

# ALERT

## Lucas Public Affairs CEO to Chair CalChamber in 2021



Donna L. Lucas

Donna L. Lucas, chief executive officer and president of Lucas Public Affairs (LPA), has been elected the 2021 chair of the California Chamber of Commerce Board of Directors.

“California will recover from the devastating impacts of COVID-19, and employers of all sizes and sectors will play a pivotal role in our strong economic rebound,” Lucas said. “The CalChamber will continue to be a leading voice for business, recognizing that success at rebuilding the economy depends on having workforces that reflect our communities. We are committed to investing in a more diverse and inclusive workforce.”

Serving with Lucas as 2021 officers of the CalChamber Board are:

- **First Vice Chair Kailesh Karavadra**, West Growth Markets leader, Ernst & Young LLP;
- **Second Vice Chair Gregory S. Bielli**, president and chief executive officer, Tejon Ranch Company; and
- **Third Vice Chair Janet A. Liang**, president – Northern California, Kaiser Foundation Hospitals and Health Plan, Inc.

### Donna L. Lucas

For Lucas, opening LPA in 2006 is the latest chapter of a 30-year career that includes senior executive positions in the public and private sectors.

The Sacramento-based agency counsels clients across a wide swath of sectors, including energy, environment, health care, higher education, technology,

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## Governor Names New Business Adviser



Dee Dee Myers

Governor Gavin Newsom has named longtime political strategist Dee Dee Myers as his senior adviser and director of the Governor's Office of Business and Economic Development (GO-Biz).

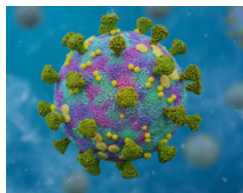
The appointment of Myers as the Governor's top economic adviser is “good news,” the California Chamber of Commerce said in a statement. “Dee Dee's deep political experience, exceptional leadership and communication skills will benefit California's businesses and our economy as we all pull together to overcome the fallout of the pandemic. In her new role, Dee Dee will be instrumental in ensuring a bright economic future for our state's small and large businesses, California trade and tourism industries, and our agricultural operations.”

Myers responded in a tweet that she looks forward to working with the CalChamber and “our great California businesses to create an economy that works for all!”

Myers joined the Newsom administration in May as a volunteer at the peak of the COVID-19 public health crisis, work-

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## COVID-19 Update: Vaccines, Smartphone App



As the first doses of a COVID-19 vaccine arrived in California this week, front-line health care workers and residents

of long-term care facilities were among the first to be vaccinated.

Last week, the state rolled out a smartphone app that would enable those who downloaded and installed it to receive notifications if exposed to another app user who tested positive for COVID-19.

Details on the Bluetooth-powered notification app, its privacy protections and download instructions are available at <https://canotify.ca.gov/>.

California Chamber of Commerce policy advocate Preston Young will be joining a broad coalition of community stakeholders on the state's Community Vaccine Advisory Committee. The committee will help guide the state's decision making about COVID-19 vaccine distribution and allocation.

State officials plan to leverage a well-established existing immunization framework and emergency response infrastructure to coordinate efforts between state, local, and territorial authorities to distribute and administer the vaccine. Read more [on our website](#).

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## Labor Law Corner

# California's New Series of COVID-19 Reporting Requirements



**Matthew J. Roberts**  
Employment Law  
Counsel/Subject  
Matter Expert

*One of my employees just reported that they tested positive for COVID-19. Do I have to report this positive case?*

During the 2020 California legislative session, COVID-19 forced lawmakers to pivot from their routine business to addressing the growing pandemic.

In response, the Legislature enacted SB 1159 and AB 685 that created certain reporting requirements for employers when learning of a positive case.

Following up, Cal/OSHA recently approved and implemented COVID-19 emergency regulations that also create a set of reporting requirements.

## Outline of Requirements

To help readers sort out these varied requirements, we have created the table

below outlining the reporting requirements when an employer learns of an employee contracting COVID-19. These requirements are currently in effect and apply only when the employee contracting COVID-19 is reporting to a worksite outside the home.

SB 1159	AB 685	Cal/OSHA Regulations
<p>Report any positive cases to your workers' compensation carrier. The report must be made via email or facsimile within three business days of learning of the case and contain the following information:</p> <ul style="list-style-type: none"> <li>• An employee has tested positive, without revealing any personal information about the employee.</li> <li>• The date the employee had their specimen taken for their test.</li> <li>• The address of the worksite to which the employee reported.</li> <li>• The highest number of employees who reported to that worksite over the preceding 45-day period.</li> </ul>	<p>Upon learning of a positive case in the workplace, an employer, within one business day, must provide the following written notices:</p> <ul style="list-style-type: none"> <li>• To all employees (and their exclusive representative, if any), and the employers of subcontracted employees who were on the premises at the same worksite as the "qualifying individual within the infectious period" notice that they may have been exposed to COVID-19.</li> <li>• To "all employees who may have been exposed" (and their exclusive representative, if any) information about COVID-19-related benefits to which they may be entitled under federal, state or local laws, as well as employer-provided benefits.</li> <li>• To all employees (and their exclusive representative, if any) information about the disinfection and safety plan in place in accordance with Centers for Disease Control and Prevention (CDC) guidelines.</li> </ul>	<p>Upon learning of a positive case in the workplace, an employer, within one business day, must:</p> <ul style="list-style-type: none"> <li>• Notify all employees (and their employees' authorized representatives), as well as independent contractors and employers of other workers who may have been exposed to COVID-19 within one business day in a manner that does not reveal the COVID-19 case's personal identifying information.</li> </ul>

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### California Chamber Officers

**Mark Jansen**  
Chair

**Donna L. Lucas**  
First Vice Chair

**Kailesh Karavadra**  
Second Vice Chair

**Gregory S. Bielli**  
Third Vice Chair

**Grace Evans Cherashore**  
Immediate Past Chair

**Allan Zaremborg**  
President and Chief Executive Officer

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**Next Alert:  
January 8, 2021**

## *The Workplace*

# 3 New Labor Laws Employers Should Know



In **Episode 101** of The Workplace podcast, CalChamber Executive Vice President and General Counsel Erika Frank is joined by

employment law experts Matthew Roberts and Bianca Saad to highlight three important new labor laws passed this fall: SB 1159, AB 1867, and SB 1383.

### **SB 1159: Workers' Comp COVID-19 Presumptions**

SB 1159 went into effect on September 17, 2020.

The new law codifies an earlier executive order signed by Governor Gavin Newsom that provided a rebuttable presumption that an employee's illness related to COVID-19 is an occupational injury and therefore eligible for workers' compensation benefits if specified criteria are met, Saad explains. The executive order applied to cases that occurred between March 19–July 5, 2020. SB 1159 also creates a rebuttable presumption for health care workers and first responders who contract COVID-19 after July 6, 2020.

The law also creates another presumption having to do with an "outbreak," and the application of the presumption will depend on employer size, she says. If an employer has 100 or fewer employees, an "outbreak" occurs when 4 employees test positive within a two-week period. If an employer has more than 100 employees, an outbreak occurs when 4% of workers test positive.

These parameters are very specific, so it's an important detail to pay attention to, Saad tells listeners.

The last major aspect of SB 1159 is that it imposes reporting requirements. If an employer is informed that an employee has tested positive, the employer must notify its workers' compensation carrier within three business days of obtaining the information, Saad explains. The employer must not reveal identifying information, but must disclose the date of the positive test, address of the worksite, and the highest number of employees that were at that worksite for the previous 45-day period.

An **FAQ** that provides guidance on how to apply this new law is available on the California Department of Industrial Relations (DIR) website, Frank says.

### **AB 1867: Supplemental Paid Sick Leave**

AB 1867 went into effect on September 9, 2020.

AB 1867 provides supplemental paid sick leave benefits to workers who are not eligible for benefits under the federal Families First Coronavirus Response Act (FFCRA). While the FFCRA does not apply to employers with 500 or more employees, these large employers will now have to provide benefits under AB 1867, Saad says. Moreover, the new law applies to health care providers and employers of first responders.

Saad explains that the following three situations qualify for leave benefits:

- The employee is subject to a local, state or federal COVID-19-related quarantine or isolation order;
- The employee is advised by a health care provider to isolate or quarantine due to COVID-19 concerns; or
- The employee is prohibited from working by their employer due to health concerns. For example, an employee who was ordered to stay home because they were exposed to someone with COVID-19 at work would qualify for benefits.

In order to qualify for benefits under AB 1867, an employee must perform work outside their home. In other words, Saad says, employees who work remotely 100% of the time would not be eligible for benefits.

### **SB 1383: California Family Rights Act Expansion**

SB 1383 takes effect on January 1, 2021. Out of all the laws passed this year, SB 1383 is "the granddaddy of them all," Roberts says.

The law, he points out, is a multi-faceted approach to revamping the California Family Rights Act (CFRA), which is California's version of the federal Family and Medical Leave Act (FMLA). These two laws formerly ran together and had subtle differences between them. Starting in the new year, however, the differences between the two laws are huge.

The biggest change SB 1383 makes to the CFRA is that the CFRA will now apply to employers with just five or more employees, Roberts explains. Moreover, the New Parent Leave Act, which dealt with baby bonding time for employers of 20 or more employees, is gone and all baby bonding leave will be covered by the CFRA, Roberts says.

SB 1383 also greatly expands the list of family members for whom an employee could take leave to provide care for. A family member was traditionally defined as a spouse, child or registered domestic partner, but SB 1383 expands the definition to include grandchildren, grandparents, siblings and parents-in-law.

Employers may now encounter a scenario where an employee can take leave to care for a grandparent under CFRA and not concurrently take FMLA leave because caring for a grandparent is not eligible under the FMLA.

"What SB 1383 has done is really create two different leave allotments at this point where CFRA is now king," Roberts tells listeners.

Another major addition is that under the new law employees will have the ability to take CFRA for a qualified military exigency. Since the FMLA already covered qualifying military exigency, the leave may now run concurrently, he says.

Lastly, SB 1383 does away with geographic eligibility requirements and the 50 employee threshold so even if an employer employs only 10 workers in California, all 10 workers will now be covered under CFRA.

SB 1383 brings into the fold many employers who have never had to deal with administering these benefits, so it is important for them to get up to speed on this law since it will take effect on January 1, Roberts says.

### **More Information**

For a complete summary of new employment laws that will affect employers, download the CalChamber's free white paper at [HRCalifornia.com](https://www.calchamber.com/HRCalifornia.com).

In addition, in January, the CalChamber Employment Law Updates [virtual seminars](#) will focus on covering all new laws for employers.



## Lucas Public Affairs CEO to Chair CalChamber in 2021

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tourism, transportation and related foundations, nonprofits and state agencies. The firm specializes in strategic, corporate and crisis communications to support its clients' public policy objectives.

She served as deputy chief of staff for strategic planning and initiatives for Governor Arnold Schwarzenegger and chief of staff to First Lady Maria Shriver.

Lucas also served as deputy press secretary for Governor George Deukmejian, deputy treasurer for state Treasurer Tom Hayes and California press secretary for the 1988 presidential campaign of then-Vice President George H.W. Bush.

She was the global and public affairs practice leader for Porter Novelli, an international public relations firm, after Porter Novelli acquired Nelson Communications Group, where she served as president and chief executive officer for several years.

Lucas served on the Public Policy Institute of California Board of Directors from 2007 to 2019, chairing the board from 2013 to 2016.

She also serves on the boards of the John Burton Advocates for Youth, College Futures Foundation, Scripps Institution of Oceanography, and Maria Shriver's Women's Alzheimer's Movement.

Lucas is a founding member of She Shares, a conversation series featuring women leaders who have created a lasting impact on women in California and beyond. She routinely is named among the top 100 unelected influencers in the State Capitol community. In 2018, the Sacramento Metropolitan Chamber of Commerce named her Sacramento Businesswoman of the Year.

She lives in Sacramento and is married to Greg Lucas, the California State Librarian.

### *2021 Officers of CalChamber Board of Directors*



**Kailesh Karavadra**



**Gregory S. Bielli**



**Janet A. Liang**

### *2021 At-Large Members of CalChamber Executive Committee*



**John F. Boyle**



**Maryam S. Brown**



**Jonathan O. Mayes**

### **Executive Committee**

The CalChamber Board also approved three directors as at-large members of the CalChamber Executive Committee.

Returning for another year as an at-large Executive Committee member is:

- **Maryam S. Brown**, president, Southern California Gas Company.

New to the rotating position for 2021 are:

- **John F. Boyle**, president and chief executive officer, Automobile Club of Southern California; and

- **Jonathan O. Mayes**, senior vice president, Albertsons Companies.

In addition to the at-large members

and current officers, the Executive Committee includes the last three chairs of the CalChamber Board: **Mark Jansen**, president and chief executive officer, Blue Diamond Growers; **Grace Evans Cherashore**, executive chairwoman, Evans Hotels; and **Susan Corrales-Diaz**, president and chief executive officer, Systems Integrated.

The Executive Committee works with top CalChamber management to determine policy, financial and program direction, including, when necessary, providing policy guidance between the regular quarterly meetings of the CalChamber Board.

**Staff Contact: Dave Kilby**

*Message from 2020 Chair Mark Jansen*

# A Year Like None Other

**Mark Jansen**

It's safe to say that we could never have predicted nor been prepared for what this year would have in store for us as business owners and decision-makers. There was

no playbook to follow. No benchmark data to draw upon. No lessons learned from companies that had dealt with it before. Truly, the word most often used to describe the year 2020 has been "unprecedented."

Leaders had to set the course for COVID-19 safety protocols and operating plans, interpreting guidance from federal, state and local leaders while relying on informal collaboration with peers and CalChamber on best practices to navigate business needs amid a public health crisis.

The official declaration of a global pandemic in March brought stay-at-home directives that crippled entire industries. Some like our food manufacturing sector were deemed essential, a classification that presented its own challenges on how best to remain operational while educating and protecting our workforce to face this new virus.

But COVID-19 wasn't the only challenge California businesses and residents would face in 2020.

## **Innovation and Resilience**

As we've seen throughout history, times of great adversity are often followed by exceptional innovation and adaptability. We witnessed this in 2020, as many business sectors had to demonstrate agility to survive. Restaurants acclimated to serving only takeout or offering outdoor dining. Schools learned to provide instruction online and in hybrid models. And companies that could, quickly adapted to a remote workforce business model.

Local government collaborated with businesses to convert streets and parking lots into creative outdoor eating spaces.

And companies pivoted from manufacturing widgets to producing Personal Protective Equipment or hand sanitizer.

As a global consumer packaged goods company, Blue Diamond responded to dramatic shifts in consumer buying and consumption patterns. We revamped production schedules and marketing lanes to accommodate skyrocketing demand for shelf-stable food products and baking ingredients.

And at Blue Diamond, like many other businesses, we implemented innovative safety measures and protocols to ensure our workers and customers were protected and healthy so we could keep production lines running and products on the shelf. If unprecedented was the word of the year, clear plexiglass was certainly the material.

## **Addressing Food Security**

Despite such resilience, many California businesses and industries struggled to survive operating restrictions and stay-at-home orders for their customers. I applaud CalChamber's efforts to advocate on behalf of those small businesses, urging restraint from the Governor and encouraging economic relief.

Unfortunately, the sudden spike in unemployment caused a food security epidemic all its own. A staggering number of Californians, including families who had never before relied on food bank support, sought help, straining the resources of food distribution centers and nonprofits throughout the state.

In response, our state's businesses and communities rallied. It was encouraging to see such an outpouring of financial support and donations of food and necessities to help those in need. It was just one example of some of the "good" that prevailed throughout the pandemic.

The COVID-19 crisis also put a spotlight on the everyday heroes among us — first and foremost, our healthcare workers who have endured unimaginable demands on their skills, compassion and resolve. But other essential workers recognized as critical during the pandemic have been those involved in keeping our food supply chain healthy — be it in the grocery store, in foodservice, in the

fields, or manufacturing plants processing food. These essential heroes deserve our admiration and appreciation.

## **Social Injustices**

Just as most of us were settling into navigating the new COVID-19 journey in May, California, along with the rest of the country, faced a deafening outcry surrounding social injustice. The tragedy of George Floyd's death was the proverbial straw that broke our nation's collective sense of tolerance, stirring a need for change among us all.

The emotional, societal reactions had significant implications for businesses. Most organizations like ours initiated much-needed conversations and took internal stock of our role as corporate citizens within this landscape, seeking to identify ways to drive meaningful change in the areas of diversity, equity, and inclusion.

I was proud to see the leadership role CalChamber forged in urging California employers to help end racial injustice and inequality by providing timely and relevant webinars, podcasts and training resources to enable the state's workplaces to be part of the solution.

I was also honored to recruit next year's CalChamber Board of Directors executive committee which will be the most diverse we've ever seen, an important milestone for this season. I think we've all been reminded of the importance of making sure our leaders represent our employee and customer bases, and our communities.

There is no doubt we still have a long way to go as a society, but I am encouraged by the steps I see so many businesses taking to stand up to what is wrong and do what is right.

## **A Tumultuous Election**

Amidst all the challenges of 2020, it also happened to be a tumultuous presidential election year and businesses' property taxes were on the ballot in California with Proposition 15.

The majority of Blue Diamond's almond growers are multi-generational family farmers and Prop 15 would have exacerbated the difficulties of running a

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## Trade, Water, Agriculture Vital to State's Healthy Economic Future

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small business or farm within California. Thanks to the strategic leadership of the CalChamber and the many industry associations aligned in a Vote No campaign, the proposition was defeated.

Prop 15's rejection at the ballot box, as well as the CalChamber's post-election voter survey, reinforced that the majority of Californians oppose tax increases that could further cripple our state's economic recovery efforts. Our legislative representatives must keep that in mind as their directive moving into the new legislative cycle. Our economy cannot afford added tax burden coming out of the pandemic.

On the federal front, it will be critical for California to stay engaged with the new administration. And it will behoove our state leaders to leverage their now positive relationships for help in California's economic recovery.

### Securing California's Economy

As the fifth largest economy in the world supporting more than 40 million people, we must be focused and diligent in maintaining this status by rebuilding our economy and reducing our debt.

The CalChamber's lobbying efforts once again stood in the way of the worst impulses of the Legislature. Of the 19 bills the CalChamber identified as "job killers," 18 were stopped in the Legislature through the partnership with moderate Democrats or through the CalChamber's unique voice in the Governor's office to secure a veto.

As we focus on economic recovery from the consequences of COVID-19, we must not lose sight of the state's long-term economic health and the important work to be done on issues that will continue to be foundational to California.

I'd be remiss in finishing my tenure as Chair without touching on three areas I believe especially vital to our state's healthy economic future—trade, water and agriculture.

#### Trade

Trade will be critical to our state's economic recovery. Although trade policy is determined at the federal level,

its impact on California is immense. California is the nation's top exporter, with exports amounting to more than \$170 billion.

As a former long-term chair of the CalChamber Council for International Trade, I recognize its sustained efforts to secure passage of the U.S.-Mexico-Canada Agreement (USMCA). Because



**Mark Jansen, 2020 chair of the California Chamber of Commerce, is president and CEO of Blue Diamond Growers, Sacramento.**

almonds are California's No. 1 ag export, I deeply understand the necessity of free, fair, and open markets.

Blue Diamond sells to 100 countries in a given year. Maintaining our relationships with key export markets such as China, Japan, Mexico, and Canada, while looking to open new markets, will be critically important in rebuilding our economy—locally and globally.

#### Water and Sustainability

The availability of water throughout our state remains a top priority for industry and communities. Although we have enjoyed a period of reprieve, we must recognize the inevitability of a coming drought.

With this increasing likelihood, I must emphasize the devastating impacts this will have on agriculture and the need for consistency in farmers' water allocations. Water is quite literally the lifeblood of the industry, and without it, we cannot survive.

Utilizing science-based solutions while increasing our investments as a state in critical water infrastructure will be essential in providing for human consumption, California's ecosystems, and the agriculture industry.

Having a secure water future does not mean choosing between people, food and the environment. However, it does require all stakeholders to work together and for agriculture and business to be unified and engaged in water policy discussions at the local, state and federal levels.

To further do its part, the agriculture community continues to take responsibility for being good stewards of the land to ensure a sustainable future. The almond industry alone has committed to aggressive goals for water efficiency and zero waste, air quality and pest management.

#### Agriculture

Though often forgotten and overlooked, California's agriculture industry provides more than 2.5 million jobs, \$56 billion to the economy, over half of the nation's fruits and vegetables and 80% of the world's almonds.

Our state's agricultural backbone provides job creation and economic stability to some of our poorest communities, especially those hit hardest by economic

downturns.

I look at our hard-working almond growers, many fourth- and fifth-generation families whose farms are not only their livelihood, but their legacies.

As our state faces a continued exodus of businesses from unfair regulations and overzealous taxation, we can't afford to lose such a vital sector of our economy—farming families whose futures should remain quite literally rooted in California.

Looking ahead, pursuing proactive policies for agriculture that ease the almost insurmountable burden of growing crops in California will be the bedrock

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## Trade, Water, Agriculture Vital to State's Healthy Economic Future

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to whether this flourishing industry and these families remain.

From the farms and processing plants to the ports and grocery stores, the California agricultural supply chain can serve as a key economic driver as we rebound from this recession. It is my hope that the state will leverage this opportunity to partner with thousands of farmers, food processors and food companies within California to reinvigorate the economy.

### Looking Toward the Future

Given the promise of a COVID-19 vaccine, we should have a handle on this pandemic in the foreseeable future. With that, we need to move proactively to fully reopen California's businesses and focus on rebuilding our economy.

We must continue to urge our elected leaders to assist in this effort and recognize the strong connection between healthy people and a healthy economy. Following the season we've come through, California residents will rebound

and rediscover optimism about the future, and consumer confidence will follow.

Although this "unprecedented" year has been filled with challenges and uncertainty, it has made us stronger and more resilient. I look forward to working with incoming Chair Donna Lucas and the rest of the CalChamber leadership team in the coming months. I truly believe the best is yet to come.

*Mark Jansen, 2020 chair of the California Chamber of Commerce, is president and chief executive officer of Blue Diamond Growers, Sacramento.*

## California's New Series of COVID-19 Reporting Requirements

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### COVID-19 Outbreaks

In addition to these reporting protocols, there are special rules under AB 685 and the Cal/OSHA emergency regulations when an employer experiences an outbreak at the worksite.

AB 685 defines outbreak in accordance with the California Department of Public Health (CDPH) definition. Currently, the CDPH defines an outbreak as three positive cases in a 14-day period.

Cal/OSHA also uses this definition for outbreak; however, the emergency

regulations also allow local public health departments to define outbreaks differently.

Upon learning of an outbreak as defined by AB 685 or Cal/OSHA, an employer, within 48 hours, must report the outbreak to the local health department. The employer must provide the names of the employees who have tested positive, their contact information, occupation, workplace location, business address, hospitalization and/or fatality status, and the North American Industry Classification System (NAICS) code for the workplace. Employers also are

required to provide any other information requested by the local health department.

These reporting requirements are time-sensitive, so employers should plan and prepare for how they will meet these obligations even before experiencing a COVID-19 case in the workplace.

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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).*

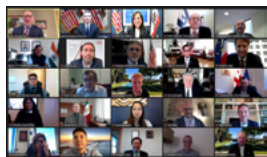
## Democratic Strategist Analyzes Election Results for CalChamber Board



Mo Elleithee, former communications director for the Democratic National Committee, explains to the CalChamber Board of Directors via Zoom on December 3 how many voters submitted split tickets—voting for President-Elect Joe Biden at the top, and a Republican down ballot. Elleithee says the nation is going through a political realignment. Instead of a left versus right division, he says, the divide is between people who feel they are stuck at the back of the line versus those who they feel are keeping them there. Elleithee is the founding executive director of Georgetown University's Institute of Politics and Public Service.



## CalChamber Hosts Virtual Event for International Representatives with Governor Newsom and Lt. Governor Kounalakis



California Consular Corps and Foreign Economic Partners with special guests Governor Gavin Newsom and Lieutenant Governor Eleni Kounalakis. The 120 attendees on the call represented nearly 60 countries, making up some of California's top trading partners.

CalChamber President and CEO Allan Zaremborg began the event by welcoming the Consular Corps and economic partners, including the two Deans of the Consular Corps also on the call: Consul General of Azerbaijan Nasimi Aghayev, Dean of the Los Angeles Consular Corps; and Consul General of the Philippines Henry Bensurto Jr., the outgoing Dean of the San Francisco Consular Corps.

Lieutenant Governor Eleni Kounalakis then welcomed the group and reviewed the state's ongoing international priorities in immigration, trade and climate. She commented that the pandemic has led to more virtual international engagements, with participants focused on protecting "the health of our peoples and the resilience of our economies."

She thanked the diplomatic corps for their partnership in the past few months, including sharing information about the coronavirus, helping repatriate citizens stranded abroad and coordinating efforts to keep supply chains open.

Lieutenant Governor Kounalakis went on to introduce Governor Newsom.

Governor Newsom opened with observations about the sudden change between the state of the California economy at the start of the year, exemplified by the budget surplus, to the sudden shift into a projected budget shortfall and the strains brought on by the coronavirus,

has gone through this year inspires "a renewed sense of commitment and recognition of our interdependence... We're all in this together."

The Governor went on to participate in a question-and-answer session with the Lieutenant Governor moderated by Zaremborg with pre-collected questions from the Consular Corps.

Topics covered during the discussion largely centered around the pandemic, including the COVID-19 vaccine rollout and questions about how the pandemic has affected international trade in California, as well as California's plan to facilitate economic recovery.

The Governor's September executive order on zero-emission vehicles and California's plans for the upcoming year on combating climate change were of interest as well. There was also some curiosity amongst the participants about the next steps in implementing California's Privacy Rights Act, approved by voters in November, and what it means in terms of data protection and privacy going forward, as well as how it compares with privacy regulations in Europe.

There also was concern about the international students within the University of California and California State University systems

and what plans there are to assist them during the ongoing pandemic.

Governor Newsom and Lieutenant Governor Kounalakis wrapped up the meeting wishing all a happy holidays with the hope that we may all get together to share common international interests and priorities again in the future.

**Staff Contact: Susanne T. Stirling**



**Governor Gavin Newsom**



**Lieutenant Governor Eleni Kounalakis**

pandemic-induced recession, and wildfires from multiple lighting strikes, to name a few headwinds California has encountered since the spring.

In what the Governor described as "a remarkable monument to mark the resilience that is California," the upcoming budget will show a surplus. He closed with the comment that all the state

## Remember: Update Auto-Ship Order Information

The California Chamber of Commerce is reminding members to update their customer information so they will be sure to receive information on the new employment laws and mandatory updates taking effect on January 1, 2021.

To review the information on file and record the updated information, members

can log on at <https://store.calchamber.com/login.aspx>. To update credit card information: **click My Account** in the top right corner, **click Pending Orders** and then **click Add Payment**.

Members who prefer paying by check can email [autoshipupdates@calchamber.com](mailto:autoshipupdates@calchamber.com) and then mail their check to

CalChamber, P.O. Box 398342, San Francisco, CA 94139-8342.

Customers also can call (800) 331-8877, Monday through Thursday, 8 a.m. to 5 p.m., or Friday from 8 a.m. to 4 p.m. Pacific Time, and reference their customer identification number.



# Brief Look at 10 New Assembly Members

In the last issue of *Alert*, we gave brief profiles of the eight new members of the California State Senate. Now it is the Assembly's turn. Here we will look at the 10 new members and answer the same questions: Who are they and how did they get here?

To help answer these questions, we will use the *California Target Book* as our primary resource.

## New Members in Assembly

- Assembly District 13: **Assembly-member Carlos Villapudua** (D-Stockton) has taken over from fellow Democrat Susan Talamantes Eggman, who has moved up to the Senate. Villapudua was a two-term member of the San Joaquin County Board of Supervisors and prior to his election to the Assembly was the CEO of the Hispanic Chamber of Commerce. Villapudua received heavy backing from the business community in his bid for Assembly. In her last year in the Assembly, Eggman was absent for much of the year due to a family commitment, but in 2019

she achieved a 45% rating on the California Chamber of Commerce score card.

- Assembly District 25: **Assembly-member Alex Lee** (D-San Jose) won this open seat as the replacement for fellow Democrat Kansen Chu, who chose to run for the Santa Clara County Board of Supervisors. At the age of 25, Lee will be the youngest member of the Assembly and he comes to Sacramento as a bit of an upset victor after emerging from an eight-candidate primary field of better-known and more experienced contestants. Lee won with the backing of Bernie Sanders and the Silicon Valley Democratic Socialists of America. Chu voted with CalChamber less than 20% of the time, according to our most recent vote record.

- Assembly District 33: **Assembly-member Thurston "Smitty" Smith** (R-Hesperia) will take over from Republican Jay Obernolte, who was elected to Congress. Smith has been in local government since 2006 and owned a plumbing contracting business. Obernolte

consistently voted with CalChamber more than 90% of the time.

- Assembly District 37: **Assembly-member Steve Bennett** (D-Ventura) succeeds fellow Democrat Monique Limón, who opted to run for the open Senate seat occupied by term-limited Hannah-Beth Jackson. Bennett served five terms on the Ventura County Board of Supervisors and on the Ventura City Council prior to that. Bennett has taught in Ventura County public schools for more than 20 years. In Limón's final year in the Assembly, she voted with CalChamber less than 20% of the time.

- Assembly District 38: **Assembly-member Suzette Valladares** (R-Santa Clarita) replaces Democratic incumbent Christy Smith, who gave up the seat to run a losing bid for Congress. Valladares has long been active in local GOP politics and was running a local faith-based preschool before she was elected. To make it to Sacramento, Valladares received 76% of the vote in the General

*See Brief Look: Page 10*



Carlos Villapudua



Alex Lee



Thurston "Smitty" Smith



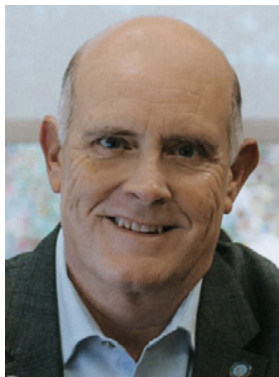
Steve Bennett



Suzette Valladares



Lisa Calderon



Kelly Seyarto



Janet Nguyen



Laurie Davies



Chris Ward

## What to Expect from Biden Administration on Asia Pacific Trade Matters



William Reinsch

A shift back toward coalition building in trade discussions will be the major outcome under a new administration, a longtime trade specialist recently told the California Chamber of Commerce Board of Directors.

The brief look at fundamental differences between the current and incoming administrations was presented by William Reinsch, senior adviser at the Center for Strategic and International Studies, based in Washington D.C., at the CalChamber Board online meeting on December 4.

President-Elect Joe Biden, Reinsch commented, is a multilateralist who believes in coalitions and will be inclined to use diplomatic tools through existing institutions to achieve U.S. objectives.

For example, Reinsch predicted a Biden administration would likely work to get all parties challenged by China's unfair trade practices to stand together. The specifics of joint action may be more difficult to get agreement on, Reinsch said, but there is a U.S. consensus (more than 70% in a recent poll) that China is a threat.

Overall, U.S. trade policy will continue to evolve toward a stronger U.S. presence in the Asia Pacific region, and that will eventually include returning to the Trans-Pacific Partnership, Reinsch said.

He pointed out that the President-Elect has made it clear not to expect new bilateral trade deals. Discussions that already have begun with the United Kingdom, Kenya and Japan (phase 2) will continue, Reinsch said. Progress, he added, will depend on how quickly a new U.S. Trade Representative is appointed to serve as key negotiator.

Reinsch forecast two new areas to watch in a Biden administration:

- **Climate change:** The European Union has been a leader in the area of carbon border adjustments—a tax on imported goods based on their carbon content—and a Biden administration is likely to join them. There are ways to implement such a program consistent with international rules.

- **Buy American.** This was a campaign theme for both the current and incoming administrations and the impact depends on whether what's meant goes beyond government procurement to the more complicated issue of "reshoring"—bringing manufacturing jobs back to the United States. Companies with complicated supply chains and significant locations overseas will be caught in the middle of the debate, Reinsch commented. Because hostility toward China is bipartisan, he added, some members of Congress will propose harsh measures, but whether those proposals become law is a more open question.

**Staff Contact:** [Susanne T. Stirling](#)

## Brief Look at 10 New Assembly Members

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Election. In 2020 Smith achieved a 45% score from CalChamber.

- **Assembly District 57: Assembly-member Lisa Calderon** (D-Whittier) replaces fellow Democrat and stepson Ian Calderon. Lisa Calderon has been a government affairs manager for Southern California Edison for more than 20 years. She emerged from a competitive March primary where she received more than \$1 million in support from labor unions to face a Republican opponent in this safe Democratic seat. The departing Ian Calderon voted with CalChamber less than 30% of the time in 2020.

- **Assembly District 67: Assembly-member Kelly Seyarto** (R-Murrieta) is taking over for Republican Melissa Melendez who was elected to the Senate in a May special election. His professional career was in fire service and dates back to 1980. He achieved the rank of Battalion Chief with the Los Angeles County Fire Department before he retired in 2015. Seyarto served two stints on the Murrieta City Council, first from 1997 to 2006 and then elected again in 2016.

Melendez has voted with CalChamber more than 90% of the time since she was first elected in 2012.

- **Assembly District 72: Assembly-member Janet Nguyen** (R-Garden Grove) replaces Republican Tyler Diep, whom she defeated in the March primary. No stranger to Sacramento, Nguyen served one term in the Senate before losing re-election in 2018. The catalyst for her return to politics was the urging of local business leaders and Republicans who were angered by Diep's vote for AB 5, the gig economy worker law. A business coalition led by CalChamber spent heavily to boost Nguyen's successful campaign and see to Diep's defeat. Prior to her service in Sacramento, Nguyen served on the Garden Grove City Council and the Orange County Board of Supervisors. Before leaving the Capitol in 2018, Nguyen achieved a 90% rating on the CalChamber score card.

- **Assembly District 73: Assembly-member Laurie Davies** (R-Laguna Niguel) replaces scandal-plagued Republican Bill Brough, who did not make the top-two runoff in the March

Primary Election. Brough became the second Republican in 2020 to lose his seat in the primary. Davies is a local business owner and served two terms on the Laguna Niguel City Council, where she was active on transportation issues. Davies is an active Laguna Niguel Chamber member and has received numerous awards for her community leadership. Brough achieved 80% on the 2020 CalChamber score card.

- **Assembly District 78: Assembly-member Chris Ward** (D-San Diego) replaced Todd Gloria, who vacated the seat to run for and be elected Mayor of San Diego. Ward served four years as a member of the San Diego City Council and previously was chief of staff to former Senator Marty Block. Trained as an environmental planner, Ward has degrees from Johns Hopkins University and the Harvard John F. Kennedy School of Government. Gloria voted with CalChamber less than 30% of the time, according to our 2020 score card.

**Staff Contact:** [Martin R. Wilson](#)



## *A View from France*

# Economic Diversity, Foreign Investment Ties Inspire Long-Lasting Partnership in Trade



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

*are from Consul General Julie Duhaut-Bedos, Consulate General of France in Los Angeles, and Consul General Frederic Jung, Consulate General of France in San Francisco.*

## France-California Relations

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

Our economies have in common their diversity: alongside a strong industrial sector, agriculture remains a major source of revenue while tourism is key for jobs. Our entertainment industries have a long-lasting history, and we also try to learn from your experience and know-how to make France a start-up nation.

Moreover, as the USA are a vital trade partner for France, California alone represents a bilateral trade worth more than \$7 billion, which makes California our first American partner. While California exports mostly electronics, computers and medicine, France supplies California with electronics, food products and transportation goods.

But most important, France is the third largest foreign investor in California, representing 8% of total foreign direct investments.

All our major companies are present in California, because being part of California's innovative environment is of utmost importance. They have created about 87,500 jobs.

To name just a few: Engie, Orange or Total—in the energy sector; LVMH, Pernod Ricard—food and luxury; Accord or Sodexo for tourism. They illustrate the diversity we have in common and our strong ties.

## Impact of COVID-19

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

Similar to the situation in most economies around the world, the Covid crisis had a major economic impact in France, causing a double supply and demand shock, with a 20% drop in activity in the first semester 2020. The closing of non-essential businesses and the impact

mies, the recovery has been more vigorous post-lockdown, with a strong rise in consumption of goods and the resumption of industrial production at almost the same level as before the crisis.

Unfortunately, with the impact of the second Covid wave, the latest economic forecasts anticipated a 10% drop in 2020.

Our government remains more than ever dedicated to protect the French economy. Emergency measures are thus complemented by a massive €100 billion recovery plan over the next two years, which will be deployed in order to get the French economy back on its feet as quickly as possible and prepare it for 2030.

## Modernization Continues

*What are the challenges and opportunities facing France?*

Beyond its economic recovery, France needs to continue its modernization in order to be even more attractive for foreign investors with the ambition to become and remain in the long term Europe's No. 1 destination for foreign direct investments.

Since 2017, many reforms have been implemented to

promote investment and employment and increasing purchasing power. A new tax environment for companies and individuals is being built, including a corporate tax rate decrease (from more than 33% to 25% in 2022), a massive reduction in production taxes, a limited flat tax on capital gains and a substantial reduction of the wealth tax now limited to passive immovable properties.

We are transforming our social model in order to restore flexibility to companies and promote education and professional mobility (adjusting pay and working time within a collective perfor-

*See Economic Diversity: Page 12*



Consul General Julie Duhaut-Bedos, Consulate General of France in Los Angeles



Consul General Frederic Jung, Consulate General of France in San Francisco

of the pandemic on international travels during the peak tourist season undermined the economy, given the importance of this sector in the French economy.

The French government has been, since the first day of the crisis, dedicated to support its economy and especially its SMEs [small and medium-sized enterprises]. A set of emergency measures have been taken, the state unemployment scheme aimed at maintaining workers in place to limit the persistence of the effects of the crisis on the productive apparatus and skills, being its most important one.

Compared to other European econo-



## Economic Diversity, Investment Ties Inspire Long-Lasting Partnership

*From Page 11*

mance agreement, simplifying dismissals on economic grounds and making employment contract terminations less risky).

All these efforts have been rewarded: France was ranked the most attractive

investment destination in Europe, according to the 2019 Ernst & Young attractiveness survey.

Our recovery plan is designed to continue this transformation: by supporting both supply (in activity, in competitiveness and in decarbonation) and

demand, it supports job creation and gives all chances to restore, as soon as 2022, the level of economic activity and attractiveness of 2019.

**Staff Contact: Susanne T. Stirling**

## Governor Names New Business Adviser

*From Page 1*

ing to support the Governor and his team, including the Task Force on Business and Jobs Recovery, whose members included CalChamber President and CEO Allan Zaremberg, CalChamber directors and member firms.

She previously served as executive vice president of worldwide corporate communications and public affairs for Warner Bros. and as a managing director of the Glover Park Group, where she counseled corporate and nonprofit clients on strategic and crisis communications, reputation management and strategic positioning.

Myers also served as White House press secretary during President Bill Clinton's first term and was the first woman to hold the position.

After leaving the White House, she was a political analyst, commentator and writer, as well as a contributing editor to *Vanity Fair*. She is the author of the best-selling book *Why Women Should Rule the World*.

Myers co-hosted the CNBC political talk show "Equal Time" and was a consultant on the Emmy Award-winning drama series "The West Wing."

Before working on the Clinton presidential campaign in 1991, she worked

on a number of local, state and national campaigns. She served as press secretary for Dianne Feinstein in her 1990 bid to be California governor, and worked on the presidential campaigns for Governor Michael S. Dukakis and Vice President Walter F. Mondale.

Myers also worked on the staffs of Los Angeles Mayor Tom Bradley and California State Senator Art Torres. She is a director of Wynn Resorts, Ltd. and a member of the boards of the Smithsonian National Museum of American History and the Mayor's Fund for Los Angeles.



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