

# ALERT

## CalChamber Presents Concise Ballot Guide



This edition of *Alert* includes a special report on the November

ballot measures, including brief summaries of the California Chamber of Commerce reasons for its positions on six of the 12 propositions.

On ballot measures where the CalChamber has no position, the special report summarizes arguments for and against the propositions as presented in the 112-page official voter information guide prepared by the California Secretary of State.

Below are the CalChamber positions on the November propositions:

### Oppose

Proposition 15: Split Roll Property Tax  
Proposition 21: Expands Rent Control  
Proposition 23: State Requirements for Kidney Dialysis Clinics

### Support

Proposition 16: Diversity in Public Employment, Education  
Proposition 20: Restricts Parole for Non-Violent Offenders  
Proposition 22: Employment Classification Rules for App-Based Drivers

For more information, see the [special report](#) inside.

## Governor Vetoes Job Killer 'Right to Recall' Mandate



On his final day to act on bills sent to him by the Legislature this year, Governor Gavin Newsom vetoed a California Chamber of Commerce-**opposed** job

killer proposal that would have imposed an onerous and stringent process for specific employers to return employees to the workforce.

**AB 3216 (Katra; D-San Jose)** would have imposed a "right to recall" mandate on certain California industries, such as hotels, event centers and airports, meaning employees who were laid off or furloughed as a result of COVID-19 must be hired back by the company according to seniority.

The CalChamber statement thanking the Governor for his veto of AB 3216 noted that the bill "would have delayed the rehire of thousands of employees and slowed the economic recovery of many employers who have been the hardest hit by this pandemic."

"We are grateful that the Governor chose not to further burden these industries at a time when they can least afford it."

The law would have required that an employee be returned by seniority to a position the employee formerly held or to a position for which the employee could be trained/qualified to perform.

*See Governor Vetoes: Page 3*

## HR Symposium to Cover COVID-19 Issues, Diversity in the Workplace in Virtual Format

2020 **HR SYMPOSIUM**  
VIRTUAL EXPERIENCE



The California Chamber of Commerce annual HR Symposium returns in 2020 as a virtual

event—live and on demand.

The virtual program features two half days of live presentations by top human resources subject matter experts on relevant workplace issues, such as new challenges created by COVID-19 and the unexpected shift in work culture.

This year's Symposium will be held on Thursday, November 5 for a lunch/afternoon session; and Friday, November 6 for a morning session.

Some of the featured sessions scheduled for the program include:

- Bridging the Influence Gap — Human Resources and Finance;
- COVID-19: When Does an Accommodation Pose a Direct Threat?;
- Employee Benefits in the Modern Era;
- How HR Can Foster a Diverse Workforce (confirmed title to be announced); and
- Ask the Experts: Join CalChamber's experts as they answer many of your pressing HR questions.

### Register Today

The deadline to register for the Symposium is October 29, 2020 or until all participant spaces are sold out. The price to attend the event is \$299 (\$239.20

*See HR Symposium: Page 4*

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- **Final Status of Major Business Bills: Pages 6–10**
- **November Ballot Propositions: Pages 11–15**

## Labor Law Corner

# Calculating Federal COVID-19 Paid Leave for Illness, Distance Learning



**David Leporiere**  
HR Adviser

*How much time is an employee entitled to use under federal COVID-19 law if he needs to stay home to supervise distance learning for his children but previously took time off for his COVID-19 illness?*

Recapping the specifics of your situation: One of your employees used his two weeks of Emergency Paid Sick Leave (EPSL) under the Families First Coronavirus Response Act (FFCRA) in May when he was infected with COVID-19. He then came to you to say that

he needs to stay home and watch over his children who are required to utilize distance learning for their schooling this year. You know that the FFCRA provides time off for this type of leave, but want to know how much time your employee is entitled to use.

### Two Forms of Paid Leave

The FFCRA provides two forms of paid leave: EPSL, and Expanded Family Medical Leave (EFMLA).

- The EPSL gives employees two weeks of paid time off for six reasons. Those reasons include being advised by a health care provider to self-quarantine due to reasons related to COVID-19 and to stay home to care for children whose school is closed, or for whom child care is unavailable due to COVID-19 reasons.

- The EFMLA provision of the FFCRA provides up to 12 weeks of time off to care for children whose school is closed, or for whom child care is unavailable due to COVID-19 reasons. Only 10 of the 12 weeks of time off are paid under the EFMLA. The first two weeks of EFMLA is unpaid.

However, an employee can choose to use his/her EPSL paid time during the first two unpaid weeks of EFMLA

leave, in which case the employee would be entitled to only a total of 12 weeks of time off under both provisions of the FFCRA.

### Specific Situation

In your situation, the employee had previously used his two weeks of EPSL; thus, that time is not available for him to use now that he has to stay home to watch his children.

As a result, he is entitled to 12 weeks of time off to care for his children while they cannot go to school, but the first two weeks of this latest leave will be unpaid.

If he has it available, the employee can use accrued paid time off (PTO) or vacation time during the two unpaid weeks of his leave. In total, this employee will receive 14 weeks of time off—the two weeks used in May under the provisions of the EPSL, and 12 weeks now under the EFMLA.

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*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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*Alert (ISSN 0882-0929) is published weekly during legislative session with exceptions by California Chamber of Commerce, 1215 K Street, Suite 1400, Sacramento, CA 95814-3918. Subscription price is \$50 paid through membership dues.*

*Send email address changes to [alert@calchamber.com](mailto:alert@calchamber.com). Publisher: Allan Zaremborg. Executive Editor: Ann Amiooka. Art Director: Neil Ishikawa. Capitol Correspondent: Sara Proffitt.*

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## CalChamber-Sponsored Seminars/Trade Shows

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

### International Trade

Agriculture Trade and COVID-19: Trade Barriers, Food Security and World Trade Organization Reform. Peterson Institute for International Economics. October 7, Webinar. (202) 328-9000.

Virtual Discover Global Markets: Growth Opportunities in Intelligent Manufacturing. U.S. Commercial Service. October 7–8, Online. (202) 482-2000.

U.S.-Mexico-Canada Agreement: Small and Medium Sized Enterprises: How Can the New Agreement Work for You? Governor's Office of Business and Economic Development (GO-Biz). October 15, Online. (877) 345-4633.

Taiwan Halal Online Trade Mission to Southeast Asia. Taiwan External Trade Development Council. October 15–November 26, Online.

Complying with U.S. Export Controls.

U.S. Department of Commerce Bureau of Industry and Security and Southern California District Export Council. October 20–23, Webinar. (949) 660-0144.

Security Mission for Economic Prosperity in El Salvador, Guatemala and Honduras. U.S. Department of Commerce, International Trade Administration. October 25–30. (703) 235-0103 or +503 2501-3060.

Hong Kong International Wine and Spirits Fair 2020. Hong Kong Trade Development Council. November 5–7, Hong Kong. (213) 622-3194.

**Next Alert: October 16**

## *The Workplace*

# New State Law Creates COVID-19 Supplemental Paid Sick Leave



In **Episode 90** of The Workplace podcast, CalChamber Executive Vice President and General Counsel Erika Frank and employ-

ment law expert Jennifer Shaw discuss AB 1867, which establishes COVID-19-related supplemental paid sick leave for some employees and took effect on September 19, 2020.

### Urgency Bill

While new laws typically take effect on January 1 of the new year, AB 1867 was passed as “urgency” legislation and took effect on September 19, Shaw tells listeners.

The law, Frank explains, was intended to close the gap between the federal Families First Coronavirus Response Act (FFCRA) leave provisions and an executive order signed in April by California Governor Gavin Newsom that granted supplemental sick leave benefits to food sector workers.

The law provides up to 80 hours of paid sick leave to food sector workers,

and some emergency responders and health care providers and businesses that employ 500 or more employees nationally. The FFCRA establishes a supplemental paid sick leave requirement for those industries as well, but the requirement is imposed on employers with fewer than 500 employees, Shaw says.

With AB 1867, now all employees in these sectors will be eligible for COVID-19-related supplemental paid sick leave, regardless of employer size, Frank tells listeners.

If an employer already provides a supplemental benefit, they will not be required to provide an additional 80 hours of leave under AB 1867, Shaw says.

Although the FFCRA provides employees with time off in case of school closures, AB 1867 does not allow the supplemental sick leave to be used for school closure purposes, Frank explains.

AB 1867 is scheduled to expire on December 31, 2020, which is also when the FFCRA is set to sunset. However, Shaw points out that the sunset date largely depends on the state of the COVID-19 pandemic and the possibility of a vaccine. Both AB 1867 and the FFCRA can be extended past December 31 if legislators choose to do so.

### Consult with Legal Counsel

Shaw recommends that employers who think they fall under the requirements of AB 1867 read the law carefully and consult with their legal counsel. Although AB 1867 is focused narrowly on food sector and some health care employees, the law contains many ambiguities.

It’s also important that employers designate someone within their workplace to handle COVID-19-related leaves, she says.

“All of these laws that we talk about on the podcast, all of the obligations that employers have—they are not static, they change. So you have got to have folks in your organization who are responsible for managing these changes and staying on top of what’s going on. It’s a lot,” Shaw tells listeners.

Shaw also cautions employers to be careful about where they obtain their labor law information because she has seen misleading and inaccurate information circulated.

The CalChamber offers a variety of resources to help employers comply with new laws. Check out the variety of webinars, posters, white papers and forms CalChamber has available by starting a [free 15-day trial](#). Visit [HRCalifornia.com](http://HRCalifornia.com) for more information.

## Governor Vetoes Job Killer ‘Right to Recall’ Mandate

*From Page 1*

Forcing employers to essentially retrain employees for different positions from which they previously held would have imposed significant costs on employers already struggling to recover from this pandemic. Failure to follow the prescriptive requirements of the bill could have resulted in a lawsuit under the Labor Code Private Attorneys General Act (PAGA).

The Governor’s September 30 veto message acknowledged that AB 3216’s requirements “place too onerous a burden on employers navigating these tough

challenges, and I would encourage the legislature to consider other approaches to ensure workers are not left behind.”

### Other Vetoes

Other CalChamber-opposed bills vetoed by the Governor this week include:

- **SB 972 (Skinner; D-Berkeley)** Corporate Shaming Tax Disclosure. The bill would have pierced 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 the

name, tax liability, total gross receipts, and amounts and types of tax credits for a taxpayer with \$5 billion or more in total gross receipts.

- **SB 1102 (Monning; D-Carmel)** Required Disclosures. The bill would have established new unnecessary and burdensome requirements on all employers to provide information to employees and imposed duplicative and unnecessary disclosure requirements for employers of H-2A employees.

To see the other actions by the Governor on priority business bills, see the [Final Status Report](#) in this *Alert*.



## Expansion of Family Rights Act to Small Employers Signed into Law



Legislation that will significantly expand the California Family Rights Act

to employers with 5 or more employees has been signed into law and will go into effect on January 1, 2021.

**SB 1383 (Jackson; D-Santa Barbara)** will require employers with 5 or more employees to provide up to 12 weeks of protected leave to qualified employees. It was one of two California Chamber of Commerce-opposed job killer bills to pass the Legislature this year.

Governor Gavin Newsom vetoed the other job killer, **AB 3216 (Katra; D-San Jose)**, the “right to recall” mandate.

In a news release following the signing of SB 1383 on September 17, the CalChamber stated: “While we are disappointed that Governor Newsom

signed SB 1383 and added a new burden to small employers at this time, CalChamber is urging small business owners to become familiar with the new requirements of this law as any mistake could result in a lawsuit.”

“Small businesses who employ 5 to 49 employees should pay close attention to what is now required of them when it comes to this new law and its expansion of California’s mandated protected leave programs,” said CalChamber President and CEO Allan Zaremborg.

The new law allows an employee to take protected leave to care for themselves or family members, including grandparents, grandchildren, siblings and parents-in-law, among others. The law also allows parents to take 12 weeks of protected leave for baby bonding following the birth, adoption or foster care placement of a child. This leave is on top of four months of protected time off already allowed for pregnancy disability leave.

Employers must reinstate an employee on leave to the same position they had when they return to their job. Employees can also take leave in increments, rather than using it in one allocation.

To qualify for the new leave program, an employee must have worked for the company for 12 months or provided 1,250 hours of service.

Small business employers must be mindful of the requirements of this new law because it sets forth a private right of action, where an employee can sue their boss for any inadvertent error made in administering the provisions of the leave program.

SB 1383 was the subject of [Episode 87](#) and [Episode 89](#) of The Workplace podcast, available at [www.calchamber.com/theworkplace](http://www.calchamber.com/theworkplace).

CalChamber will continue to educate small businesses on this new law in the coming weeks and months.

## HR Symposium to Cover COVID-19 Issues, Diversity in the Workplace in Virtual Format

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for CalChamber Preferred and Executive members).

Recordings of the program will be made available shortly after the Symposium ends.

For more details, including a list of speakers, visit the HR Symposium [webpage](#).

To register, visit [store.calchamber.com](http://store.calchamber.com).

## 2020 HR SYMPOSIUM VIRTUAL EXPERIENCE



# NOVEMBER 5 & 6

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# Cal/OSHA Standards Board Requests COVID-19 Draft Emergency Regulation



The Cal/OSHA Standards Board has voted to grant, in part, Petition 583, which sought the creation

of a COVID-19 emergency regulation for industries not already covered by the Aerosol Transmissible Diseases (ATD) Standard.

Specifically, on September 17, the Board approved its staff's proposed decision (<https://www.dir.ca.gov/oshsb/documents/petition-583-propdecision.pdf>), which provided for three things:

- The Division of Occupational Safety and Health (Division) must bring an emergency regulation to the Board for a vote at or before the Standards Board's November meeting.
- The Division must convene an advisory committee after the emergency regulation goes into effect.
- The Division must convene an advisory committee after the COVID-19 state of emergency is lifted to discuss the potential for a new, "airborne infectious diseases" standard, which would include "novel pathogens."

## Prevents Stakeholder Input

What should concern everyone watching is that the first two elements—a two-month deadline and a post-facto advisory committee—effectively prevent any stakeholder input before the emergency regulation goes into effect. Although the emergency regulation's text will presumably be released two weeks before the November vote, by that point any real changes will be impossible.

That is a huge concern for anyone who values stakeholder input in the regulatory process, but also for those concerned about the regulation's effectiveness at protecting workers. Because, despite their best intentions and best

efforts, Division staff cannot always anticipate how a draft regulation's text might apply to every workplace in our broad and diverse state.

That is the reason that stakeholder input is so critical for regulations. Without it, regulations may contain omissions, errors, or fail to address the realities of the broad range of workplaces in California. And, as anyone who works in Sacramento knows, the same is certainly true of legislation—despite the best efforts of staff and legislators, the initial draft often fails to hit the nail on the head.

## Unintended Problems

For a regulatory example, we need look no further than last year's Wildfire Smoke Protection Emergency Regulation which, despite multiple productive advisory committee meetings with both labor and business stakeholders, still went into effect with some infeasible and vague requirements.

And that is not just my opinion. The members of the Standards Board themselves acknowledged concerns about its text when they approved it, and they urged a follow-up advisory committee in the hope that it could be cleaned up.

Fast forward to the present: that emergency regulation still requires all employers with outdoor employees to stockpile N95 respirators, which are not commercially available and haven't been for most of this year.

So, we can see how unintended problems arise when regulations are rushed—and remember, the COVID-19 emergency regulation will have even less stakeholder input before it goes into effect.

## Reason Lacking

The other curious part of the vote was that there doesn't appear to have been a reason to skip stakeholder input and impose a two-month deadline. I know, I know—COVID-19 is certainly still a problem in California; I agree. But hear me out.

The Division already has authority to enforce its COVID-19 industry-specific guidance documents, and has been doing so, as its own press releases acknowledge (<https://www.dir.ca.gov/DIRNews/2020/2020-76.html>).

So, if the Division is already issuing citations to protect workers in California's workplaces . . . why push out an emergency standard without any stakeholder input? Particularly when businesses across the state are already trying to keep up with a dizzying array of ever-changing state, county and local health guidelines?

## Employer Alert

Finally, employers should be on alert because the initial petition, submitted by Worksafe, included proposed text for the draft emergency regulation (<https://www.dir.ca.gov/oshsb/documents/petition-583.pdf>). Although the Division is not compelled to use Worksafe's text in drafting the emergency regulation, the short timeline for approval means that there is a very real potential the Division has used that as a starting point—and Worksafe's draft contained multiple feasibility concerns for employers.

To be clear—none of this is intended to lessen the severity of COVID-19 or suggest it is not an urgent concern. COVID-19 is certainly at the center of all our lives, and where employers are not being safe, they should face enforcement. But if the Division is already working to protect workers from COVID-19 in the workplace and issuing citations to employers who do not comply—then why rush a duplicative regulation with no stakeholder input?

Let's hope that the Division's draft regulation is flawless and feasible, because it looks like there will be little chance for stakeholders to have meaningful input before it goes into force.

**Staff Contact: Robert Moutrie**

# Final Status Report on Major Business Bills

The following list summarizes the final status of California Chamber of Commerce priority bills that were sent to the Governor this year.

The CalChamber will publish a record of legislators' votes on key bills affect-

ing the California business climate on October 23. Generally, the bills selected for the vote record have appeared in one of the status reports.

Bills signed by the Governor will become law on January 1, 2021 unless

otherwise stated. Urgency, tax and budget-related measures go into effect immediately upon being signed, so the date the bill was signed is noted.

| Subject—CalChamber Position   | Status             |
|---|--------------------|
| <b>Agriculture, Food and Natural Resources</b>  |                    |
| <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.  | Signed—Chapter 299 |
| <b>Gaming/Alcohol</b>   |                    |
| <b>Business Expansion.</b> AB 2459 (Bigelow; R-O'Neals) Increases the number of liquor licenses in Mariposa and Napa counties for new restaurants. Support.   | Signed—Chapter 53  |
| <b>Hazardous Waste</b>  |                    |
| <b>Regulatory Reform.</b> AB 995 (Cristina Garcia; D-Bell Gardens) If amended, would create a science-based board responsible for recommending streamlining and other changes to improve timeliness of permit reviews and cleanup decisions. Creates fee task force to evaluate any fee increases imposed on business. Support If Amended.  | Vetoed             |
| <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. Opposition removed due to August 24, 2020 amendments. Neutral.  | Signed—Chapter 308 |
| <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.   | Signed—Chapter 222 |
| <b>Health Care</b>  |                    |
| <b>Increases Health Care Costs.</b> AB 2360 (Maienschein; D-San Diego) Amended so health plans are mandated to "provide access" rather than "establish" a maternal and child psychiatric telehealth consultation program. This should have a limited cost increase to employers since the California Health Benefits Review Program estimates 74% of commercial and California Public Employees' Retirement System enrollees already have a psychiatric eConsult program. Oppose. | Vetoed             |
| <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. Amended to delete the creation of a private right of action and class action for violations of its provisions. Oppose.  | Signed—Chapter 151 |

| Subject—CalChamber Position | Status |
|-----------------------------|--------|
|-----------------------------|--------|

## 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> | Signed—Chapter 193 |
| <b>Promotes Housing.</b> AB 1561 (Cristina Garcia; D-Bell Gardens) Encourages local governments to consider the impacts their zoning decisions have on communities of color and extends the expiration date of building permits or other entitlements necessary for, or pertaining to, a housing development project. Support.   | Signed—Chapter 195 |

## Industrial Safety and Health

|   |                            |
|---|----------------------------|
| <b>Unclear and Unfair COVID-19 Notice.</b> AB 685 (Reyes; D-San Bernardino) Gut and amend calls for notice within one business day after any potential exposure to COVID-19 in the workplace, but exact requirements on employers remain vague regarding who receives notice and what documents must be provided. Also, California Department of Public Health to publish COVID-19 cases in specific worksites, but fails to separate good and bad employers or identify which cases are due to social spread. Oppose.  | Signed—Chapter 84          |
| <b>COVID-19 Information for Ag Workers.</b> . AB 2043 (Robert Rivas; D-Hollister) Requires the Division of Occupational Safety and Health to provide information in English and Spanish to agricultural workers regarding the risks of COVID-19 and engage with community organizations to help spread this safety information, including via Spanish language radio commercials. Also requires the Division to compile data related to COVID-19 workplace investigations for agricultural employers. Includes a sunset provision for all provisions to terminate with the state of emergency. Opposition removed due to July 28, 2020 amendments. Support. | Signed 9/28/20—Chapter 212 |

## Labor and Employment

|  |                    |
|--|--------------------|
| <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>  | Signed—Chapter 86  |
| <b>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. Oppose/ <b>Job Killer 2020.</b>  | Vetoed             |
| <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.  | Signed—Chapter 363 |
| <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. Opposition and job killer tag removed due to July 21, 2020 amendments. No Position/ <b>Former Job Killer 2020.</b> | Signed             |
| <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.   | Signed             |

| Subject—CalChamber Position   | Status                   |
|---|--------------------------|
| <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.   | Signed                   |
| <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.  | Vetoed                   |
| <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.  | Signed 9/4/20—Chapter 38 |
| <b>Security Officers: Rest Periods.</b> AB 1512 (Carrillo; D-Los Angeles) Authorizes security guards covered by a collective bargaining agreement to be required to remain on the premises, remain on call, and carry and monitor a communication device, during rest periods. Support.   | Signed                   |
| <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> .  | Signed—Chapter 224       |
| <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.   | Signed                   |
| <b>Budget Trailer Bill.</b> AB 1867 (Committee on Budget) is part of the Governor’s economic package. It goes into effect immediately upon signature. It does the following: 1) establishes the “small employer mediation pilot program,” which is designed as an amendment to SB 1383, the Governor’s family and medical leave expansion bill; and 2) establishes a “COVID-19 supplemental paid sick leave” requirement for food sector employees, employees who work for businesses with more than 500 employees, certain health care providers, and certain emergency responders. No Position. | Signed 9/9/20—Chapter 45 |

## 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.  | Signed—Chapter 73         |
| <b>Third Party Food Delivery.</b> AB 3336 (Carrillo; D-Los Angeles) Before amendments, would have imposed 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. Opposition removed due to August 24, 2020 amendments. Neutral. | Signed—Chapter 105        |
| <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.   | Signed 9/11/20—Chapter 76 |



| Subject—CalChamber Position   | Status                     |
|---|----------------------------|
| <b>Privacy and Cybersecurity</b>  |                            |
| <b>California Consumer Privacy Act.</b> AB 1281 (Chau; D-Monterey Park) Extends existing employee and business-to-business exemption under CCPA by one year, to January 1, 2022, contingent upon the failure of the California Privacy Rights Act of 2020 to pass in the November 2020 election. Support.   | Signed—Chapter 268         |
| <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.   | Signed 9/25/20—Chapter 172 |
| <b>DNA and Testing Privacy, COVID-19 Testing Companies.</b> SB 980 (Umberg; D-Santa Ana). Prohibits direct-to-consumer genetic or illness testing services companies from disclosing a person's genetic information to a third party without obtaining prior consent, as specified. Imposes penalties and allows actions for relief to be filed by city attorneys or similar, as specified. Oppose.                                   | Vetoed                     |
| <b>Product Regulation</b>   |                            |
| <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.   | Signed—Chapter 314         |
| <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. | Signed—Chapter 272         |
| <b>Taxation</b>   |                            |
| <b>Small Business Hiring Tax Credit.</b> SB 1447 (Bradford; D-Gardena) Encourages job growth and economic recovery by providing certain small employers with a tax credit of \$1,000 per new hire above an established baseline. Small businesses are entitled to up to \$100,000 in hiring tax credits. Support.   | Signed 9/9/20—Chapter 41   |
| <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 the name, tax liability, total gross receipts, and amounts and types of tax credits for a taxpayer with \$5 billion or more in total gross receipts. Oppose.             | Vetoed                     |
| <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.   | Signed—Chapter 124         |
| <b>CARES Act Tax Relief.</b> AB 1577 (Burke; D-Inglewood) Allows struggling businesses to exclude the amount of Paycheck Protection Program loans provided to them under the CARES Act from state income taxes and forgives the recipient's loan debt when the funds are used for mortgage, rent, utilities, and payroll costs. Support.  | Signed 9/9/20—Chapter 39   |

| Subject—CalChamber Position   | Status                    |
|---|---------------------------|
| <b>Unemployment Insurance</b>   |                           |
| <p><b>Unemployment Funds.</b> AB 1066 (Lorena Gonzalez; D-San Diego) Gut and amend of former job killer baselessly attempts to place on employers Employment Development Department (EDD) delay in distributing unemployment insurance benefits by creating an unnecessary and vague statutory deadline for employers to respond to EDD requests. Deadline particularly unnecessary because regulations already provide specific deadlines for all EDD requests. Also adds potential for inefficient and unnecessary Attorney General enforcement of any overdue payments to EDD. Oppose.</p> | Vetoed                    |
| <p><b>Streamlining California's Workshare Program.</b> AB 1731 (Boerner Horvath; D-Encinitas) Streamlines the application process for California's workshare programs, including shortening application timelines and guaranteeing initial approval, in order to make it easier for employers to voluntarily utilize the program to keep staff on at a reduced schedule. Also provides for EDD to collaborate with the Governor's Office of Business and Economic Development (GO-Biz) to increase employer participation. Opposition removed due to August 25, 2020 amendments. Support.</p> | Signed—Chapter 209        |
| <b>Workers' Compensation</b>  |                           |
| <p><b>Workers' Compensation: COVID-19.</b> SB 1159 (Hill; D-San Mateo) Establishes a largely unworkable rebuttable workers' compensation presumption for COVID-19 that would "trigger on" based on the number of infections at a specific place of employment over a rolling 14-day period. The complexity of this presumption mechanism is disastrously complex, would lead to litigation and increase costs across the entire workers' compensation system, and would be on the books for four years. Oppose.</p>   | Signed 9/17/20—Chapter 85 |

## Capitol Insider

presented by CalChamber



The Capitol Insider blog presented by the California Chamber of Commerce offers readers a different perspective on issues under consideration in Sacramento.

Sign up to receive notifications every time a new blog item is posted at [capitolinsider.calchamber.com](http://capitolinsider.calchamber.com).

# Overview of November Ballot Measures

Following are brief summaries of the measures that will appear on the November 3 General Election ballot. When the California Chamber of Commerce has taken a position, the reasons for that position are summarized.

The CalChamber encourages employers to share this information with their employees. Businesses are within their

rights to do so—just remember: NO PAYCHECK STUFFERS, no coercion, no rewarding or punishing employees (or threatening to do so) for their political activities or beliefs.

For more guidelines on political communications to employees, see the brochure at [www.calchamber.com/guidelines](http://www.calchamber.com/guidelines). Note the distinction between

*internal* communications (to employees, stockholders and their families) and communications to *external* audiences (such as nonstockholder retirees, outside vendors, customers and passersby).

For more information on the ballot measures, see the links listed below or visit the website of the Secretary of State at [www.sos.ca.gov](http://www.sos.ca.gov).

## Proposition 14

### NO POSITION

#### **Authorizes Bonds Continuing Stem Cell Research. Initiative Statute.**

Authorizes \$5.5 billion in state bonds for stem cell and other medical research, including training; research facility construction; administrative costs.

**Placed on Ballot by:** Petition signatures.

**CalChamber Position:** No Position,

#### **Ballot Arguments For**

Proposition 14 funds further development of treatments and cures for chronic, life-threatening diseases like cancer, Alzheimer's, Parkinson's and kidney disease. Builds on medical discoveries, increases patient access and affordability,

stimulates the California economy and ensures strict accountability.

#### **More Information**

[www.YESon14.com](http://www.YESon14.com)

#### **Ballot Arguments Against**

Commits funding the state cannot afford during current economic and budget crisis. Funds a state agency with management challenges and poor results. Servicing the debt of Proposition 14 could increase pressure for higher taxes or layoffs of public employees.

#### **More Information**

[writejohnseiler@gmail.com](mailto:writejohnseiler@gmail.com)

## Proposition 15



#### **Changes Tax Assessment of Commercial and Industrial Property. Initiative Constitutional Amendment.**

Split roll taxes commercial and industrial properties based on current market value instead of purchase price.

**Placed on Ballot by:** Petition signatures.

**CalChamber Position:** Oppose

#### **Reasons for Position**

Proposition 15 is a \$12.5 billion a year property tax increase—the largest in state history. The measure is riddled with flaws that will hurt all Californians, increasing the cost of living and making everything

more expensive, including food, gas, utilities, day care and health care. The measure repeals the taxpayer protections of Proposition 13 that have kept property taxes affordable. Proposition 15 proponents have admitted that homeowner protections are next. Proposition 15 will hurt the small businesses that employ more than half of all California employees. The measure lacks accountability and will not help local governments and schools recover from the COVID-19-induced economic crisis.

#### **More Information**

[www.NOonProp15.org](http://www.NOonProp15.org)

## Proposition 16



### **Allows Diversity as a Factor in Public Employment, Education, and Contracting Decisions. Legislative Constitutional Amendment.**

Permits government decision-making policies to consider race, sex, color, ethnicity or national origin to address diversity by repealing the constitutional provision prohibiting such policies.

**Placed on Ballot by:** ACA 5 (Weber; D-San Diego), Chapter 23, Statutes of 2020.

**CalChamber Position:** Support

#### **Reasons for Position**

The constitutional provision aimed at pre-

venting discrimination based on race or gender has had an adverse impact on a generation of minority students, entrepreneurs and job seekers. By repealing that provision, Proposition 16 will enable cities, counties and the state to expand equal opportunity to all Californians. For example, public entities will be able to create targeted programs to retain, recruit and promote women and people of color for law enforcement positions. The state's public university systems will be able to make sure the student body and faculty are a better reflection of the diversity of California's population.

#### **More Information**

[VoteYesOnProp16.org](http://VoteYesOnProp16.org)

## Proposition 17

**NO POSITION**

### **Restores Right to Vote after Completion of Prison Term. Legislative Constitutional Amendment.**

Restores voting rights to convicted felons who have completed their prison term and are on parole.

**Placed on Ballot by:** ACA 6 (McCarty; D-Sacramento), Chapter 24, Statutes of 2020.

**CalChamber Position:** No Position

#### **Ballot Arguments For**

Restoring a citizen's right to vote after completing a prison term aligns California with other states. A recent parole

commission report found that citizens who complete their prison term and have their voting rights restored are less likely to commit future crimes.

#### **More Information**

[Yeson17.vote](http://Yeson17.vote)

#### **Ballot Arguments Against**

Proposition 17 will grant violent criminals the right to vote before completing their sentence, including parole, and before paying their debt to society. It denies justice to crime victims.

#### **More Information**

<https://www.eip-ca.com/>

## Proposition 18

**NO POSITION**

### **Permits Some 17-Year-Olds to Vote. Legislative Constitutional Amendment.**

Amends the California Constitution to permit 17-year-olds to vote in primary and special elections if they will turn 18 by the next general election.

**Placed on Ballot by:** ACA 4 (Mullin; D-South San Francisco), Chapter 30, Statutes of 2020.

**CalChamber Position:** No Position

#### **Ballot Arguments For**

Proposition 18 will allow first-time voters to participate in a full election cycle if they are 18 years old by the time of the general election. The measure is needed to boost youth civic engagement in elections and help create more lifelong

participants in the most fundamental process of democracy.

#### **More Information**

[CAprop18.com](http://CAprop18.com)

#### **Ballot Arguments Against**

Both federal and state governments have set the age of legal responsibility at 18, reflecting evidence that logic and reasoning abilities vital to responsible voting are not fully developed in younger teens. Decisions on who will hold the power to make and enforce laws, whether to increase taxes and other complex issues should be made by voters who are legally adults, not minors.

#### **More Information**

<https://www.eip-ca.com/>



## Proposition 19

### NO POSITION

#### **Changes Certain Property Tax Rules. Legislative Constitutional Amendment.**

Allows homeowners who are over 55, disabled or wildfire/disaster victims to transfer primary residence's tax base to replacement residence. Changes taxation of family property transfers. Establishes fire protection services fund.

**Placed on Ballot by:** ACA 11 (Mullin; D-South San Francisco), Chapter 31, Statutes of 2020.

**CalChamber Position:** No Position

#### **Ballot Arguments For**

Proposition 19 allows seniors, severely disabled homeowners and wildfire victims to carry their existing Proposition 13

property tax basis to new homes purchased anywhere in California. It closes tax loopholes used by out-of-state investors and protects Proposition 13 savings.

#### **More Information**

[www.Yeson19.vote](http://www.Yeson19.vote)

#### **Ballot Arguments Against**

Proposition 19 is a billion-dollar tax increase on families. It takes away one of the best tools parents have to help their children—the right, enshrined in the California Constitution since 1986, to pass along their home and other property without any increase in property taxes.

#### **More Information**

[www.HJTA.org](http://www.HJTA.org)

## Proposition 20



#### **Restricts Parole for Non-Violent Offenders. Authorizes Felony Sentences for Certain Offenses Currently Treated Only as Misdemeanors. Initiative Statute.**

Limits access to parole program established for nonviolent offenders who have completed the full term of their primary offense by eliminating eligibility for certain offenses.

**Placed on Ballot by:** Petition signatures.

**CalChamber Position:** Support

#### **Reasons for Position**

Proposition 20 discourages organized retail

thefts by increasing penalties and saves retailers thousands of dollars in lost merchandise and loss prevention programs. It includes a felony for “serial theft.” A person caught stealing merchandise valued at more than \$250 three separate times would face felony charges. The measure also expands the list of violent crimes for which early release isn't an option. Requires the Board of Parole Hearings to consider an inmate's entire criminal history when deciding parole, not just his/her most recently committed offense.

#### **More Information**

[YesOn20.org](http://YesOn20.org)

## Proposition 21



#### **Expands Local Governments' Authority to Enact Rent Control on Residential Property. Initiative Statute.**

Allows local governments to establish rent control on residential properties over 15 years old. Allows local limits on annual rent increases to differ from current statewide limit. Exempts units owned by individuals who own no more than two single-family dwellings.

**Placed on Ballot by:** Petition signatures.

**CalChamber Position:** Oppose

#### **Reasons for Position**

A substantial body of economic research and the Legislative Analyst's Office conclude that rent control depresses new residential construction, decreases afford-

ability of most units, encourages gentrification and creates spillover effects into surrounding neighborhoods. By discouraging new construction, rent control exacerbates the housing shortage that is the underlying cause of the state's high housing costs. The ballot measure is unnecessary in the wake of legislation signed last year (AB 1482), which caps annual rent increases at 5% plus inflation for tenants, and requires that a landlord have a just cause, as defined in the law, to evict tenants that had occupied the rental for at least one year. AB 1482 included exemptions for housing built in the last 15 years and some single-family homes and duplexes. It was designed to sunset after 10 years.

#### **More Information**

<https://noonprop21.vote>

## Proposition 22



### **Changes Employment Classification Rules for App-Based Transportation and Delivery Drivers. Initiative Statute.**

Classifies app-based drivers as independent contractors instead of employees and provides independent contractor drivers other compensation, unless certain criteria are met.

**Placed on Ballot by:** Petition signatures.

**CalChamber Position:** Support

### **Reasons for Position**

Passage of Proposition 22 will ensure that thousands of workers continue to have access to app-based work that provides a

flexible option to earn income. Supporting app-based drivers in the gig economy is critical to a diverse and robust economy. In light of the economic turmoil created by COVID-19, it is more important than ever to do everything possible to position the state for a robust comeback. The measure will provide important clarifications for determining who is an independent contractor and eliminate costly and ongoing litigation against companies in the gig economy. It also outlines wage and benefit guarantees, as well as other protections for drivers and passengers.

### **More Information**

[www.VoteYesProp22.com](http://www.VoteYesProp22.com)

## Proposition 23



### **Establishes State Requirements for Kidney Dialysis Clinics. Requires On-Site Medical Professional. Initiative Statute.**

Requires physician, nurse practitioner or physician assistant on site during dialysis treatment. Prohibits clinics from reducing services without state approval or from refusing to treat patients based on payment source.

**Placed on Ballot by:** Petition signatures.

**CalChamber Position:** Oppose

### **Reasons for Position**

Because dialysis treatment is prescribed by

a patient's personal nephrologist and administered by specially trained nephrology nurses and patient care technicians, the physician on site requirement is unnecessary and would increase costs of care dramatically. The increased costs would be passed on to everyone in the form of higher insurance premiums and higher taxes for government-sponsored health care. It has been estimated that nearly half of the 600 dialysis clinics in the state would become financially unsustainable due to Proposition 23, resulting in closure of some clinics and reduced care options for sick patients.

### **More Information**

[NoProposition23.com](http://NoProposition23.com)

## Proposition 24

**NO POSITION**

### **Amends Consumer Privacy Laws. Initiative Statute.**

Permits consumers to prevent businesses from sharing personal information, correct inaccurate personal information and limit businesses' use of "sensitive personal information," including precise geolocation, race, ethnicity and health information. Establishes California Privacy Protection Agency.

**Placed on Ballot by:** Petition signatures

**CalChamber Position:** No Position

### **Ballot Arguments For**

Consumers need stronger privacy protections. Proposition 24 will triple fines for violations involving children's information, put limits on companies' collection and use of personal information and set up

an enforcement agency to defend consumer rights and hold companies accountable. The initiative will make it harder to weaken privacy in California in future.

### **More Information**

[www.caprivacy.org](http://www.caprivacy.org)

### **Ballot Arguments Against**

Proposition 24 reduces privacy rights in California by weakening privacy protections in current law. The measure allows "pay for privacy" schemes, makes workers wait years to learn what confidential information employers collect about them and makes it harder to stop tech giants from selling personal information.

### **More Information**

[mail@RealPrivacyNoOn24.org](mailto:mail@RealPrivacyNoOn24.org)

## Proposition 25

### NO POSITION

#### Referendum on Law that Replaced Money Bail with System Based on Public Safety and Flight Risk.

A “yes” vote approves and a “no” vote rejects a law replacing money bail with a system based on public safety and flight risk.

**Placed on Ballot by:** Petition signatures.

**CalChamber Position:** No Position

#### Ballot Arguments For

Yes on 25 replaces money bail with a fairer, safer and less costly process. Under current law, a person who can afford to pay a bail bond company goes free until trial. Someone who can’t afford to pay bail, even if innocent, stays in jail. The current system discriminates against poor and minority Californians.

#### More Information

[yesoncaprop25.com](http://yesoncaprop25.com)

#### Ballot Arguments Against

Proposition 25 replaces every Californian’s option to post bail and imposes a computer-based profiling system run by a government bureaucracy that will create more biased outcomes against people of color and those from economically disadvantaged areas. Communities will be less safe and the system will cost taxpayers hundreds of millions of dollars each year.

#### More Information

[StopProp25.com](http://StopProp25.com)

## CalChamber Positions on November 2020 Ballot Measures

| Proposition    | Subject   | Position    |
|----------------|---|-------------|
| Proposition 14 | Stem Cell Research Bonds. . . . .   | No Position |
| Proposition 15 | Split Roll Property Tax . . . . .   | Oppose      |
| Proposition 16 | Diversity in Public Employment, Education, Contracting . . . . .                            | Support     |
| Proposition 17 | Right to Vote after Completing Prison Term . . . . .  | No Position |
| Proposition 18 | Voting for 17-Year Olds. . . . .  | No Position |
| Proposition 19 | Property Tax Rules for Seniors, Disabled and Wildfire Victims . . . . .                     | No Position |
| Proposition 20 | Restricts Parole for Non-Violent Offenders. . . . .   | Support     |
| Proposition 21 | Expands Local Governments’ Authority to Enact Rent Control on Residential Property. . . . . | Oppose      |
| Proposition 22 | Employment Classification for App-Based Drivers . . . . .                                   | Support     |
| Proposition 23 | State Requirements for Kidney Dialysis Clinics . . . . .                                    | Oppose      |
| Proposition 24 | Amends Consumer Privacy Laws . . . . .  | No Position |
| Proposition 25 | Referendum on Replacing Money Bail System. . . . .  | No Position |

## *A View from Indonesia*

# Young, Tech Savvy Population Provides Strong Core for Building Future Investment



*The following answers to questions posed by the California Chamber of Commerce are from Simon*

*D.I. Soekarno, consul general of the Republic of Indonesia in San Francisco.*

## **Indonesia-California Relations**

*Please describe your thoughts on the unique relationship between Indonesia and California.*

Certainly, Indonesia is conscious of the strength of California as the world's fifth largest economy, and always looks forward to maintaining good relations with California.

Not only is California a gateway for Indonesian products, but for the Indonesian community on the West Coast as well. There are more than 80,000 Indonesian people living in California (Northern and Southern California) with various occupations—from students to professionals and business sectors.

We are confident the Indonesian people can bring a positive impact to California's vibrant community and can contribute to California's growth.

Indonesia and the United States have a solid trade relationship in which both countries complement each other's industries and domestic needs.

California particularly is a strong trade partner for Indonesia. Ports in California—Oakland, Los Angeles and Long Beach—are gateways for export and import activities.

We take note that in 2019, total trade between Indonesia and California reached US\$6 billion, with Indonesia's top export products including apparel, fish products, machinery, footwear and furniture.

Meanwhile, California's top exports to Indonesia included dairy products, machinery, edible fruit and nuts, wood pulp, and iron and steel. Those products are important for our people; thus it is important for both of us to work together in promoting our trade relations.

The information technology (IT) sector is also the strength in Northern

California. Several big IT companies from Silicon Valley, such as Google, Facebook and Apple, have already opened their offices in Jakarta and made contributions through various programs for human capital development in Indonesia.



**Consul General Simon D.I. Soekarno, Consulate General of Indonesia in San Francisco**

Young generations in Indonesia also learn a lot from Silicon Valley in building startups. We certainly hope in the future the collaborations between Indonesia and California in IT and startups can be more developed.

## **COVID-19 Impact on Indonesia**

*As countries all over the world feel the pandemic, what is the economic impact of COVID-19 on Indonesia?*

As in most countries, the COVID-19 pandemic has brought challenges for the national economy in Indonesia, including for the daily economy of our people.

As a clear example, Indonesia as a world-holiday destination gets a hard hit in the tourism sector. A lot of people who depend on tourism—such as travel agents, local guides, restaurants and souvenir shops—must face economic difficulties as no visitors or customers come.

Recently, some cities have had to

again impose social restrictions policy because of the second wave of COVID-19. And as of this month, the number of unemployed in Indonesia reached 10 million people.

From a macroeconomic perspective, Indonesia is resilient in facing those challenges due to COVID-19. In the first quarter of 2020, when other countries started to slow down, the economic growth in Indonesia reached 2.97%.

It is unavoidable that in the second quarter our growth contracted to -5.32% year-over-year 2019 as the global economy got a huge effect. Internally, the declining of economic growth is caused by decreasing domestic consumption, unemployment, and social restriction policy.

To tackle these challenges, the Indonesian government under President Joko Widodo has set policies for post-COVID-19 economic recovery. The state budget is prioritized for public health and public safety, protection and social safety nets for vulnerable communities, and also for business protection.

The aids or stimulus packages from the government for Indonesian people in need or those with lower income include packages of groceries, cash, incentives for electricity bills, pre-employment cards, a subsidy for employees, aids for small and medium enterprises, as well as for small villages. The Ministry of Foreign Affairs also established a Team for the Advancement of Economic Recovery to attract more foreign investments and offers various tax incentives and facilities.

We have to keep our optimism high and work together to recover our economic sector. We are fortunate that the trade volume between Indonesia and the United States from January to July 2020 decreased only 2.88% year-over-year 2019.

In addition, during this period, the value of Indonesia exports to the United States, such as machinery, furniture and wood products, fish products, fats, and coffee, tea and spice products, increased.

Therefore, I believe that as the world

*See Tech Savvy: Page 17*



## Tech Savvy Population Provides Strong Core for Future Investment

From Page 16

works together to find the best cure for COVID-19, we also have to walk together to recover our economy for the survival of our people.

### Challenges/Opportunities

*As one of the most populous nations in the world, and with Indonesia's rapid economic rise and emphasis on trade, what are the challenges and opportunities facing your country?*

According to McKinsey, Indonesia is the 16th largest and growing economy and has one of the most consistent growth rates over the past 10 years, with gross domestic product at \$878 billion.

Given Indonesia's stable economic growth of more than 5% per annum before the pandemic, and its politically stable and maturing democracy, McKinsey also estimates that Indonesia will be the seventh largest economy in the world in 2030 and the fifth largest in 2045.

Indonesia is the fourth most populous

country with 272 million people (2020), 64 million of them in the middle affluent class. It is the gateway to the Southeast Asia population of 650 million, the world's third largest market.

Among them, Indonesia has a young and tech savvy population in which 2 of 3 people are of working age and the average age is 28. A high proportion are internet users and active on social media. The digital economy is strong with a high annual growth rate.

Therefore, it is inevitable that the young population becomes our strength to develop our economy. The young generation or millennials have global connections, creativity and initiatives to think outside the box on creating new employment opportunities, including through startups, small and medium enterprises, or even large-scale companies.

I think these factors become our opportunities in the future. Therefore, Indonesia needs to maintain the chances

for everybody—including our young generation—to participate in the development of the Indonesian economy. Such policies should be simplified as well to attract global players to invest and do business in Indonesia.

In that regard, I invite business communities in California, including investors, to do business in Indonesia. Indonesia has capacity and capability for productions amongst all food and beverage, textile and apparel, automotive, chemicals, electronics, and furniture products.

With an estimated US\$100 billion internet economy by 2025, Indonesia offers huge avenues for digital investment. With a strategic location in Southeast Asia and untapped market opportunities, both in Indonesia and in the region, and including various facilities and friendly policies, Indonesia will be a great spot as your investment destination.

**Staff Contact: Susanne T. Stirling**

## Face Mask and Safe Distancing Reminders for Your Workplace

 **CalChamber**  
HR Expert & Business Advocate™



COVID-19 still remains a very real threat to everyone's health and safety.

Use CalChamber's eye-catching posters and floor decals to remind employees, customers, and visitors to always wear masks and keep at least 6 feet away from each other.

Spread the word to stop the spread of coronavirus. Let's help keep California open for business.

Preferred and Executive members receive their 20 percent member discount.

**PURCHASE TODAY** at [calchamber.com/staysafe](https://calchamber.com/staysafe) or call (800) 331-8877.