-Pasadena), Muratsuchi (D-Torrance), Quirk (D-Hayward).**

No vote recorded: Brough (R-Dana Point).

The bill will be considered next by the Assembly Appropriations Committee.

**Staff Contact: Jennifer Barrera**

## Assembly Committee OKs More Inspections for Haz Waste Facilities



### OPPOSE

A California Chamber of Commerce-opposed bill that will lead to increased costs for hazardous waste operators passed an Assembly policy committee

on March 20.

**AB 2094 (Kalra; D-San Jose)** imposes unnecessary new costs on hazardous waste permit operators and further delays processing by arbitrarily increasing the frequency of inspections for hazardous waste facilities rather than focusing on improving the existing inspection process.

The CalChamber and a coalition of industry groups voiced concern about the bill placing additional requirements on the state Department of Toxic Substances Control (DTSC) when the department is working to clear permit backlogs, trying to implement regulatory reforms, and developing a whole suite of pending regulatory packages.

The added requirements would result in additional unrestrained and unreviewable costs being imposed on permittees, the coalition stated in a letter to the committee.

In July 2017, DTSC completed a comprehensive, two-year "Enforcement Improvement Plan," which includes action items DTSC has taken to clearly define its inspection and enforcement processes, including using CalEnviroScreen to identify impacted communities and prioritize inspections in those areas, making inspection and enforcement data available online, and identifying areas for improving the timeliness/quality of inspection reports.

Rather than requiring regulations about the frequency of onsite inspections, what is needed is a thorough review and accounting to the Legislature and the Administration, of the quality and substance of DTSC's onsite inspection process, the coalition letter stated. That discussion should take precedence over, and provide some further guidance for, any subsequent deliberations as to how frequently these inspections should occur. That is why the Legislature and Governor approved DTSC's two-year evaluation in 2015, and why the Legislature should allow DTSC to implement its new program before deliberating further on measures such as AB 2094.

The cumulative effect of AB 2094, combined with DTSC's pending regulatory proposals and other pending legislation affecting DTSC, will serve only to

make the hazardous waste permitting and enforcement processes unworkable and excessively expensive.

The unworkability and cost will in turn result in hazardous waste being sent out of state, where the waste will be treated as garbage and thus subject to few, if any, environmental protections, the coalition pointed out. Such unintended consequences will not further California's goals of responsibly managing its own generated hazardous waste.

The CalChamber and coalition support a more comprehensive solution, rather than continuing piecemeal legislative revisions that are pursued in the absence of comprehensive reform.

### Key Vote

The Assembly Environmental Safety and Toxic Materials Committee passed AB 2094 on March 20 on a vote of 4-2:

**Ayes: Quirk (D-Hayward), Friedman (D-Glendale), Holden (D-Pasadena), Muratsuchi (D-Torrance).**

**Noes: Brough (R-Dana Point), Chen (R-Walnut).**

No vote recorded: Arambula (D-Kingsburg).

The bill will be considered next by the Assembly Appropriations Committee.

**Staff Contact: Jennifer Barrera**

# 2017 Trade Figures Show California Maintains Position as Top Exporting State



The U.S. Department of Commerce now has 2017 trade statistics available through the International Trade Administration's (ITA) "**Trade Stats Express.**"

In 2017, California exported \$171.9 billion to 229 foreign economies. California's top export markets are Mexico, Canada, China, Japan and Hong Kong.

California is one of the 10 largest economies in the world with a gross state product of more than \$2 trillion. International trade and investment are major parts of the state's economic engine that broadly benefit businesses, communities, consumers and state government. California's economy is diverse, and the state's prosperity is tied to exports and imports of both goods and services by California-based companies, to exports and imports through California's transportation gateways, and to movement of human and capital resources.

## U.S. Trade Facts

In 2017, combined goods and services imports hit nearly \$2.9 trillion and services by itself \$538.1 billion: food, feeds, and beverages (\$137.8 billion); capital goods (\$640.6 billion); automotive vehicles, parts, and engines (\$359 billion); and consumer goods (\$602.2 billion). The U.S. also had record imports from 47 countries, led by China (\$505.6 billion), Mexico (\$314 billion) and Italy (\$50 billion).

In 2017, combined goods and services exports were the second highest on record at \$2.3 trillion. They also increased 5.6% from 2016. Exports of services alone hit a record \$777.9 billion. The United States also had record exports to 29 countries, led by Mexico (\$243 billion), China (\$130.4 billion), and the United Kingdom (\$56.3 billion).

The largest export markets for U.S. goods in 2017 were Canada (\$282.47 billion, a 5.55% increase), Mexico (\$242.99 billion, a 5.78% increase), China (\$130.37 billion, a 12.77% increase), and Japan (\$67.69 billion, a 7.05% increase).

## Leading California Export Markets (In \$ U.S. billions)

Partner	2014	2015	2016	2017
World Total	173.868	165.379	163.512	171.929
Mexico	25.450	26.787	25.266	26.702
Canada	18.334	17.262	16.237	16.772
China	16.068	14.384	14.340	16.427
Japan	12.209	11.742	11.765	12.854
Hong Kong	8.533	8.761	9.662	12.113
South Korea	8.600	8.683	8.213	9.619
Taiwan	7.461	7.727	6.984	6.338
Germany	5.429	5.334	5.352	5.999
Netherlands	5.352	5.634	5.459	5.780
United Kingdom	4.985	5.149	5.432	5.032

Source: U.S. Department of Commerce

## California Trade Facts

The U.S. Department of Commerce reported that, in 2017, California exports amounted to \$171.9 billion. This is an increase from the 2016 total of \$163.5 billion. California maintained its perennial position as a top exporting state.

Exports from California accounted for 11% of total U.S. exports in 2017. California trade and exports translate into high-paying jobs for more than 1 million Californians.

In 2016, new foreign direct investment into California totaled \$64.705 billion, according to the Bureau of Economic Analysis.

### Mexico

Mexico continues to be California's No. 1 export market. California exports to Mexico increased to \$26.7 billion in 2017, up from \$25.26 billion in 2016. Mexico purchases 15.5% of all California exports.

California's exports to Mexico are driven by computers and electronic products, which account for 22% of all California exports to Mexico. Other top categories included transportation equipment, machinery, except electrical, and chemicals.

### Canada

Canada is California's second largest export market, purchasing 9.7% of all California exports. In 2017, California exported more than \$16.7 billion to Canada.

Computers and electronic products

remained California's largest exports, accounting for 33.5% of all California exports to Canada.

### Asia-Pacific

California is the largest exporting state to Asia. In 2017, California exported \$118.393 billion in goods to the region.

### Greater China

California exports to Mainland China totaled \$16.4 billion in 2017. Computers and electronic products accounted for 26.6% of exports to China.

Exports to Hong Kong were \$12.1 billion in 2017, maintaining Hong Kong's spot as California's No. 5 export destination, just above South Korea.

### Japan

California exports to Japan totaled \$12.854 billion in 2017. Computers and electronic products accounted for 20.3% of total exports.

### European Union

California exports to the European Union (28) totaled \$31.296 billion in 2017. California is the top exporting state to Europe. Computers, electronic products, chemicals, transportation equipment, and miscellaneous manufactured commodities are California's leading export sectors to the region. European Union countries purchase 18.2% of all California exports.

**Staff Contact: Susanne T. Stirling**



LIVE WEBINAR | THURSDAY, MARCH 29, 2018 | 10:00 - 11:30 AM PT

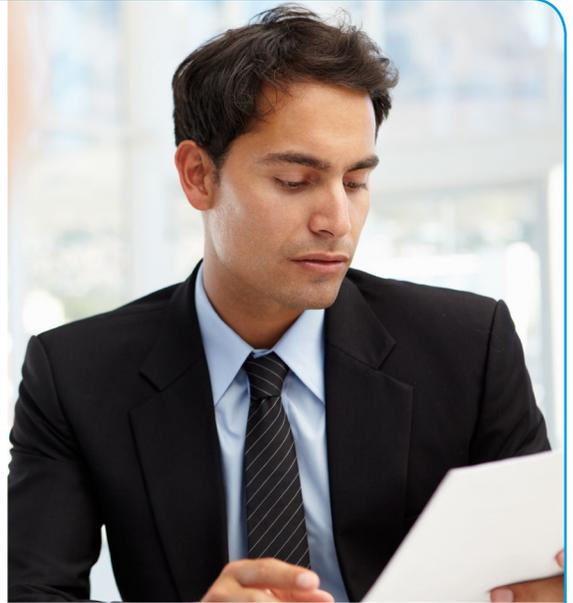
## Hiring Steps You Don't Want to Regret

Recruiting, interviewing and hiring new employees involves significant legal risks if not handled properly. **No business wants to open itself to a costly discrimination lawsuit.**

In fact, California has stricter protections for job applicants than federal laws do—even more so since January 1, 2018.

Join our employment law experts online on March 29 to learn correct steps to take in the hiring process.

**Cost: \$199.00 | Preferred/Executive Members: \$159.20**



This webinar is mobile-optimized for viewing on tablets and smartphones.

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