

# ALERT

## Action Needed to Stop Consumer Litigation Bill



The California Chamber of Commerce and a large coalition are working to stop a job killer proposal that will subject businesses and nonprofits to massive

liability for data breaches, even if no consumer was injured and no data was actually extracted during a breach.

**SB 1121 (Dodd; D-Napa)** passed the Assembly Judiciary Committee on Tuesday, despite **strong opposition** pointing out that the drastic increase in liability would fail to provide any corresponding benefit to California consumers. The only beneficiaries would be consumer class action attorneys.

Recent amendments to SB 1121 fail to address major concerns of opponents and include confusing language that will prompt even more litigation, the Cal-

Chamber and coalition pointed out in a letter to the committee.

### More Civil Liability/Penalties

SB 1121's expansion of civil liability will be costly for businesses and non-profit groups.

The bill imposes a minimum of \$200 and a maximum of \$1,000 in damages per person, per incident—without requiring any proof of consumer injury. Such damage awards would be enough to put companies out of business.

For example, a small business with just 1,000 customers that suffers a data breach will face civil liability of up to \$1 million just in statutory damages.

Moreover, SB 1121 explicitly makes these new penalties cumulative to penalties that already exist in current law. If adopted, this will create a complicated

*See Action Needed: Page 4*

## Health Care Treatment Mandate Amended, Removed from Job Killer List



As a result of recent amendments, a California Chamber of Commerce-opposed bill has been removed from the job killer list.

### **AB 2384 (Arambula; D-Kingsburg)**

was amended on June 14 to remove the job killer tag, but CalChamber remains opposed.

Prior to amendments, the bill would have increased health care premiums by mandating medication-assisted treatment for substance disorders and by eliminating all quality control and cost containment mechanisms.

While the bill does not mandate new medication-assisted treatment for opioid use disorders in commercial plans provided to individuals and small businesses, it would prohibit utilization management and limit cost sharing, both of which are critical to managing better health care outcomes and access to affordable care, CalChamber states in its letter explaining the removal of the job killer tag.

### Eliminates Cost Controls

AB 2384 eliminates a number of mechanisms that control costs and provide consumer protections. For example, without utilization tools, patients could shift to higher-priced treatments and away from lower-priced treatments with

*See Health Care Treatment: Page 6*



## Capitol Insider

presented by **CalChamber**

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### Inside

New Round on Indoor Heat Illness: Page 3

## Labor Law Corner

# Workers' Comp Doctor Not Final Say on Employee's Condition



**David Leporiere**  
HR Adviser

*One of my employees has been out on a leave of absence due to a work-related injury for almost a year now. My workers' compensation insurance company's claims handler recently told me that the employee had a "QME" and that the doctor is reporting that the employee's condition is "permanent and stationary" and that his*

*physical limitations are so great that he can never return to his previous job. Is it OK if I terminate this employee since he can no longer do his job?*

It would be extremely risky for you to terminate the employee at this juncture. Even though your insurance company's doctor deems the employee's condition as "permanent and stationary" for purposes of workers' compensation, you can terminate the employee only if there is no way to reasonably accommodate the limitations that the employee may have.

### Qualified Medical Evaluation

You need to understand that in the workers' compensation system, a "QME" (qualified medical evaluation) is a medical examination performed by a doctor chosen by your insurance company.

Just because your insurance company's doctor says the employee's condition is "permanent and stationary" doesn't necessarily mean that the condition is "permanent and stationary" in the eyes of the law.

The employee's condition (in the workers' compensation system) is not truly permanent and stationary until either both parties agree to the status, or the judge from the Workers' Compensation

Appeals Board issues a ruling stating that the condition is permanent and stationary.

### Retaliation Claim

If you were to terminate the employee based solely upon the opinion of your insurance company's doctor, you could be leaving yourself open to a claim of retaliation and/or discrimination under Labor Code Section 132(a).

If a workers' compensation judge were to rule that the employee's condition was not permanent and stationary at the time of the termination and that his condition improved to a point that he could have performed his previous job, with or without an accommodation, you could be held liable for a fine of up to \$10,000, plus back wages for the employee.

In a situation like this, it is always best to consult with your legal counsel before terminating an employee on a protected leave of absence.

*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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## CalChamber-Sponsored Seminars/Trade Shows

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

### Labor Law

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

HR Boot Camp. CalChamber. August 21, Sacramento; September 5, Long Beach. (800) 331-8877.

Lead the Charge: Preventing Sexual Harassment in Your California Workplace. CalChamber. September 17, Pasadena. (800) 331-8877.

HR Checklist for California Supervisors. CalChamber. September 20, Webinar. (800) 331-8877.

### Business Resources

13th Annual Prop. 65 Conference. Prop. 65 Clearinghouse. September 24, San Francisco. (415) 385-4364. Special rate for CalChamber members.

### International Trade

ExpOrTech Los Angeles. Los Angeles

Harbor College. July 17, August 21. Wilmington, CA. (310) 984-0728.

Hong Kong Food Expo. CalAsian Chamber. August 14-20, Hong Kong. (916) 389-7470.

Vehicle Aftermarket Trade Mission to Chile. Auto Care Association and International Trade Administration. August 21-22, Chile. (301) 654-6664.

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

2018 U.S.-Taiwan Business Day. Bureau of Foreign Trade, Ministry of Economic Affairs and Taiwan External Trade Development Council. October 4, Taipei, Taiwan. (408) 988-5018, ext. 202.

China International Import Expo. China International Import Export Bureau. November 5-10, Shanghai, China.



# CalChamber-Led Coalition Proposes Added Clarity in Indoor Heat Illness Rule



A California Chamber of Commerce-led coalition has submitted a fourth set of comments on a fourth draft of the Cal/OSHA proposed draft indoor heat illness rule.

While the coalition appreciates the revisions incorporated into the newest draft, the coalition proposes further revisions to provide clarity and to lead to better compliance and employee safety and health.

The coalition is comprised of large and small employers across many diverse industries. The coalition members take the safety and health of their employees very seriously. Many members of the coalition were involved with the development and implementation of the outdoor heat illness regulation and have significant experience with how to effectively prevent heat illness.

## Coalition Letter

In the June 15 letter, the coalition reiterates its concerns that with the complexity as written, the discussion draft will not result in increased employee protection. The coalition asserts that employers need to be able to understand the requirements to comply with the regulation and to continue to keep employees safe and healthy.

In an effort to improve the requirements, the coalition has again provided significant amendments to the discussion draft, seeking clarification of various

requirements and modifications to workplace controls.

The coalition appreciates the clarity and flexibility provided by the new definition of an indoor work area and further proposes significant changes to address the definition of indoor as it relates to vehicles.

So employers can understand and comply with their obligations, changes also are suggested to the scope and application of “warehousing and storage,” definition of and access to a “cool-down area” and clarification of the definition of “clothing that restricts heat removal.”

The coalition also seeks greater flexibility in how and when employers use engineering and administrative controls or personal heat-protective equipment to protect employees working in high heat conditions and when to measure temperatures and heat index in a work area.

## Background

In 2017, Cal/OSHA convened two stakeholder advisory committees to tackle the challenge of reaching consensus among interested parties from industry, labor, management and academia on how to regulate the prevention of heat illness for indoor workers.

To date, Cal/OSHA has provided draft rules for discussion only—no formal rulemaking has begun. These draft rules propose to regulate all indoor workplaces—a place of employment would be either indoors or outdoors; not neither and not both.

Defining an indoor workplace, as opposed to an outdoor workplace, has proven to be challenging, including determining when vehicles and equipment are indoor or outdoor. Many employers have both outdoor and indoor workplaces, with some or all employees transitioning between both.

These questions of scope require industry input to provide Cal/OSHA the most rational and complete understanding of operations and risks, as well as rational, feasible policies to address those identified risks.

## Next Steps

The statute specifies that a proposal will be submitted to the Cal/OSHA Standards Board by the end of the year. Although there is no timeframe, it is anticipated that the next step is for Cal/OSHA to begin the formal rulemaking process sometime in early 2019.

All industries with any indoor workplace that reaches or exceeds 80 degrees—from warehouses to restaurants to laundry operations, delivery drivers and many others—are encouraged to participate in the stakeholder discussions. SB 1167, the 2016 legislation requiring Cal/OSHA to adopt indoor heat illness rules, does not specify any exceptions.

To participate in CalChamber’s stakeholder working group, please send an email of interest with your contact information to [heatillness@calchamber.com](mailto:heatillness@calchamber.com)  
Staff Contact: Marti Fisher

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## Author Revives Plan to Impose Retroactive Liability on Product Makers



### OPPOSE

first attempt failed to meet the deadline for passing the house in which it was introduced.

This week, Assemblyman Rob Bonta (D-Oakland) gutted and amended into **AB 2136**, his bill dealing with a different subject that had already passed the Assembly, his proposal to hold entities 100% liable even if those entities did not

A California Chamber of Commerce-**opposed** proposal to create an unprecedented basis for product liability has been revived by the author after the

make, distribute, or sell a product that caused any injury.

Now AB 2136 is identical to AB 2074 (Bonta; D-Oakland). As amended this week, AB 2136 relieves a plaintiff of having to prove causation (a basic premise of tort liability).

Instead, a plaintiff can establish a prima facie case if the plaintiff proves a “lead paint pigment manufacturer” sold, distributed, or promoted either “the type of lead paint pigment” or “a product containing the type of lead paint pigment” that caused the injury.

In fact, a company whose lead paint or pigment never even made its way into a single can of house paint in California could be held 100% liable to abate lead paint in houses across the state.

Liability under AB 2136 is “joint and several,” meaning an entity that did not manufacture, distribute, sell, market or promote lead paint for use inside a home in California could be 100% liable for all damages in California, even though the entity has no connection to the alleged harm.

The CalChamber is opposing AB 2136 because imposing such liability on entities that are not responsible for the alleged harm—in any context—is unprecedented and thus sets a troubling precedent for all types of consumer products sold in the State of California.

AB 2136 has been referred to the Senate Environmental Quality, Judiciary and Appropriations committees.

**Staff Contact: Jennifer Barrera**

## Action Needed to Stop Consumer Litigation Bill

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overlay of state, federal, and potential new fines that will make the entity breached liable multiple times over for the same incident.

For example, the November privacy ballot initiative, if passed, would impose \$1,000 in statutory damages per person, per incident of data breach. If the ballot initiative passes and SB 1121 is adopted, the small business referenced above with 1,000 customers will face civil liability for at least \$2 million just in statutory damages if it suffers a data breach.

SB 1121 also vastly expands the scope of who can sue companies for data breaches. Under current law, a California *customer* who has been injured by a data breach can bring a lawsuit to recover.

In addition to removing the injury requirement, SB 1121 creates a new, private right of action for any consumer whose data has been breached. Even non-California residents will be able to sue the state’s businesses and nonprofits.

### ‘Shakedown Lawsuits’

SB 1121 will cause “shakedown” data breach lawsuits as businesses and nonprofits faced with the risk of such massive damages are leveraged into immediate settlement—regardless of the strength of their defense.

The bill is an attempt to bypass the

will of the voters, who approved Proposition 64 in 2004 by an 18-point margin. Proposition 64 limits private lawsuits against businesses under the state’s Unfair Competition Law (UCL) to individuals who have actually been injured.

### Existing Requirements

Businesses and nonprofits already have significant incentives to prevent data breaches, which already result in private and public lawsuits, as well as enforcement actions.

Current law requires companies to immediately report a data breach to California consumers—even if no harm has been detected. (Many states require a showing of harm to trigger their data breach reporting requirement.)

Once reported, news of a data breach results in damage to a company’s relationship with its customers, as well as its brand and its reputation. It also opens a company up to UCL lawsuits by customers who can allege injury.

Moreover, if a data breach involves more than 500 California consumers, businesses and nonprofits must report the breach immediately to California’s Attorney General. This means the reporting businesses and nonprofits may be subjected to a civil enforcement action brought by the Attorney General or another government enforcement agency.

Finally, current law already requires businesses that have been breached to provide free identity theft and mitigation measures, like credit reporting services, to their customers for at least one year.

### Key Vote

The June 19 vote in Assembly Judiciary was 6-3:

**Ayes:** M. Stone (D-Scotts Valley), Chiu (D-San Francisco), Gonzalez Fletcher (D-San Diego), Holden (D-Pasadena), Kalra (D-San Jose), Reyes (D-Grand Terrace).

**Noes:** **Cunningham (R-Templeton), Kiley (R-Granite Bay), Maienschein (R-San Diego).**

No vote recorded: Chau (D-Monterey Park).

### Action Need

SB 1121 will be considered next by the Assembly Privacy and Consumer Protection Committee.

The CalChamber is asking members to contact their Assembly representatives and members of Assembly Privacy and Consumer Protection to urge them to **oppose SB 1121.**

For an [easy-to-edit sample letter](#), visit [www.calchambervotes.com](http://www.calchambervotes.com).

**Staff Contact: Sarah Boot**

# Division Not a Fix for California Woes



Loren Kaye

Tim Draper believes California is three states struggling within the boundaries of one, and wants to set them free. Voters will have the chance in

November to decide if they share his vision that more governments make better governance.

Spoiler alert: Breaking up is hard to do—which is a very good thing. The “[Division into Three States](#)” measure is disingenuous, distracting and dangerous.

For all our successes, and for all the wonder with which we are held globally, California has many problems.

## Problems Not Solved

But serious people quickly learn that if you are sincerely committed to fixing a problem, you must *fix the problem*.

Division into Three States doesn’t fix a single problem. It makes all our problems objectively worse in the hope that others more enlightened and practical will roll up their sleeves to get the job done.

The proponent has identified a list of ills that beset California, from low graduation rates to poor road quality to high taxes and overcrowded prisons.

As for this initiative, it does nothing to advance a solution to any of these problems. This measure adds not one new teacher to our high schools, not one new mile of road constructed, nor sentences or crimes modified.

California’s central challenge is to reconcile the pluralistic demands of diverse interests in a dynamic nation-state, and advance the overall welfare of our citizenry. This initiative declares that surrender to this test is a better option than rising to the challenge.

It is disingenuous to suggest to voters that the measure is a solution to a variety of ills, when it accomplishes nothing more than drawing two more lines on the map of the United States.

Rather than seeking to solve the very real problems before us, this measure instead creates an entirely new suite of problems to distract and consume voters, political leaders, concerned citizens and ordinary residents.

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## Guest Commentary By Loren Kaye

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Sadly, Californians don’t exhibit a robust bandwidth for state issues. Turnout at the June primary will likely be less than 40%. The last thing we need on the ballot now is a measure infamous solely for its audacity.

It doesn’t take much imagination to predict the one political debate that out-of-state media will grab onto to capture the California zeitgeist. Not privacy. Not rent control. Not the fate of new transportation revenues. Not updating Proposition 13 after 40 years. No, it will be an only-in-California story about redesigning the 31st state to create new states 51 and 52.

## Practical Implications

What would be the practical implication of voter approval to break up California?

The implementation challenges are daunting, to say the least: redistributing state assets, assigning new state responsibilities, not to mention addressing the inherent inequities that will arise from an arbitrary geographical division of economic, financial, physical and cultural patrimonies.

The original state of California would be obligated to spend tens of millions of dollars on establishment of three conventions in each of the new proto-states to devise a constitution and set of laws. This would require a delegate selection process, meetings, staff and legal support and outreach. The state would likely need to defend against vigorous litigation on the validity of the measure and on many aspects of the process of division.

## Start-Up Venture

Then, each of the three new states would become start-up ventures, requiring:

- Elections of new statewide and legislative officials.

- Appointment of new executive branch officers and recruitment/hiring of staff.

- Appointment of new judges.
- Negotiation and development of new contracts with local governments, federal government, private vendors, and grantees.
- Adoption of new codes, including government, civil, tax, criminal, etc.

## Dividing Assets

Then, the fun begins. How to divide the assets and liabilities of Old California? For example:

- University of California and California State University [campus tuition policies](#) for incumbent students, with out-of-state tuition costs for students potentially reaching \$2 billion.

- Responsibilities for prisoners domiciled in one state that were committed from another.

- Responsibility for payment of water, power and other infrastructure assets located in one state that serve residents of other states.

- [Responsibilities for water delivery are even more fraught](#). Most of new “California’s” and much of “Southern California’s” water supplies are located in a different state, and may have to traverse a second state to reach their destination. To whom would the Colorado River Compact apply?

What’s more, each new legislature or constitutional convention would need to decide what of the California political legacy to retain—and what to jettison. Whither Proposition 13—or Proposition 98? Will there be a reapportionment commission? Or the death penalty? Would any of the hard-fought political battles over ballot measures, whether reflecting a victory of the left or right, survive into the new regimes?

The likelihood of Congress approving such a scheme is nil—the last state created from within another was during the Civil War. Voters should save Congress the trouble.

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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.*

## Senate Committee OKs First Step Toward Reliable Regional Energy Grid



### SUPPORT

A California Chamber of Commerce-supported bill that will promote energy efficiency and grid reliability won approval from a

Senate policy committee this week.

**AB 813 (Holden; D-Pasadena)** passed the Senate Energy, Utilities and Communications Committee on June 19.

The bill increases efficiency and reliability of the energy grid by allowing for the sale of excess energy and options for meeting peak energy usage.

The CalChamber supports AB 813 as an integral step toward regionalization of the energy grids of California and the Western states, led by the California Independent System Operator (CAISO).

An integrated energy grid is consistent with California's energy policy and will encourage less expensive, cleaner and more reliable transmission of electricity.

California is a leader in addressing climate change, and should continue to be a leader in regionalizing the energy grid. In its letter supporting SB 813, the Cal-

Chamber noted that achieving the state's aggressive and ambitious 2030 goal of reducing greenhouse gas emissions to 40% below 1990 levels will be difficult and the state should do everything it can to ensure there is a marketplace for energy from renewable sources while minimizing costs to businesses and residents.



Creating a regional grid will allow California businesses to sell excess renewable energy into a larger market, ensuring continued growth.

In addition, AB 813 will allow California to prepare for the steep drop in energy production that occurs after sunset, when solar panels stop producing. An integrated energy grid will allow California to reli-

ably and efficiently ensure that it can meet peak energy demands.

AB 813 is the first of several steps to create a fully integrated Western energy grid. The bill provides the pathway for the CAISO to create a governance structure for energy producers.

The CalChamber believes that an independent energy grid is a crucial step toward efficiently and effectively complying with the state's 2030 goal by ensuring a reliable energy grid, all while keeping costs low for California businesses and residents.

### Key Vote

AB 813 passed Senate Energy, Utilities and Communications, 6-1:

**Ayes: Bradford (D-Gardena), Hertzberg (D-Van Nuys), Hill (D-San Mateo), Skinner (D-Berkeley), Stern (D-Canoga Park), Wiener (D-San Francisco).**

No: Vidak (R-Hanford).

No votes recorded: Cannella (R-Ceres), Hueso (D-San Diego), McGuire (D-Healdsburg), Morrell (R-Rancho Cucamonga).

AB 813 will be considered next by the Senate Judiciary Committee.

**Staff Contact: Leah Silverthorn**

## Health Care Treatment Mandate Amended, Removed from Job Killer List

*From Page 1*

the higher-priced treatment not providing benefits commensurate with the costs. Also, consumer protections are eroded with the elimination of the tools health insurers use to maintain quality.

### Increased Health Care Premiums

Although the bill is well-intentioned, employers and individuals already are facing significant increases of their health insurance premiums. Some analysts suggest 2019 premiums in California could increase by as much as 35%.

The costs of AB 2384 will fall solely on individuals, and small and medium employers because most large employers are self-insured and not subject to the bill. It also will encourage employers that can move to self-insurance to do so as a way to avoid the increased costs. The shift to self-insured employers away from insured employers leaves a smaller pool of employers over which to spread the new costs.

Finally, increasing premiums will drive healthy risk out of the market, leaving fewer to pay for health care, the letter states.

### Action Needed

AB 2384 is set for hearing in the Senate Health Committee on June 27. The CalChamber is encouraging members to contact their senators and Senate Health members to urge them to **oppose AB 2384**. For an [easy-to-edit sample letter](#), visit the grassroots action center at [www.calchambervotes.com](http://www.calchambervotes.com).

For more information on the remaining job killer bills, visit [www.CAJobKillers.com](http://www.CAJobKillers.com).

Tools to stay in touch with your legislators.

**calchambervotes.com**

# Japanese Business Leaders, CalChamber Share Concerns at Annual Luncheon

The longtime trade and investment ties between California and Japan were among the many topics covered this week when Japanese and California business leaders got together for an annual luncheon visit.

Leading the Japanese business delegation were Tadao Ogaki, president of the Japanese Chamber of Commerce of Northern California (JCCNC) and Satoshi Okawa, president of the Japan Business Association (JBA) of Southern California.

Allan Zaremborg, president and CEO of the California Chamber of Commerce, and Susanne T. Stirling, vice president, international affairs, represented the CalChamber at the luncheon gathering.

This is the 40th year that JBA and JCCNC leaders have traveled to Sacramento to present to state leaders the observations and opinions of member companies about what it takes to grow business in California. The luncheon with CalChamber representatives has been part of the annual visit for many years as well.

With a gross domestic product (GDP) of \$4.8 trillion, Japan is the third largest economy in the world. California's gross state product of \$2.7 trillion makes it the fifth largest economy in the world.

As of October 1, 2016, there were 130,538 Japanese citizens living in California—41,477 in Northern California and 89,061 in Southern California. The U.S. Census estimates total California population at more than 39.5 million as of July 2017.

California continues to be the top

exporting state to Japan, accounting for 18.9% of total U.S. exports.

Imports into California from Japan were \$40.5 billion, with transportation equipment accounting for more than half of total imports. California is currently the top importing state in the United States for products from Japan.

## 2018 Concerns

Japanese leaders pointed out that increasing innovation and digital transformation are drawing more and more Japanese businesses and visitors to the state.

Hitachi Kokusai Electric Inc. and Yakult Honsha Co., Ltd. Japanese firms are the No. 1 international investors in California.

- Japanese companies employ 121,600 people in California. Japanese firms are the No. 1 international employers in the state.

- Japanese visitors spend about \$2.2 billion a year in California, according to The Sasakawa Peace Foundation.

- Japan imported about \$12.85 billion of goods from California in 2017, making Japan the fourth largest export destination for California goods. Japan has remained

California's fourth largest export market since 2010, after Mexico, Canada and China.

## Long History

A timeline of Japan and California contacts includes the following highlights for Northern California:

- March 17, 1860: First official Japanese delegation to the United States arrives in San Francisco.

- June 8, 1869: One of the earliest known Japanese settlements in North America (Wakamatsu Tea and Silk Firm Colony) established at Gold Hill.

- August 25, 1870: First Japanese foreign mission in the world established in San Francisco.

- September 8, 1951: Treaty of Peace with Japan signed in the San Francisco Opera House.

- September 8, 1951: Treaty of Mutual Cooperation and Security between the United States and Japan signed in Presidio Golden Gate Club, San Francisco.

**Staff Contact: Susanne T. Stirling**



At the annual luncheon gathering of Japanese and California business leaders in Sacramento on June 20 are: *Front row (from left):* Tadao Ogaki, president, Japanese Chamber of Commerce of Northern California (JCCNC)/ president and CEO, Zenrin USA, Inc.; Susanne T. Stirling, vice president, international affairs, CalChamber; Allan Zaremborg, president and CEO, CalChamber; Satoshi Okawa, president, Japan Business Association (JBA) of Southern California/vice president, Sumitomo Corporation of Americas. *Back row (from left):* Caroline Pinkney, JCCNC; Hiroki Suyama, legal counsel, JBA/partner, Squire Patton Boggs (US) LLP; Kenji Sakai, JBA/senior vice president, CBRE, Inc.; Kenichi Tanaka, JBA/president and CEO, Daicel America Holdings Inc.; Hideki Nakashiro, JBA/managing director, MUFG Union Bank; Manabu Hotta, JCCNC/general manager, Marubeni America Corporation; Shinya Imai, JCCNC/president and CEO, Mitsui & Co. Global Investment, Inc.; Masahiro Maruyama, JCCNC/president and COO, HULFT, Inc.; Naoki Ando, JCCNC/president and CEO, Ebara Technologies Inc.; and Taiki Ozawa, JCCNC/vice president, Japan Airlines Co., Ltd.  
*Photo by June-ko Nakagawa, secretary/executive director, JCCNC.*

Subjects discussed at the luncheon including the tight market for employees in California that is contributing to rising labor costs; immigration and the issuance of visas and green cards; employer-employee relations; local business networks; federal and state trade policies; state environmental policies; public safety; and international relations since the start of the current federal administration.

## California and Japan

According to the U.S. Department of Commerce:

- 523 Japanese companies invest in California, including Shimadzu Co., Ltd.,

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