

# ALERT

## Employer Mandates Among Bills Moving in Legislature



When the COVID-19 crisis hit, legislators adopted a self-imposed limit on legislation they would be pursuing this year. Even so, when the summer recess began, significant employer mandates

remained alive for consideration when lawmakers return to the State Capitol.

Of 16 job killer bills identified by the California Chamber of Commerce this year,

nine still are being actively considered.

Passed by the Senate just before leaving for a brief summer break was legislation that significantly burdens small employers by requiring those with only five employees to provide eligible employees with 12 weeks of mandatory family leave, which can be taken in increments of one to two hours, and threatens these small employers with costly litigation if they make any mistake in implementing the leave.

More litigation exposure for employers also will result if lawmakers adopt a pending COVID-19 employment leave

*See Employer Mandates: Page 4*

## CalChamber Compiles Resources to Help Employers Foster Diversity in the Workplace

California Chamber of Commerce members are job creators and innovators, the global and community leaders looked to for positive change.

In the unfinished effort to end racial injustice and inequality in the workplace and society, the leadership of CalChamber members is needed now more than ever.

To help employers foster an inclusive workforce and learn other ways to address systemic bias, the CalChamber has developed a webpage compiling relevant information and educational resources.

The [Promoting Equality, Diversity and Opportunity in the Workplace](#) webpage includes links to insightful podcasts, webinars, blogs, suggested reading and other training materials that are useful tools in combating bias and workplace discrimination.

Please share these items and future



updates to the page with employees and colleagues so that together we can help forge a lasting culture of change. Be sure to visit the page often as it will be updated regularly.

The webpage is located at [www.calchamber.com/diversity](http://www.calchamber.com/diversity).

## *The Workplace* COVID-19: Masks, 6-Foot Rule



In [Episode 77](#) of *The Workplace* podcast, CalChamber President and CEO Allan Zaremberg, and CalChamber Executive Vice

President and General Counsel Erika Frank discuss best practices for enforcing workplace face mask and social distancing policies to ensure the safety of employees and customers.

For the last several months, employers have been busy implementing protocols to minimize the spread of COVID-19, Frank tells Zaremberg.

Since June 18, when Governor Gavin Newsom issued guidance on face covering and social distancing requirements, the CalChamber has received many inquiries regarding the mask and six-foot social distancing rules, she says.

On July 1, Governor Newsom issued orders that closed some types of businesses that operated only indoors. Because the rate of COVID-19 infections will determine whether businesses may stay open, it's important that everyone wears a mask, Frank stresses.

Before the state mask order was issued, many employers asked the Governor to establish a mandate so that the burden of

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- [Major Bills Status Update: Pages 7–16](#)

## Labor Law Corner

# Why Temperature Checks, Doctor's Note May Be OK for COVID-19



**David Leporiere**  
HR Adviser

*With the current coronavirus pandemic, I have been wondering what I can do to protect my employees in the workplace. May we take the temperature of our employees before they begin working each day? If I have an employee who reports that he has tested positive for COVID-19, can I require him to provide me with a doctor's note certifying his fitness for duty before returning to work?*

Both the federal Equal Employment Opportunity Commission (EEOC) and the California Department of Fair Employment and Housing (DFEH) have stated that although taking an employee's body temperature is a medical examination and medical examinations of employees during employment are allowed only in limited circumstances, due to the potential of community spread of COVID-19, employers may measure employees' body temperature.

Employers are reminded, however, that taking body temperatures is allowed only for the limited purpose of evaluating the risk that employee's presence poses to others in the workplace as a result of the COVID-19 pandemic.

### Doctor's Note

In a frequently asked question and answer from April 23, 2020, the EEOC stated that an employer may require a doctor's note certifying fitness for duty from an employee.

The EEOC's rationale for its position was that such an inquiry is allowed under the federal Americans with Disabilities

Act (ADA) because it would either not be a disability-related inquiry, or, if the pandemic were truly severe, such certification would be justified under the ADA standards for disability-related inquiries of employees.

As conditions continue to change, and the various government agencies continue to refine and augment their positions, we recommend that our members continue to monitor our website for updates on these and related issues.

### CalChamber Resources

The California Chamber of Commerce COVID-19 web page includes links to federal, state and local guidance on COVID-19 issues, plus CalChamber podcasts and blogs covering a multitude of employer questions on the pandemic. The page is located at [www.calchamber.com/coronavirus](http://www.calchamber.com/coronavirus).

*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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**Next Alert: July 24**



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for the latest list of  
CalChamber-sponsored  
seminars, trade shows  
and webinars.**

## The Workplace

# Tips for Fostering Workplace Diversity



In Episode 76 of The Workplace podcast, CalChamber President and CEO Allan Zaremberg and Albertsons Companies

Senior Vice President of External Affairs and Chief Diversity Officer Jonathan Mayes discuss the importance of diversity and inclusion in the workplace, and provide best practices to help foster a diverse workforce, which will help the company succeed.

Mayes, who also is a member of the CalChamber Board of Directors, tells Zaremberg there are many benefits of employing a diverse and inclusive workforce, and one benefit is that diversity helps businesses be more successful.

Research consistently shows that companies which embrace diversity and inclusion outperform those that don't. For example, Mayes says, research has shown that companies in the top quartile for gender diversity are 21% more likely to experience above-average profitability and companies in top quartile for race and ethnic diversity are 33% more likely to experience above-average profitability, compared with companies in the lowest quartile.

One way to drive home the importance of diversity in the workplace to management teams is to make the business case for it, he tells Zaremberg.

## Why Teaching Diversity Can Be Hard

Teaching the importance of diversity and inclusion can be hard because of the reality of unconscious bias, Mayes explains.

"It's the reality that our minds can take in about 11 million pieces of data in any split second, but at a conscious level we are only aware of about 40," he says. "And so we reach conclusions about people—who we want to hire, who we might want to promote, [and] who we might want to develop, if you will, to help them in their career."

And sometimes, Mayes points out, a manager will hire or promote someone over someone else without even realizing that bias factored into the decision.

## Albertsons' Training Model

To address unconscious bias, Albertsons Companies has developed training to help the organization's 300,000+ workforce understand that diversity is something to continually strive for, instead of thinking of training as "one and done" or as a box you check and then forget about, Mayes explains.

Part of Albertsons Companies' training includes "behavioral nudges" or reminders of the benefits of diversity and inclusion, and what management teams can do to lessen the likelihood of bias.

Zaremberg points out that company leadership should remind those within the company that diversity is good for business and is therefore good for investors.

"...We can't stay in business unless we are successful and here is a good approach, and [an] underlying foundation to success is diversity," Zaremberg says.

Albertsons Companies, Mayes explains, started diversity and inclusion training with company leaders, followed by group meetings at which he discussed the business case for increasing diversity, and shared personal stories of what it felt like to be discriminated against for no other reason than for the color of one's skin.

After this training, the organization began 25-minute-long interactive training modules that walked people through presentations and required them to answer questions correctly before moving on. Module participation was required not just of management teams, but of every employee, Mayes says. Now, the modules are part of new hire training.

Additionally, the Albertsons Companies continues follow-up training periodically.

## Resources

Organizations and companies that wish to increase workforce diversity may want to hire a consultant, Mayes says, but if the company is unable to, there are many online and YouTube sources which can provide resources and ideas on how to accomplish workforce diversity. Two organizations that also can help provide resources and guidance are McKinsey & Company and Lean In.

Mayes also recommends that employers read two books: *Blindspot: Hidden Biases of Good People* by Anthony Greenwald and Mahzarin Banaji, and

*White Fragility* by Robin DiAngelo.

Mayes explains that both books can really open one's eyes about bias, and the books suggest steps to lessen the impact of bias.

## Have Courageous Conversations

It's also important, Mayes says, to have courageous conversations about race and diversity. During the recent protests concerning George Floyd's death, Albertsons Companies' CEO held a virtual town hall with many African American associates within the organization, to learn about their experiences and listen to their recommendations.

Having these conversations, Mayes tells Zaremberg, cultivates a workforce culture which increases the understanding of the realities of bias. It also shows employees that the company values them and cares about their opinions. Employers should ask what more they could do to make their employees feel welcome, respected and valued.

It's about making sure you understand your coworkers and the shoes they walk in, Zaremberg adds.

## Practice

Having the best of intentions is not enough, Mayes points out. Employers need to ensure there is a structure in place in order to foster meaningful change and diversity. For example, employers should examine the percent of people of color or women in their leadership and management teams. Is there diversity within the company's hiring panels?

Research indicates that if one out of four job candidates is a woman, and if everyone on the hiring panel is male, the chances of the woman candidate getting the job is nearly zero, he says.

"The reality is that there is bias and until you have different structures in place, it's going to be very hard to change it," he tells Zaremberg.

On the other side of the ledger, Mayes continues, employers should actively strive to find underrepresented groups in their job candidate pools.

Getting a diverse selection of candidates into the final slate of interviewees will start to move the needle so that management reflects the demographic of the community being served, Mayes says.



## More Time to Apply for Paycheck Protection Program Loans

### *New Deadline: August 8, 2020*



Legislation signed by the President last weekend extends the deadline to apply for Paycheck Protection Program

(PPP) loans to August 8, 2020.

An estimated \$130 billion in funding remains for the program, which offers loans to help small businesses with fewer than 500 employees stay in business and keep workers employed.

Employers in need of assistance and who have not yet obtained a loan are

encouraged to speak with a lender as soon as possible.

The PPP Extension Act signed on July 4 extends only the loan application deadline and does not expand the program.

Legislation signed on June 5 amended the original PPP and aimed to clarify matters such as how and when the funds should be spent and how to handle re-staffing problems.

The key aspect of the PPP is that the loans provided can be fully forgiven without repayment if the employer meets certain conditions, including spending the funds only on certain costs.

A summary of the June 5 revisions appeared in the [June 12 Alert](#).

Information about the PPP loan, including links to an EZ application requiring fewer calculations and less documentation for eligible borrowers, and the full forgiveness application—both released on June 16—is available on the U.S. Small Business Administration [web page about the program](https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program), located at <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>.

## *The Workplace: COVID-19: Masks, 6-Foot Rule*

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enforcement would not fall on the business community, Zarembek explains.

The employers stated that they wanted to keep employees and customers safe and “don’t want to be the mask police,” he says.

### **CalChamber Resource Page**

CalChamber’s COVID-19 resource page at [www.calchamber.com/coronavirus](http://www.calchamber.com/coronavirus) features important information for employers, including the state guidance issued on June 18 on when masks should be worn, and when there are exceptions to the general rule, Frank says.

### **Best Practices**

Frank recommends that once an employer develops its company guidelines, the policy should be included in the employee handbook. Employers also can

include the company’s face mask policy within its dress code policy or simply within its COVID-19 policy.

Frank also suggests that employers remind employees of the mask and distancing guidelines by putting up posters, and using decals or tape to measure out appropriate distancing so that people know where to stand.

Just as employers are staying on top of state rules, they also need to be aware of what is happening locally. While the Governor has established some rules, counties are establishing rules of their own as well, Frank explains. Therefore, employers should continually check their local health department’s website for any local orders that are issued.

During these unprecedented times, it’s important to be flexible, Frank tells Zarembek, and studies show that masks slow the spread of COVID-19.

Employers, she says, should take it upon themselves to educate and train their employees on how best to protect themselves and their customers. Employers should remind their employees to:

- Socially distance;
- Wear a mask;
- Stay home if they are feeling unwell; and
- Wash their hands.

“The most important thing is to practice safety, wear a mask, and distance six feet for everybody who comes onto your premises,” Zarembek says in closing.

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## Employer Mandates Among Bills Moving in Legislature

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mandate and an expanded bereavement leave mandate.

Also still alive is a proposed headcount tax of \$275 per employee that will punish certain employers who create jobs and discourage hiring and employment growth.

Two workers’ compensation bills create an extremely concerning precedent for expanding into the private sector a costly “conclusive presumption” that certain workers contracted COVID-19 in the workplace.

To see the status of these and other key bills the CalChamber is tracking on behalf of members and the business community, see the [Status Report](#) inside this edition.

## Panel Discussion to Focus on Putting Racial Justice Words Into Action



As part of its ongoing effort to help employers foster an inclusive workplace, the California Chamber of

Commerce will be presenting a panel discussion next week on the role that racism and bias plays in the workplace.

The free one-hour discussion, **Putting Racial Justice Words Into Action: Best Practices and Strategies for California Businesses**, will begin Wednesday, July 15 at 8 a.m. via Zoom.

Leading the event will be **Cassandra Pye**, Executive Vice President and Chief Strategy Officer for Lucas Public Affairs.

Joining her will be:

- **Jonathan Mayes**, Senior Vice President of External Affairs and Chief Diversity Officer at Albertsons;

- **Leland Jourdan**, Chief Diversity Officer for Chevron Corporation; and

- **Audra Bohannon**, Senior Client Partner at Korn Ferry.

Together, this esteemed group will lend their expertise on a wide range of issues related to bias including the ways company leadership can respond to racism and move the needle on diversity in their organizations; how bias influences decision-making, hiring, promotions and retention; and education and training programs to move workers into management.

### About the Panelists



**Cassandra Pye**

arens for 35 years. She joined Lucas Public Affairs in November 2019 and

- **Cassandra Pye** has provided strategic counsel in communications, government, politics and advocacy to corporate interests in global, national, state and local

has held leadership roles in the public and private sectors in Sacramento and Washington, D.C. Founder of 3.14 Communications, LLC, with clients in a range of sectors, she also served as deputy chief of staff to former California Governor Arnold Schwarzenegger. Since 2016, she has been a lead facilitator for the American Leadership Forum's *Leading Consciously* trainings, providing insights into unconscious (implicit) bias and its impact on societal structures and institutions. She lives in Sacramento.



**Audra Bohannon**

of client organizations served includes a broad range of U.S. and global industries and businesses. She has provided executive coaching for positions ranging from C-level executives to entry-level individual contributors and is a frequent conference speaker, panel moderator, seminar facilitator and thought driver on topics related to development, inclusion and diversity. Her message is: "Lead life by design, not by default." Her many white papers and articles also emphasize this theme.

- **Audra Bohannon** has delivered strategic leadership and business consultation solutions for more than 30 years. She is based in Korn Ferry's Boston office. Her portfolio



**Leland T. Jourdan**

- **Leland (Lee) T. Jourdan** has been in the energy industry since 1983, a career that spans the regulated and deregulated landscape of energy commodities, including

U.S. domestic trading, transportation and LNG, as well as energy acquisition and divestiture projects. He currently serves as Chief Diversity Officer, Global Diversity and Ombuds Center of Expertise. Prior assignments in Chevron include Vice President, Commercial, Chevron IndoAsia Business Unit, which included commercial and business development covering Indonesia and the Philippines, and GM Commercial and Business Development for Chevron's Asia South Business Unit which includes Bangladesh, Myanmar, China, Thailand, Cambodia and Vietnam. He resides in Houston, Texas.



**Jonathan Mayes**

merged with Albertsons in 2015. He has held leadership positions in government relations, public affairs, sustainability, philanthropy, and diversity and inclusion. He is a Certified Diversity Executive and frequent presenter at conferences and universities across the United States. He also is a professional musician, arranger and band leader.

- **Jonathan Mayes** began his legal career in the San Francisco area, where he now resides. He joined Safeway in 1994, continuing as senior vice president when the company

### Registration

To register for the panel discussion, visit [https://calchamber.zoom.us/webinar/register/WN\\_AvkZZMyxSww18LS-b-FmDg](https://calchamber.zoom.us/webinar/register/WN_AvkZZMyxSww18LS-b-FmDg)

# 2020 State Budget Depends on Borrowing, New Taxes and Action by Congress



The new state budget went into effect on time last week, after Governor Gavin Newsom signed 20 bills enacting hundreds of pages of new legislation and spending authority. But even then the

job is likely only partially complete.

Decisions about billions of dollars in possible future program reductions for public schools, higher education, and the social safety net are hanging on three events outside the control of Sacramento political leaders: revenues from delayed filing of 2020 income taxes (now due on July 15), the trajectory of the economic recovery from the pandemic-induced recession, and any fiscal relief provided by Congress.

## Education

Nobody has a bigger stake in the uncertainty than the public schools.

The \$202 billion budget generally maintains spending on education at current levels—a far better outcome for schools than the Governor’s revised proposal last month. The budget draws down reserves and targets the initial congressional CARES Act state allocation to offset the more than \$10 billion in revenue losses to K–14, and defers another

\$13 billion in payments into the next fiscal year to preserve programs and provide K–14 schools the resources needed to safely reopen. The accompanying legislation also prohibited any layoffs of teachers or certain other staff for the next year.

On the other hand, the state’s four-year colleges and universities will suffer greater reductions than the Governor originally proposed. The University of California and California State University will see their spending reduced by a total of \$550 million from the current year.

If Congress provides additional financial assistance to states, then some or all of the cuts could be restored, or the systems could see their budgets increased, depending on the generosity of Congress. In the absence of congressional bailout, the most likely scenario would be student tuition increases.

## Tax Increases

The Governor signed tax increases, primarily on businesses, totaling about \$8.7 billion over the next three years. The bulk of these tax increases comprise a three-year suspension of the net operating loss deduction and \$5 million-per-year limit on utilization of tax credits. Those tax changes are retroactive to January 1, and will apply to the 2020, 2021 and 2022 tax years.

Most state employees will not be taking the 10% pay reduction proposed by the Governor in May. Instead, collec-

tive bargaining agreements will provide the employees continue to work their regular hours at a lower pay rate, but also collect two “personal leave program” days per month, which can be used at any time, including cashed out upon separation—presumably at a higher salary rate.

## Other Elements

Besides the tax increases, key elements of the budget solution include:

- **Reserves:** The budget draws down \$8.8 billion in reserves from the Rainy Day Fund and other reserves.

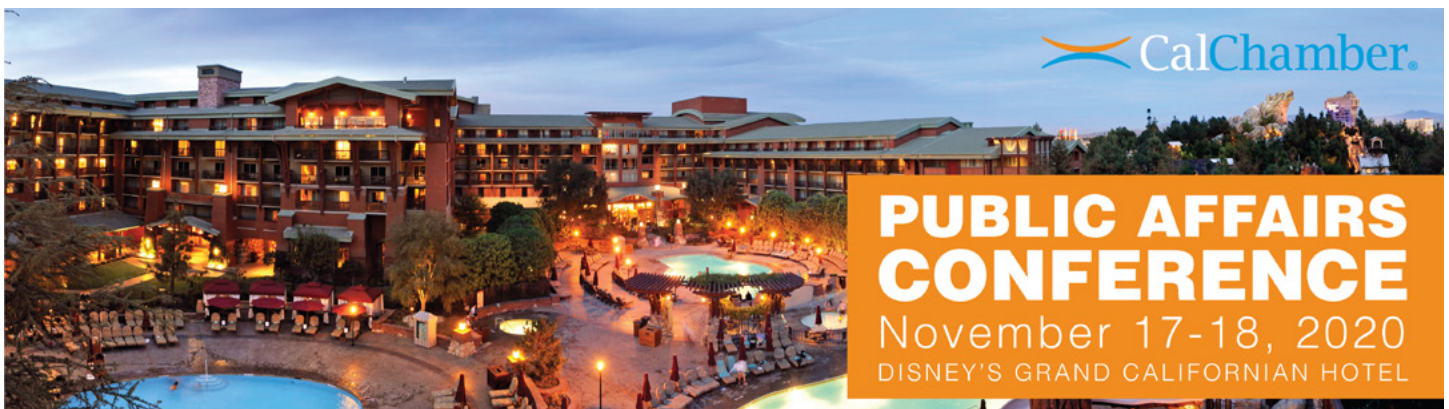
- **Triggers:** The budget includes \$11.1 billion in reductions and deferrals that will be restored if at least \$14 billion in federal funds are received by October 15. If the state receives a lesser amount, the reductions and deferrals will be partially restored.

- **Borrowing/Transfers/Deferrals:** The budget includes \$9.3 billion in special fund borrowing and transfers, as well as other deferrals for K–14 schools.

- **Better revenue outlook:** The budget is based on a slightly better revenue forecast than the Governor projected in May.

The legislative session continues to the end of August. By then, the state’s economic and revenue outlook will be better known, as will any action (or nonaction) by Congress. The Legislature and Governor may continue to tinker with the budget into the late summer.

**Contact:** [Loren Kaye](#)





# CalChamber Status Update Report on Major Legislation for Business

The following list summarizes top priority bills for the California Chamber of Commerce and their status as of July 2, when the Senate began its summer recess.

Within each subject area, the list presents bills in order of priority with the highest priorities at the top.

The CalChamber will publish a second status report in September, showing the status of priority legislation when the Legislature begins its final recess on August 31.

September 30 is the last day for the Governor to sign or veto bills passed by the Legislature before September 1 and in the Governor's possession on or after September 1.

The CalChamber will publish its final status report, showing the ultimate fate of bills sent to the Governor this year, in October.

Bills signed by the Governor will become law on January 1, 2021. Urgency, tax and budget-related measures go into

effect immediately upon being signed. In those cases, the date the Governor signed the bill is noted.

Each fall, the CalChamber publishes a record of legislators' votes on key bills affecting the California business climate. Generally, the bills selected for the vote record have appeared in one of the status reports. This year's vote record is scheduled to be published on October 23.

Status of legislative action on bills as of July 2, 2020. Dates listed are the date the bill was assigned to a committee, the latest date of committee action, the next hearing date or when the bill reached the Senate or Assembly floor, unless action is stated.

\*Bill was introduced at the beginning of this year, but at the request of the author, did not move through the legislative process once the Legislature returned from the shelter in place order that was issued as a result of the COVID-19 pandemic.

Subject—CalChamber Position	Status
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## Agriculture, Food and Natural Resources

<b>Redundant Reporting Requirement.</b> SB 86 (Durazo; D-Los Angeles) Imposes unnecessary and costly reporting requirements. Mischaracterizes the use and risk of a highly regulated pesticide critical to disease prevention in citrus. Oppose.	Assembly Environmental Safety & Toxic Materials 5/18/20
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* <b>Dispute Resolution.</b> AB 2607 (Mathis; R-Visalia) Helps landowners resolve disputes over regulatory conflicts with the Department of Fish and Wildlife. Support	In Assembly Water, Parks and Wildlife 3/5/20; Failed Deadline
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## Air Quality

<b>Chooses Winners and Losers.</b> AB 40 (Ting; D-San Francisco) Reduces customer choice in electric vehicles by banning the sale of all but a few manufacturers' vehicles unless they enter into an "agreement" with California. Oppose/ <b>Former Job Killer 2019.</b>	Assembly Natural Resources 1/9/20; Failed Deadline
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## Banking and Finance

<b>New Onerous Burdens on Lenders.</b> AB 2501 (Limón; D-Santa Barbara) Jeopardizes credit availability for consumer loans in future years. Imposes onerous obligations on financial lenders to carry home, mobile home, and auto loans for extended periods of time without receiving payments from borrowers. Oppose/ <b>Job Killer 2020.</b>	Failed passage in Assembly 6/15/20
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Subject—CalChamber Position	Status
<b>California Environmental Quality Act (CEQA)</b>	
<b>Expansion of CEQA.</b> SB 950 (Jackson; D-Santa Barbara) Expands CEQA’s existing requirements by adding costly new mandates that will burden local agencies, add substantial time and costs to the CEQA process and provide project opponents with new legal arguments to delay or block housing and other projects. Oppose/ <b>Job Killer 2020</b> .	Failed passage in Senate Environmental Quality 5/29/20; Failed Deadline
<b>Expands CEQA’s Existing Requirements.</b> SB 55 (Jackson; D-Santa Barbara) Adds substantial time and costs to the CEQA process and provides project opponents with new legal arguments to delay or block housing and other projects. Almost identical to SB 950. Oppose.	Assembly Public Safety 6/3/19
<b>CEQA Streamlining.</b> AB 3279 (Friedman; D-Glendale) Helps housing production in California by making modest changes to CEQA by reducing the deadline for a court to commence hearings from one year to 270 days, allowing a lead agency to decide whether a plaintiff prepares the administrative record, and authorizing a court to issue an interlocutory remand as a remedy for any alleged violations. Support.	Senate Environmental Quality 6/23/20
<b>CEQA Streamlining.</b> SB 995 (Atkins; D-San Diego) Provides CEQA streamlining benefits for smaller housing projects that include a certain percentage of affordable housing and agree to certain labor provisions, as well as broadens the application and utilization of the Master Environmental Impact Report (MEIR) process, which allows cities to do more upfront planning. Support.	Assembly Natural Resources 6/29/20
<b>Climate Change</b>	
<b>Imposes Significant Costs on Food Providers.</b> AB 2954 (Robert Rivas; D-Hollister) Unnecessarily complicates and increases costs of farming and rangeland practices by imposing a statewide goal of carbon sequestration on all natural and working lands. Threatens to pit districts and crops against other districts and crops based on potential for carbon sequestration, threatening diversity of food production in California. Oppose.	Senate Environmental Quality 6/23/20
<b>Exacerbates Housing Costs.</b> SB 986 (Allen; D-Santa Monica) Adds to already-high costs of housing development by adding additional authority for California Coastal Commission to regulate greenhouse gases. Duplicates authority of sister agencies. Oppose.	Senate Natural Resources & Water 2/20/20; Failed Deadline
<b>Education</b>	
<b>Expanding College and Career Access Pathways.</b> AB 2019 (Holden; D-Pasadena) Expands existing College and Career Access Pathway Program to help improve high school graduation rates and college attendance rates, thereby helping to address California’s need for technical and high-skill workers. Support.	Senate Education 6/23/20
<b>Federally Preempted Limitation on Arbitration.</b> AB 3271 (Kiley; R-Roseville) Creates a federally preempted right for minors to disavow an arbitration clause—but no other provisions—in enrollment agreements signed by their parents. Oppose.	Senate Judiciary 7/1/20
<b>Energy</b>	
<b>Threatens Grid Reliability and Safety.</b> SB 378 (Wiener; D-San Francisco) Penalizes the use of approved grid safety procedures and creates conflicts and redundancies that will impact electricity rates and threaten grid reliability. Oppose Unless Amended.	Assembly Utilities & Energy 6/18/20



Subject—CalChamber Position	Status
<b>Rate Increase.</b> SB 1403 (Hueso; D-San Diego) Increases spending in home energy efficiency program beyond current plan year expenditures, resulting in substantial additional costs that will be passed along to ratepayers in the form of increased rates. Oppose Unless Amended.	Assembly Utilities & Energy 6/29 /20

## Elections and Fair Political Practices

<b>Legislature Remote and Proxy Voting and Appointment of Successors to Power.</b> ACA 25 (Mullin; D-South San Francisco) Grants vast power to members of the Legislature, allowing them to attend remotely and even surrender their votes to individuals who were not elected to represent their districts. Further, this Assembly Constitutional Amendment (ACA) allows legislators to appoint successors to power, thereby subverting the will of the voters by denying citizens the right to vote for their representatives. Oppose Unless Amended.	Senate Rules 6/15/20
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## Environmental Regulation

<b>Oil and Gas Development Ban.</b> AB 345 (Muratsuchi; D-Torrance) Eliminates thousands of high paying California jobs and requires California to import even more foreign oil by banning new oil and gas development, re-drilling operations, and rework operations by imposing a state minimum 2,500-foot setback requirement from certain structures, and further authorizing local governments to enact even greater setback requirements, without limitation. Oppose/ <b>Two Year Job Killer</b> .	Senate Natural Resources & Water 7/1/20
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## Gaming/Alcohol

<b>Business Expansion.</b> AB 2459 (Bigelow; R-O'Neals) Increases the number of liquor licenses in Mariposa County for new restaurants. Support.	Senate Governmental Organization 6/23/20
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## Hazardous Waste

<b>Firefighting Foam.</b> SB 1044 (Allen; D-Santa Monica) Prohibits the use of PFAS chemicals in firefighting foam without a viable alternative to extinguish extremely high temperature liquid fires at refineries and airports. Oppose Unless Amended.	Assembly Environmental Safety & Toxic Materials 6/29/20
<b>Hazardous Waste Disposal.</b> AB 2920 (Oberholte; R-Big Bear Lake) Encourages more businesses to properly manage and treat their wastes, lower costs on businesses and consumers and improve the efficiencies of the Department of Toxic Substances Control (DTSC) by allowing consolidated manifests that would permit disposal of certain materials using less truck trips. Support.	Senate Environmental Quality 6/29/20

## Health Care

<b>Increases Health Care Costs.</b> AB 2203 (Nazarian; D-Van Nuys) Increases health care costs by capping cost sharing for insulin prescriptions at \$50 for 30-day supply and no more than \$100 total per month, regardless of the amount or type of insulin ordered. Oppose.	Senate Health 6/23/20
<b>*Increases Health Care Premiums.</b> SB 854 (Beall; D-San Jose) Increases health care premiums by mandating lowest-tier coverage of all Food and Drug Administration (FDA)-approved outpatient prescription medication related to treatment of substance use disorders and by eliminating all quality control and cost containment mechanisms. Oppose.	Senate Health 1/22/20; Failed Deadline

Subject—CalChamber Position	Status
<b>Prevents Health Systems from Executing Prudent Business Decisions.</b> SB 977 (Monning; D-Carmel) Presumptively characterizes health system mergers, affiliations, sales or acquisitions as anticompetitive and gives the Attorney General unnecessary and overbroad power to reject this market activity. Oppose.	Assembly Health 6/29/20
<b>Wellness Programs.</b> AB 648 (Nazarian; D-Van Nuys) Imposes stringent requirements on already federally regulated wellness programs and creates employer liability for violations of those requirements which will discourage and likely eliminate the potential or voluntary workplace wellness programs that benefit employees and contribute to a healthy workforce. Oppose.	Senate Health 6/23/20
<b>*Locking Vial Mandate for Schedule II Drugs.</b> SB 1084 (Umberg; D-Santa Ana) Increases prescription drug prices by requiring nonhospital pharmacies to dispense Schedule II and IIN drugs in a lockable vial in addition to distributing educational materials to the patient regarding the drug. The drug manufacturer would be required to reimburse the pharmacy for the lockable vial cost and that cost will likely be passed on to the consumer. Oppose.	Senate Business, Professions & Economic Development 5/12/20; Failed Deadline
<b>Increases Health Care Costs.</b> AB 2360 (Maienschein; D-San Diego) Increases health care costs by requiring the establishment and provision of a dedicated maternal and child psychiatric telehealth consultation program for providers. Oppose.	Senate Health 7/1/20
<b>Increases Health Care Premiums and Exceeds Medical Service Parity.</b> SB 855 (Wiener; D-San Francisco) Increases health care premiums by mandating coverage for mental health conditions and substance use disorders beyond other medical services. Additionally, mandates out-of-network providers be compensated their fully billed rates. Oppose.	Assembly Health 6/29/20

## Housing and Land Use

<b>Inclusionary Housing Requirement.</b> AB 725 (Wicks; D-Oakland) Before amendments, exacerbated California's housing crisis by imposing a statewide, indirect inclusionary housing requirement that prohibited local jurisdictions from allocating more than 20% of their share of regional housing need for above moderate-income housing in areas zoned for single-family development. Opposition and job killer status removed due to January 6, 2020 amendments. No Position/ <b>Former Job Killer 2019</b> .	Senate Housing 6/23/20
<b>Prohibits Unlawful Detainer Actions.</b> AB 828 (Ting; D-San Francisco) Leads to foreclosures and a divestment in California by prohibiting residential evictions, reducing tenant rent by 25% for a year, and requiring the tenant to make monthly payments to the landlord for any tenants financially impacted by COVID-19. Oppose.	Senate Judiciary 7/1/20
<b>Tenant Relief.</b> AB 1436 (Chiu; D-San Francisco) Forces rental property owners to forgo collecting rent for the entire duration of the state of emergency or until April 1, 2021 (whichever comes first) and prohibits owners from being able to try and collect unpaid rents for an additional 12 months after that, with no financial assistance for landlords who are unable to meet their financial obligations. Oppose.	Senate Judiciary 7/1/20
<b>Development Ban.</b> SB 474 (Stern; D-Canoga Park) Prohibits any residential or commercial construction in either Very High Fire Severity Zones or State Responsibility Area, which effectively bans any development activity for one-third of the State of California. Oppose.	Assembly Local Government 6/29/20
<b>Residential Security Deposits.</b> AB 3260 (Wicks; D-Oakland) Adds significant risks to landlords and negatively impacts tenant by requiring landlords to allow new tenants to pay a security deposit over a 6-month period or obtain a security deposit insurance policy. Oppose Unless Amended.	Assembly Floor 6/8/20; Failed Deadline
<b>Commercial Tenant Relief.</b> SB 939 (Wiener; D-San Francisco) Leads to foreclosures and divestment in California by prohibiting commercial evictions and allowing commercial tenants to withhold rent for the entire duration of the COVID-19 state of emergency plus an additional 12 months, as well as unilaterally break leasing contracts. Oppose Unless Amended.	Held in Senate Appropriations Suspense File 6/18/20

Subject—CalChamber Position	Status
<b>Housing Production.</b> AB 3155 (Robert Rivas; D-Hollister) Encourages construction of more entry-level homes in California by streamlining small-home projects that comply with local zoning and removing barriers to selling these homes, while also creating jobs for local construction workers. Support.	Assembly Appropriations Suspense File 6/2/20; Failed Deadline
<b>Promotes Housing.</b> SB 1120 (Atkins; D-San Diego) Increases housing production in California and encourages more small-scale neighborhood development by creating a ministerial approval process for duplexes and other specified acts. Support.	Assembly Local Government 6/29/20
<b>Promotes Housing.</b> SB 899 (Wiener; D-San Francisco) Streamlines affordable housing projects by permitting 100% multifamily affordable housing units (targeted at 80% of Area Median Income and below), regardless of local zoning restrictions, on land owned in fee simple by religious and educational institutions. Support.	Assembly Housing & Community Development 6/29/20
<b>Promotes Housing.</b> SB 902 (Wiener; D-San Francisco) Promotes housing and provides maximum local authority to local governments to increase the baseline zoning for residential properties and bypass California Environmental Quality Act (CEQA) review if they rezone for small developments of up to 10 units. Support.	Assembly Local Government 6/29/20
<b>Promotes Housing.</b> SB 1085 (Skinner; D-Berkeley) Increases housing production by mandating that a city or county grant a density bonus if the residential developer agrees to the specified percentage of units for persons and families of moderate income. Support.	Assembly Housing & Community Development 6/29/20
<b>Promotes Housing.</b> SB 1385 (Caballero; D-Salinas) Authorizes residential development on existing lots currently zoned for commercial office and retail spaces so long as the residential development maintains a minimum of 20 units per acre and abides by existing local planning and development ordinances, among other requirements. Support.	Assembly Local Government 6/29/20
<b>Rental Assistance Program.</b> SB 1410 (Caballero; D-Salinas) Helps tenants stay in their residences by creating a temporary emergency rental assistance program to provide rental payments for tenants who are unable to pay rent due to COVID-19. Support.	Assembly Judiciary 6/29/20

## Industrial Safety and Health

<b>Labor Contractor Joint Liability.</b> AB 2043 (Robert Rivas; D-Hollister) Expands joint liability for contracted supervisors to all employment-related harassment claims. There is no basis for holding a business that contracts for services statutorily liable for the harassment of another's employees when there is no way in which that contractor can engage or force a labor contract company to comply with provisions of the Fair Employment and Housing Act or the Labor Code. Oppose.	Senate Labor, Public Employment & Retirement 7/1/20
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## Labor and Employment

<b>New COVID-19 Employment Leave Mandate.</b> AB 3216 (Kalra; D-San Jose) Imposes an onerous and stringent process for specific employers to return employees to the workforce, which will delay rehiring and subject employers to litigation for any alleged mistakes. Also increases burdens on small employers who are currently suffering as a result of this pandemic, by increasing paid and unpaid time off for employees. Oppose/ <b>Job Killer 2020</b> .	Senate Labor, Public Employment & Retirement 7/1/20
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Subject—CalChamber Position	Status
<p><b>Increased Costs and Liability on Employers.</b> SB 1399 (Durazo; D-Los Angeles) Significantly increases the burden on nonunionized employers in the garment manufacturing industry in California by eliminating piece rate as a method of payment even though it can benefit the employee, creating joint and several liability for contractors for any wage violations or the employer, and shifting the evidentiary standards in a Labor Commissioner hearing to limit the ability for an employer to defend against an alleged wage violation. These additional requirements will encourage companies to contract with manufacturers outside of California, thereby limiting the demand and workforce of garment manufacturers in California. Oppose/<b>Job Killer 2020</b>.</p>	Assembly Labor & Employment 6/29/20
<p><b>Burdensome New Bereavement Leave Mandate.</b> AB 2999 (Low; D-Campbell) Imposes a significant new burden on employers of every size by mandating that they provide employees up to 10 days of bereavement leave upon the death of a spouse, child, parent, sibling, grandparent, grandchild, or domestic partner, regardless of how long the employee has worked for the employer. The bill further opens up new avenues for litigation against California employers by establishing a brand-new private right of action (in addition to liability under Private Attorneys General Act and administrative enforcement through the Division of Labor Standards Enforcement). Oppose/<b>Job Killer 2020</b>.</p>	Senate Judiciary 7/1/20
<p><b>Employees: Time Off.</b> SB 1383 (Jackson; D-Santa Barbara) Significantly burdens small employers by requiring employers with only five employees to provide eligible employees with 12 weeks of mandatory family leave, which can be taken in increments of one to two hours, and threatens these small employers with costly litigation if they make any mistake in implementing this leave. Oppose/<b>Job Killer 2020</b>.</p>	Passed Senate 7/2/20
<p><b>Independent Contractor Status.</b> SB 900 (Hill; D-San Mateo) Makes additional changes to AB 5 from last session. However, additional similarly situated industries/professionals should also be included in the exemptions, and the “business-to-business” exemption enacted in AB 5 needs to be fixed to cover more individuals/entities. Support If Amended.</p>	Senate Labor, Public Employment & Retirement 2/12/20; Failed Deadline
<p><b>Local Wage Standards.</b> AB 3075 (Lorena Gonzalez; D-San Diego) Allows interference with corporate formation based on arbitrary, unclear and unfair standards. The bill would also result in chaotic and inconsistent enforcement of wage and hour laws by local jurisdictions by authorizing them to impose their own wage payment requirements as long as they are “at least as stringent” as state law requirements. Oppose/<b>Job Killer 2020</b>.</p>	Senate Labor, Public Employment & Retirement 7/1/20.
<p><b>Increased Cost and Litigation on Warehouse Distribution Centers.</b> AB 3056 (Lorena Gonzalez; D-San Diego) Grants expansive authority to the State of California to dictate the operations and performance standards of employees at warehouse distribution centers, increases hourly rates of pay, imposes new mandatory break periods, and exposes employers to layers of penalty and costly litigation under PAGA, which will severely limit these employers’ ability to expand their workforce or increase employee benefits. Oppose.</p>	Senate Labor, Public Employment & Retirement 7/1/20
<p><b>Disclosure of Company Pay Data.</b> SB 973 (Jackson; D-Santa Barbara) Requires California employers to submit pay data to state agencies that could give the false impression of wage disparity where none may exist. Also creates confusion by allowing two different state agencies to enforce Equal Pay Act claims. Oppose.</p>	Assembly Labor & Employment 6/29/20
<p><b>Imposes New One-Sided Attorney’s Fee Recovery.</b> AB 1947 (Kalra; D-San Jose) Undermines the essence of the Division of Labor Standards Enforcement (DLSE) complaint process by requiring a one-sided attorney’s fee provision that will incentivize further litigation. Oppose.</p>	Senate Judiciary 7/1/20
<p><b>Prevailing Wage.</b> AB 2231 (Kalra; D-San Jose) Codifies a limited definition of the term “de minimis” to determine what level of public subsidy triggers prevailing wage requirements on an otherwise private project, overturning the established practice of viewing the subsidy in the context of the entire project. Oppose.</p>	Senate Labor, Public Employment & Retirement 7/1/20
<p><b>Independent Contractor Status.</b> SB 806 (Grove; R-Bakersfield) Provides necessary flexibility to the ABC test so that individuals who choose to be independent contractors can continue to work and earn income. Support.</p>	Failed passage in Senate Labor, Public Employment & Retirement 5/14/20

Subject—CalChamber Position	Status
<b>Required Disclosures.</b> SB 1102 (Monning; D-Carmel) Establishes new unnecessary and burdensome requirements on all employers to provide information to employees and imposes duplicative and unnecessary disclosure requirements for employers of H-2A employees. Oppose.	Assembly Labor & Employment 6/29/20
<b>Mandated Scheduling Requirement.</b> SB 850 (Leyva; D-Chino) Previously identified as a 2020 Job Killer. Author has indicated she is no longer pursuing the bill this year. Eliminates worker flexibility and exposes employers to costly penalties, litigation, and government enforcement, by mandating employers in the retail, grocery, or restaurant industry, including employers who have hybrid operations that include a retail or restaurant section, to provide a 21-day work schedule and then face penalties and litigation if the employer changes the schedule with less than 7 days' notice. Oppose/ <b>Previously Identified Job Killer 2020.</b>	Senate Labor, Public Employment & Retirement 5/12/20; Failed Deadline.
<b>Independent Contractor Status.</b> AB 1850 (Lorena Gonzalez; D-San Diego) Makes additional changes to AB 5 from last session. However, additional similarly situated industries/professionals should also be included in the exemptions, and the “business-to-business” exemption enacted in AB 5 needs to be fixed to cover more individuals/entities. Support If Amended.	Senate Labor, Public Employment & Retirement 7/1/20
<b>Independent Contractor Status.</b> AB 2257 (Lorena Gonzalez; D-San Diego) Makes additional changes to AB 5 from last session. However, additional similarly situated industries/professionals should also be included in the exemptions, and the “business-to-business” exemption enacted in AB 5 needs to be fixed to cover more individuals/entities. Support If Amended.	Senate Labor, Public Employment & Retirement 7/1/20
<b>Expanded Leaves of Absence.</b> AB 2992 (Weber; D-San Diego) Expands three separate leaves of absence on small and large employers with multiple threats of litigation despite the enormous financial strain all size employers are dealing with as a result of the COVID-19 pandemic. This increased burden will limit employers' ability to recover, including rebuilding their workforce. Opposition and job killer tag removed due to May 11, 2020 amendments. No Position/ <b>Former Job Killer 2020.</b>	Senate Labor, Public Employment & Retirement 7/1/20
<b>Rest Period Exemption.</b> AB 2479 (Gipson; D-Carson) Extends an existing exemption to the rest period requirements for employees at a petroleum facility who work in safety-sensitive positions. No Position.	Senate Labor, Public Employment & Retirement 6/23/20

## Legal Reform and Protection

<b>Legal Reform.</b> AB 2143 (Mark Stone; D-Scotts Valley) Allows employers to maintain a safe workplace by prohibiting an employee who has engaged in criminal conduct from seeking reemployment. Support.	Senate Judiciary 6/23/20
<b>Expanding False Claims Act to Include Tax Filings.</b> AB 2570 (Mark Stone; D-Scotts Valley) Expands the False Claims Act to allow the Attorney General and private attorneys to sue taxpayers on perceived tax errors, creating inconsistent tax enforcement, litigation, and nuisance suits for taxpayers. Oppose.	Senate Judiciary 7/1/20
<b>Strict Product Liability for Online Marketplaces.</b> AB 3262 (Mark Stone; D-Scotts Valley) Under AB 3236, online marketplaces are strictly liable for all products sold by third parties on their electronic marketplaces when the electronic marketplace receives payment from consumers for new products sold on the electronic marketplace. Oppose.	Senate Judiciary 7/1/20
<b>Third Party Food Delivery.</b> AB 3336 (Carrillo; D-Los Angeles) Imposes onerous unnecessary and new requirements on Californians looking for work delivering food and restaurants seeking to reach new customers through delivery. This is not the time to be introducing new burdens on food delivery, restaurants, grocery stores and other retail locations, especially while those businesses are struggling to meet demand or stay open during the current crisis. Oppose.	Senate Health 7/1/20

Subject—CalChamber Position	Status
<b>Limitations on Subscriptions and Auto Renewal Offers.</b> AB 2811 (Berman; D-Palo Alto) Requires any business offering an auto-renewal or continuous service offer to provide the consumer with a notice explaining how to cancel an automatic renewal offer or continuous service offer given certain requirements are met. Oppose.	Senate Judiciary 7/1/20
<b>*Increased Litigation.</b> SB 873 (Jackson; D-Santa Barbara) Previously identified as a 2020 Job Killer. Author has indicated she is no longer pursuing the bill this year. Exposes businesses to costly litigation for a consumer's assertion that any price difference on "substantially similar" goods, even a nominal amount, is based on gender and therefore the consumer is entitled to a minimum of \$4,000. Oppose/ <b>Previously Identified Job Killer 2020.</b>	Senate Judiciary 5/12/20; Failed Deadline
<b>Judicial Council Authority in State of Emergencies.</b> AB 3366 (Committee on Judiciary) Before amendments, would have effectively tolled statute of limitations for all civil actions in California indefinitely whenever there is a state of emergency. Opposition removed due to May 28, 2020 amendments. No Position.	Senate Judiciary 7/1/20

## Privacy and Cybersecurity

<b>CCPA Health Research Exemption.</b> AB 713 (Mullin; D-South San Francisco) Promotes continued clinical trials and regulated biomedical research by exempting from the California Consumer Privacy Act (CCPA) information that has been deidentified in accordance with the Health Insurance Portability and Accountability Act (HIPAA). Support.	Senate Judiciary 6/11/20
<b>Digital Health Systems as Health Care Providers.</b> AB 2280 (Chau; D-Monterey Park) Classifies any Food and Drug Administration (FDA)-approved device or software that collects personal information for the purposes of the Confidentiality of Medical Information Act (CMIA) in any form to be a "health care provider" and appropriately regulated as such. Oppose.	Senate Judiciary 7/1/20
<b>Mandatory Cyber Insurance.</b> AB 2320 (Chau; D-Monterey Park) Requires a contractor doing business with a state agency to require, by contract, that the contractor maintain cyber insurance if the contractor anticipates receiving or has access to records containing personal information protected under the information practices act of 1977. Oppose.	Failed passage in Assembly Privacy & Consumer Protection 5/5/20
<b>*Limits on Government Access to Consumer Data.</b> AB 3116 (Irwin; D-Thousand Oaks) Places limitations on the data that government entities can demand from any entity that makes transportation devices and vehicles available to the public. This includes but is not limited to autonomous vehicles, bicycles, and scooters that are offered or placed for rent in public. Support.	Held in Assembly Appropriations Suspense File 6/2/20; Failed Deadline

## Product Regulation

<b>Cosmetic Product Ban.</b> AB 495 (Muratsuchi; D-Torrance) Bypasses a legislatively mandated analytical process to judge the safety of consumer products and seeks to prohibit safe cosmetic products based upon the mere presence of a chemical in the product, no matter the level, that will lead to potential regrettable substitutions and job losses in the cosmetic industry. Oppose/ <b>Two Year Job Killer.</b>	Failed passage in Assembly Health 1/17/20
<b>Unprecedented Product Regulation in California.</b> SB 54 (Allen; D-Santa Monica) Before amendments, substantially increased the cost to manufacture and ship consumer products sold in California by providing CalRecycle with broad authority to develop and impose costly and unrealistic new mandates on manufacturers of all single-use packaging and certain single-use plastic consumer products under an unrealistic compliance time frame that failed to address California's lack of recycling and composting infrastructure. Job killer status removed due to September 6, 2019 amendments, but CalChamber still opposes. Oppose Unless Amended/ <b>Former Job Killer 2019.</b>	Assembly Inactive File 1/23/20



Subject—CalChamber Position	Status
<b>Ingredient Ban in Personal Care Products.</b> AB 2762 (Muratsuchi; D-Torrance) Before amendments taking CalChamber to no position, the bill would have inconsistently prohibited certain specified ingredients in cosmetic products leading to products effectively banned or costly reformulations if even possible. No Position.	Senate Environmental Quality 7/1/20
<b>Overreaching Performance Standard.</b> AB 1672 (Bloom; D-Santa Monica) Before amendments, imposed a new performance standard on flushable wipe products that would effectively ban most flushable wipes from the North American market without a sound scientific basis. CalChamber removed opposition and now has no position on the bill due to July 1, 2020 amendments. No Position.	Senate Environmental Quality 7/1/20
<b>Feminine Care Product Regulation.</b> AB 1989 (Cristina Garcia; D-Bell Gardens) Before amendments taking CalChamber to no position, the bill had unclear requirements on what manufacturers were required to disclose. After amendments, the expected scope of disclosure manufacturers were required to provide was unambiguous, ensuring consistency across products and helping consumers make informed decisions. No Position.	Senate Health 7/1/20

## Taxation

<b>Headcount Tax.</b> AB 398 (Chu; D-San Jose) Punishes certain employers who create jobs and discourages hiring and employment growth by imposing a headcount tax of \$275 per employee. Oppose/ <b>Job Killer 2020.</b>	Senate Governance & Finance 7/1/20
<b>Staggering Corporate Tax Hike.</b> SB 37 (Skinner; D-Berkeley) Imposes a targeted tax on California business, which, for certain companies, would raise California's corporate tax rate—already one of the highest in the nation—up to a staggering 22.26%, which amounts to an increase of about 150% and would undoubtedly discourage companies from locating or further investing in the state. Oppose/ <b>Two Year Job Killer.</b>	Secretary of Senate 2/3/20
<b>Targeted Tax on Oil and Gas Operators.</b> SB 246 (Wieckowski; D-Fremont) Unfairly targets one industry by imposing a 10% oil and gas severance tax onto an oil and gas operator, adding another layer of taxes onto this industry that will significantly increase the costs of doing business, thereby increasing prices paid by consumers for goods and services in this expensive state as well. Oppose/ <b>Two Year Job Killer.</b>	Secretary of Senate 2/3/20
<b>Corporate Shaming Tax Disclosure.</b> SB 972 (Skinner; D-Berkeley) Pierces the traditional shield of taxpayer confidentiality that has been respected by generations of political and government leaders by requiring the Franchise Tax Board to disclose all taxpayers' identities and tax credits if their gross receipts are \$5 billion or more. Oppose.	Assembly Revenue & Taxation 6/29/20
<b>Unnecessary Commission to Study Tax Expenditures.</b> SB 956 (Jackson; D-Santa Barbara) Creates an unnecessary commission to study tax expenditures that will cause uncertainty for businesses due to the potential of increasing taxes by \$20 billion. Oppose.	Assembly Revenue & Taxation 6/29/20
<b>Disaster Relief to Homeowners and Businesses Seeking to Rebuild.</b> AB 2013 (Irwin; D-Thousand Oaks) Provides greatly needed assistance to victims of natural disasters who choose to reconstruct destroyed homes and business structures on the original site of the disaster, by exempting this reconstruction from being assessed at a higher tax rate. Support.	Senate Governance & Finance 6/23/20

## Telecommunications

<b>*Restrictions on Contacting Consumers.</b> AB 3007 (Chau; D-Monterey Park) Prohibits businesses from using automated calls and texts to communicate with customers and business relations, and expands the application of this restriction to any device that stores phone numbers and can automatically dial or send text messages to those numbers "without significant human involvement," which is undefined. Oppose.	Assembly Appropriations 5/6/20; Failed Deadline
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Subject—CalChamber Position	Status
<b>*Mandatory Financial Disclosures and Reporting Requirements for ISPs.</b> SB 1058 (Hueso; D-San Diego) Creates a financial disclosure requirement in addition to an onerous annual reporting mandate that requires internet service providers (ISPs) to file annual emergency operations plans with the California Public Utilities Commission, but the regulatory scheme proposed by SB 1058 is preempted by federal law. Oppose.	Held in Senate Appropriations Suspense File 6/18/20
<b>*Critical Infrastructure Reporting and Disclosure, Telecommunications.</b> SB 1069 (Jackson; D-Santa Barbara) Creates onerous reporting requirements for telecommunications providers, including real-time information and annual reports regarding telecommunications. Oppose.	Held in Senate Appropriations Suspense File 6/18/20

## Unemployment Insurance

<b>Massive Unemployment Insurance Compensation and Tax Increase.</b> AB 1107 (Chu; D-San Jose) Would significantly raise employers' payroll taxes to fund a 130% increase in unemployment payments just as California's businesses are struggling to survive this pandemic-caused shutdown. Gutted and amended May 26, 2020 to a different subject area. Job killer and oppose tag removed. No Position/ <b>Former Job Killer 2020.</b>	Senate Governmental Organization 7/2/20
<b>Increased Unemployment Insurance Costs and Payments.</b> AB 3329 (Daly; D-Anaheim) Increases unemployment insurance payments in California in response to COVID-19 and costs California employers billions of dollars over the next 10 years. Assembly Insurance hearing canceled by author in response to employer concerns. Oppose.	Assembly Insurance 3/9/20; Failed Deadline

## Water Supply and Quality

<b>Levee Protection.</b> AB 1958 (Cooper; D-Elk Grove) Allows local law enforcement to remove visual or physical obstructions from levees to protect public safety. Support.	Senate Natural Resources & Water 6/23/20
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## Workers' Compensation

<b>Establishes Costly "Conclusive Presumption" of Injury.</b> AB 196 (Lorena Gonzalez; D-San Diego) Significantly increases workers' compensation costs for employers by "conclusively" presuming (non-rebuttable) that contraction of COVID-19 by all "essential workers" is a workplace injury. Establishes an extremely concerning precedent for expanding presumptions into the private sector for COVID-19 issues, which the Workers' Compensation Insurance Rating Bureau recently estimated will add billions in costs to California's workers' compensation system. Oppose/ <b>Job Killer 2020.</b>	Senate Labor, Public Employment & Retirement 5/5/20
<b>Establishes Costly "Conclusive Presumption" of Injury.</b> AB 664 (Cooper; D-Elk Grove) Significantly increases workers' compensation costs for public employers and public and private hospitals by "conclusively" presuming (non-rebuttable) that exposure or contraction of communicable diseases, including COVID-19, are caused by the workplace and defines required compensation to include non-workers' compensation items such as "temporary housing costs." Establishes an extremely concerning precedent for expanding presumptions into the private sector for COVID-19 issues, which the WCIRB recently estimated will add billions in costs to California's workers' compensation system. Oppose/ <b>Job Killer 2020.</b>	Senate Labor, Public Employment & Retirement 5/18/20
<b>Expands Costly Presumption of Injury.</b> SB 893 (Caballero; D-Salinas) Significantly increases workers' compensation costs for public and private hospitals by presuming that certain diseases (including COVID-19) and injuries are caused by the workplace and establishes an extremely concerning precedent for expanding presumptions into the private sector. Oppose/ <b>Job Killer 2020.</b>	Failed passage in Senate Labor, Public Employment & Retirement 5/14/20; Failed Deadline

# Selection of Director General Offers Chance for New Start at World Trade Organization



A change in leadership at the World Trade Organization (WTO) this summer may provide an opportunity for a new beginning at the only global international organization dealing with the rules of trade.

On May 14, current WTO Director General Roberto Azevêdo of Brazil suddenly announced he will leave the position on August 31, a year before the formal end of his term.

Azevêdo said in a statement that he timed his departure so the process of selecting his successor wouldn't distract the WTO's next big ministerial conference, which now is likely to be delayed into 2021.

The next major WTO meeting could be a turning point for discussions on the future of the organization. The 12th Ministerial "M 12" meeting, June 8–11, 2021, is tentatively scheduled for Kazakhstan. Modernization and reform of the trading system will be a major topic.

The discussion this summer will now center on from which continent or region the next Director General should hail. Previous Director General Pascal Lamy was from France.

The conversation about the next Director General may well help set the tone and agenda of the membership organization. Regardless of its leadership, the Geneva-based organization is an important player in global trade.

Director General candidates were nominated by their governments starting June 8. Candidates will be invited to meet with WTO membership at a special General Council meeting this month at which they can present their views and take questions. Historically, a new Director General is appointed by consensus of the General Council following a several-month period during which candidates have the opportunity to make themselves known to WTO members.

The California Chamber of Commerce, 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.

The CalChamber is hopeful the major trading economies can come to a consensus on a reform of the WTO in 2021. The revamp should address the functioning of the Appellate Body, encourage greater transparency and enhance discipline for members who fall behind on their reporting obligations.

## WTO Candidates

As of July 8, the closing date for applications, the candidates for WTO Director General are as follows:

### • **Dr. Jesús Seade Kuri, Mexico**

Undersecretary Seade was the first to be nominated for the position of Director General with the WTO. He is currently Mexico's Undersecretary for North America and was chief negotiator of the North American Free Trade Agreement (NAFTA) and the U.S.-Mexico-Canada Agreement (USMCA), referred to in Mexico as TMEC (Treaty of Mexico, U.S., Canada).

Most recently, Undersecretary Seade served as the vice president of global affairs at the Chinese University of Hong Kong-Shenzhen, prior to that he was the vice president of Lingnan University of Hong Kong. Undersecretary Seade has held numerous positions as a global economic diplomat, including: principal economist of the World Bank; senior advisor at the International Monetary Fund; Ambassador of Mexico to the General Agreement on Tariffs and Trade (GATT); chief negotiator in the creation of the WTO, and in the accession of Mexico to the Organization for Economic Cooperation and Development; Mexican Ambassador to the WTO and the first Deputy Director General of the WTO.

Undersecretary Seade earned a Ph.D. in economics from Oxford University in England, and as a chemical engineer at National Autonomous University of Mexico (*summa cum laude*). Dr. Seade is fluent in all three official WTO languages (English, French and Spanish), as well as Portuguese, and has conversational knowledge of German.

The CalChamber hosted Undersecretary Seade in January 2020 at an Interna-

tional Luncheon Forum to speak about Mexico's negotiations into the USMCA.

### • **Dr. Ngozi Okonjo-Iweala, Nigeria**

Dr. Okonjo-Iweala was the second nominee for Director General of the WTO. Dr. Okonjo-Iweala is a global finance expert, economist and international development professional with more than 30 years of experience. Dr. Okonjo-Iweala served as Nigeria's Finance Minister from 2003–2006 and 2011–2015, and briefly as Foreign Minister in 2006, being the first woman to hold both positions.

In her time as Finance Minister, Dr. Okonjo-Iweala negotiated with the Paris Club of Creditors to wipe out \$30 billion of Nigeria's debt and led reforms that enhanced government transparency and strengthened institutions against corruption.

Dr. Okonjo-Iweala had a 25-year career at the World Bank, where she served as a development economist and rose to the No. 2 position of managing director. Dr. Okonjo-Iweala has received many awards and recognitions as a top female leader in Africa and the world including: Top 3 Most Powerful Women in Africa (*Forbes*, 2012); Top 100 Most Influential People in the World (*TIME*, 2014); Global Finance Minister of the Year (*Euromoney*, 2005); and the Madeleine K. Albright Global Development Award from the Aspen Institute in 2017.

Most recently, Dr. Okonjo-Iweala became an Angelopoulos Global Public Leader at Harvard University's Kennedy School and currently serves on many boards including the Board of the African Union's African Risk Capacity (ARC) as the chair. Dr. Okonjo-Iweala earned a Ph.D. in regional economics and development from the Massachusetts Institute of Technology.

### • **Abdel-Hamid Mamdouh, Egypt**

Mamdouh was nominated to the WTO Director General position by Egypt, where he has served as a negotiator since 1985 and a senior WTO official since 1990. Mamdouh has held many positions at the WTO, including: assistant to the deputy director general of the GATT; senior counsellor in the Trade and Services Division; and director of the Trade in Services and Investment Division, a post he held from 2001 to 2017.

*See Selection of Director General: Page 18*



## Selection of Director General Offers Chance for New Start at WTO

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Mamdouh was the lead Secretariat official on the negotiation and drafting of the GATT. Currently, he is a visiting industry professor at the University of London and senior counsel at King & Spalding LLP. Mamdouh is an Egyptian and Swiss national who speaks Arabic, English and French fluently.

### • **Ambassador Tudor Ulianovschi, Moldova**

Ulianovschi was nominated for the WTO Director General position by Moldova, where he recently served as Minister of Foreign Affairs followed by serving as Deputy Minister of Foreign Affairs for several years. Under his mandate, Moldova: ratified and implemented the WTO Trade Facilitation Agreement and became a member of the WTO Government Procurement Agreement; finalized the Association Agreement with the European Union; signed a free trade agreement with Turkey; and initiated consultations on a free trade agreement with European Free Trade Association (EFTA) countries.

Minister Ulianovschi was the top Moldovan diplomat in Geneva between 2016 and 2018, serving as the Ambassador to Switzerland and Permanent Representative to the United Nations in Geneva and WTO. During this time, Minister Ulianovschi served on and chaired various committees including: chairman of the WTO Balance of Payments Committee, president of the Trade and Development Board at the U.N. Conference on Trade and Development (UNCTAD), vice president of the General Assembly at the World Intellectual Property Organization (WIPO), and president of the Steering Committee on Trade at U.N. Economic Commission for Europe (UNECE).

Minister Ulianovschi also previously held a position in the private sector as senior vice president of global government relations for a multinational company based in Canada. Minister Ulianovschi is a Ph.D. candidate at the Free International University of Moldova. He speaks Romanian, English, Russian and French fluently and has intermediate knowledge of Spanish and Arabic.

### • **Minister Yoo Myung-Hee, South Korea**

Minister Yoo was nominated for WTO Director General by the Republic of Korea, where she is the first female trade minister. Minister Yoo has had a

25-year career in trade, having been a key free trade agreement (FTA) strategist for Korea. During this time, Minister Yoo took charge of the WTO affairs in the Korean Ministry of Trade, Industry and Energy, and negotiated the Regional Comprehensive Economic Partnership (RCEP), the Korea-China FTA, and the Korea-U.S. (KORUS) FTA, among other initiatives.

Minister Yoo was the first director of the new FTA Policy Division at the Ministry of Foreign Affairs and Trade, where she designed Korea's FTA strategy in 2005. This strategy resulted in Korea's FTA network that includes 56 countries, at all levels of development.

Minister Yoo has an M.A. in public policy from Seoul National University in Korea and a J.D. from Vanderbilt University. She was admitted to the New York State Bar in 2003.

### • **Ambassador Amina C. Mohamed, Kenya**

Ambassador Mohamed was nominated by Kenya for the position of WTO Director General. Ambassador Mohamed served as Kenya's Permanent Representative and Ambassador to the WTO from 2000 to 2006 and was subsequently chairperson for multiple WTO decision-making bodies, including: the 2015 Ministerial Conference, the 2005 General Council, 2004 Dispute Settlement Body, and the 2004 Trade Policy Review Body.

Ambassador Mohamed then became the Permanent Secretary of the Ministry of Justice, National Cohesion and Constitutional Affairs from 2008 to 2011 where she presided over the 2010 Constitution of Kenya. Ambassador Mohamed also served as Assistant Secretary-General of the U.N. and Deputy Executive Director of the U.N. Environmental Programme (UNEP) from 2011 to 2013. Most recently, Ambassador Mohamed served as Kenya's Foreign Affairs and International Trade Minister from 2013 to 2018 where she facilitated foreign direct investment inflows to Kenya, increasing foreign direct investment (FDI) into Kenya by 400%.

Ambassador Mohamed earned a master's degree in law from Taras Shevchenko University in Ukraine and received a postgraduate diploma in international relations as a Chevening Fellow at Oxford University. She is a UNITAR Fellow and is fluent in English, Russian, Kiswahili and has knowledge of French.

### • **Minister Mohammad Maziad Al-Tuwaijri, Saudi Arabia**

Minister Al-Tuwaijri was nominated for the Director General position at the WTO by Saudi Arabia. Minister Al-Tuwaijri began his career at the Saudi British Bank Saudi Arabia where he spent 12 years, eventually rising to the position of group head of treasury and Board member of HSBC Saudi Arabia. Minister Al-Tuwaijri then worked at JP Morgan Saudi Arabia as the managing director and CEO, and went on to serve as group managing director, deputy chairman and CEO for HSBC Middle East, North Africa and Turkey.

Most recently, Minister Al-Tuwaijri served as Minister of Economy and Planning for Saudi Arabia from 2016 to the present, where he led the effort to increase the Kingdom's diversification objectives and competitiveness. Minister Al-Tuwaijri is a strong advocate of the U.N.'s Sustainable Development Goals.

He is a former Saudi Air Force pilot and has served on 45 boards, committees and commissions. Minister Al-Tuwaijri holds an M.B.A. in finance with honors from King Saud University.

### • **Dr. Liam Fox, United Kingdom**

Dr. Liam Fox was nominated for the position of WTO Director General in the final hour by the United Kingdom. Dr. Fox was first elected to Parliament in 1992 and served there until 2010, holding several ministerial roles, including Lord Commissioner of the Treasury and Minister of the Foreign and Commonwealth Office, where he answered on Trade Aid and Policy in the House of Commons.

In 2010, Dr. Fox was then appointed Secretary of State for Defense. From 2016 to 2019, Dr. Fox served as U.K. Secretary of State for International Trade, building a new department of government overseeing the U.K.'s first independent trade policy in 40 years following Brexit. Dr. Fox has discussed the theme of trade, prosperity and security throughout his career, and is an advocate of the International Trade Centre's "SheTrades" initiative.

Dr. Fox was born in Scotland, where he earned an MB ChB from the University of Glasgow Medical School. He then worked as a general practitioner, divisional surgeon and civilian army medical officer before being elected to Parliament. Dr. Fox also previously worked as a speech writer to Prime Minister Marga-

*See Selection of Director General: Page 19*

## November Ballot Takes Shape with Assignment of Proposition Numbers



Secretary of State Alex Padilla has assigned proposition numbers to the legislative, initiative and

referendum measures set to appear on the November 3 General Election ballot.

The proposition numbers and brief descriptions appear below. Where the California Chamber of Commerce Board of Directors has adopted a position, that action is noted.

• **Proposition 14. Authorizes Bonds to Continue Funding Stem Cell and Other Medical Research. Initiative Statute.** Authorizes \$5.5 billion in state general obligation bonds to fund grants from the California Institute of Regenerative Medicine to educational, nonprofit and private entities for stem cell and other medical research; medical training; and construction of research facilities.

• **Proposition 15. Split Roll Property Tax. Initiative Constitutional Amendment.** Increases funding for K–12 public schools, community colleges and local governments by requiring that commercial and industrial real property be taxed based on current market value. Exempted are residential properties; agricultural properties; and owners of commercial and industrial properties with combined value of \$3 million or less. CalChamber opposes.

• **Proposition 16. Repeals Proposition 209 of 1996.** Placed on the ballot by the Legislature through ACA 5. Repeals the Proposition 209 ballot initiative approved by voters in 1996 to prohibit the state from discriminating against or granting preferential treatment to any individual or group on the basis of race, sex, color, ethnicity or national origin in the operation of public employment, public education or public contracting.

• **Proposition 17. Restores Voting Rights for Convicted Felons Upon**

**Completion of Prison Term.** Placed on the ballot by the Legislature through ACA 6. Will permit parolees to vote.

• **Proposition 18. Allows Some 17-Year-Olds to Vote.** Placed on the ballot by the Legislature through ACA 4. Will allow 17-year-olds to register to vote in a primary or special election if they are U.S. citizens, a resident of the state and will be at least 18 years old at the time of the next general election.

• **Proposition 19. Property Tax Protection for Seniors, Severely Disabled, Families and Victims of Wildfire or Natural Disasters.** Placed on the ballot by the Legislature through ACA 11. Starting April 1, 2021, will permit certain property owners to buy another primary residence and keep the property tax break of the home they are selling within two years of the sale of the original primary residence.

• **Proposition 20. Restricts Parole for Non-Violent Offenders. Authorizes Felony Sentences for Certain Offenses Currently Treated Only as Misdemeanors. Initiative Statute.** Imposes restrictions on parole program for non-violent offenders who have completed the full term for their primary offense. Expands list of offenses that disqualify an inmate from this parole program. Authorizes felony charges for specified theft crimes currently chargeable only as misdemeanors, including some thefts where the value is between \$250 and \$950. CalChamber supports.

• **Proposition 21. Expands Local Governments' Authority to Enact Rent Control on Residential Property. Initiative Statute.** Amends state law to allow local governments to establish rent control on residential properties more than 15 years old. Allows rent increases on rent-controlled properties of up to 15% over three years from the previous tenant's rent above any increase allowed by local ordinance. CalChamber opposes.

• **Proposition 22. Changes Employment Classification Rules for**

**App-Based Transportation and Delivery Drivers. Initiative Statute.** Establishes criteria for determining whether app-based transportation (rideshare) and delivery drivers are "employees" or "independent contractors." Requires companies with independent contractor drivers to provide specified alternative benefits, including minimum compensation and health care subsidies based on engaged driving time, vehicle insurance, safety training and sexual harassment policies. Restricts local regulation of app-based drivers; criminalizes impersonation of such drivers; requires background checks. CalChamber supports.

• **Proposition 23. Authorizes State Regulation of Kidney Dialysis Clinics. Establishes Minimum Staffing and Other Requirements. Initiative Statute.** Among other provisions, requires at least one licensed physician on site during treatment at outpatient kidney dialysis clinics; authorizes Department of Public Health to exempt clinics from this requirement due to shortage of qualified licensed physicians if at least one nurse practitioner or physician assistant is on site.

• **Proposition 24. Amends Consumer Privacy Laws. Initiative Statute.** Permits consumers to prevent businesses from sharing personal information. Triples maximum penalties for violations concerning consumers under age 16. Establishes California Privacy Protection Agency to enforce and implement consumer privacy laws and impose administrative fines. Requires adoption of substantive regulations.

• **Proposition 25. Referendum to Overturn a 2018 Law that Replaced Money Bail with a System Based on Public Safety Risk.** Asks voters to approve state law passed in 2018 that replaces the money bail system with one providing for pretrial release from jail based on a determination of public safety or flight risk, and limiting pretrial detention for most misdemeanors.

## Selection of Director General Offers Chance for New Start at WTO

From Page 18

ret Thatcher. He is the author of the book titled *Rising Tides*, published in 2013, and is currently working on another book about pandemics.

### More Information

For more information about the WTO, please visit [www.calchamber.com/wto](http://www.calchamber.com/wto).  
*Biographies of WTO candidates*

prepared by Nicole Ellis, CalChamber international affairs assistant.

**Staff Contact: Susanne T. Stirling**

## Conditions Right for Delay in Minimum Wage Increase



The 2016 legislation setting up the schedule to increase the minimum wage, **SB 3 (Leno; D-San Francisco)**, enabled

the Governor to postpone by a year any of the annual step increases in the event of a major economic recession or state budget crisis.

Sponsors of the bill touted this temporary offramp as an improvement upon the then-proposed minimum wage increase ballot measure. Including the offramp likely made the difference in the bill's passage.

### Criteria for Postponing Increase

The purpose of assessing the econ-

omy, in the words of the statute, is "to ensure that economic conditions can support a minimum wage increase." This is how the assessment works:

- Is total seasonally adjusted nonfarm employment in June 2020 less than in March 2020,

*or*

- Is total seasonally adjusted nonfarm employment in June 2020 less than in December 2019,

*and*

- Are retail sales and use tax revenues for 2019–20 less than those revenues for 2018–19?

Current state conditions translate to checkmarks for all three criteria. The most conspicuous characteristics of this recession are massive unemployment and crashing retail sales.

The minimum wage law is designed

with economic sensitivity; if postponement is not indicated under this dire economic circumstance, then just when would this offramp apply?

The Governor has an opportunity by August 1 to help some of the most distressed businesses get back on their feet and rehire their workers by using his existing authority to postpone for one year the automatic increase in the minimum wage.

A fiscal analysis from the Department of Finance is expected at the end of this month. If the analysis concludes that economic conditions allow for suspension, then the Governor would be justified in using his authority to postpone the 2021 increase in the minimum wage until 2022. The jobs of thousands of low wage workers may hang in the balance.

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