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CalChamber

ALERT

CalChamber Opposes Tax on Plastic/Goods Packaging

Supports Taxpayer Protection Ballot Measure

The California Chamber of Commerce Board of Directors last week voted to **oppose** the California Plastic Waste Reduction Regulations Initiative, which proposes a new tax of up to $0.01 on every piece of single-use plastic packaging and food ware sold in California beginning in 2022.

The CalChamber Board also voted to **support** the Taxpayer Protection and Government Accountability Act, a proposed initiative that would amend the California Constitution to change procedures for approving state and local tax increases to improve information and accountability to taxpayers and strengthen voter approval procedures.

Tax on Packaging

OPPOSE: The California Plastic Waste Reduction Regulations Initiative

See CalChamber Supports: Page 7

San Jose Mayor Comments on Homelessness, Other Issues Common to City, State, Nation

San Jose Mayor Sam Liccardo (right) shares with the CalChamber Board of Directors and Chair Kailesh Karavadra (left), partner at Ernst & Young LLP, observations on how San Jose, the 10th largest city in the nation, has dealt with issues that are top of mind for many Californians. Subjects discussed at the March 10 dinner gathering in Half Moon Bay included homelessness and housing, adapting public policy to changing situations, ways to support success for students who are the first in their families to attend college, building partnerships to expand access to technology, and how best to support the small businesses that are responsible for much of the job growth in the state and help them develop a digital presence.

The Workplace

New Bill Proposes Workplace Vaccine Law

In Episode 145 of The Workplace podcast, CalChamber employment law expert Matthew Roberts and CalChamber policy advocate Ashley Hoffman discuss AB 1993 (Wicks; D-Oakland), a bill recently introduced in the California Legislature that would mandate all California employers to establish a COVID-19 vaccination requirement for employees.

We are approaching the second anniversary of when the COVID-19 pandemic first was declared a public health emergency, and we're starting to see signs that California is moving away from the intense regulatory schemes that dominated much of the last two years, Roberts says in kicking off the podcast.

Quarantine and isolation guidance is softening, mask mandates are being lifted and Governor Gavin Newsom has signaled that we are moving away from the declaration of emergency into an endemic plan, which views the COVID-19 virus much like the seasonal flu, Roberts continues. However, legislation has recently been introduced that would establish a workplace COVID-19 vaccine mandate.

AB 1993

Assemblymember Buffy Wicks recently introduced AB 1993, a bill that would establish a hard vaccination mandate for

See New Bill: Page 4

Labor Law Corner

Absence Due to Workers' Comp Injury May Qualify for Family Leave

David Leporiere
HR Adviser

I have an employee who was injured at work, and his doctor put him on leave for the next three months. The employee filed for workers' compensation benefits, so I know his job is protected by the workers' comp laws, but I want to know if his leave is also covered by the federal Family and Medical Leave Act (FMLA) or California Family Rights Act (CFRA)?

If the employee has worked for your business for more than a year, and has worked 1,250 hours in the preceding 12 months, then he should be eligible for either or both of the leaves depending on the size of your business.

The FMLA applies to businesses with 50 or more employees, and CFRA was expanded last year to cover businesses with five or more employees.

Serious Health Condition

Under these two laws, if an employee has a serious health condition, the employee is entitled to take up to 12 weeks of leave, with job protection, and the employer must continue to pay its share of the cost of any health benefits enrolled in by the employee under the employer's group health plan.

A serious health condition is any condition that requires either an overnight stay in a health care facility or a continuing course of treatment by a health care provider.

Based upon your question, it seems the employee is undergoing a continuing course of treatment by a health care provider, and therefore, he has a serious health condition that makes him eligible for protections under the FMLA and/or CFRA. These two acts can run concurrently with protections provided by the workers' compensation act in California.

Continuation of Benefits

In fact, it usually is beneficial for the employee if the employer designates the absences as FMLA/CFRA qualifying leave because those laws provide for the continuation of health insurance benefits, which is not something guaranteed by the workers' compensation laws.

If an employee is injured at work, the employer's insurance carrier must provide medical treatment for that specific injury, but the employer is not required to maintain health insurance benefits for prolonged absences unless the employee is eligible for FMLA/CFRA protection.

Consequently, if an employee's work-related injury is going to require the employee to miss work for an extended period of time, and the employer and employee qualify for the protections required by the FMLA and/or CFRA, the employer should issue a written notice to the employee as soon as possible explaining that the leave is covered by either, or both, of these acts.

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.

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CalChamber-Sponsored Seminars/Trade Shows

More at www.calchamber.com/events.

Labor and Employment

Leaves of Absence: Making Sense of It All Virtual Seminar. CalChamber. April 14–15, June 9–10, Online. (800) 331-8877.

Covering the Bases: California Wage and Hour Compliance. CalChamber. April 21, Webinar. (800) 331-8877.

HR Boot Camp Virtual Seminar. CalChamber. May 5–6, May 26–27, June 23–24, Online. (800) 331-8877.

International Trade

The Reshoring Movemenber: The Time is Now. San Diego and Imperial District Export Council and San Diego State University Center for Advancing Global Business. March 22, Online.

Maritime Transportation Data Initiative Hearings. Federal Maritime Commission. March 22 International Standards/FMC Agreements; March 29, Marine Terminal Operators; April 5, Marine Terminal Operators; April 12, Carriers (1); April 19, Carriers (2); Online. (202) 523-5725.

AmCham Ireland Global Conference. American Chamber of Commerce Ireland. March 24, Online. 353 1 661 6201.

How to Effectively Manage International Employees. National Association of District Export Councils. March 24, Online.

Trade Mission to Central America 2022. U.S. Commercial Service. March 27–28, Guatemala. (800) 872-8723.

See CalChamber-Sponsored: Page 4

Innovation Drives Ireland-California Collaborations in Many Fields

Ireland's relationship with the United States and especially California is driven by innovation, Consul General Marcella Smyth told a California Chamber of Commerce audience last week.

Speaking at a breakfast gathering hosted by the CalChamber Council for International Trade on March 11 in Half Moon Bay, Smyth, the Consul General of Ireland in Los Angeles, cited the numerous partnerships between Irish and U.S./California entities.

The collaborations, which include both universities and industry, involve subjects ranging from energy to the future of work and artificial intelligence, she said.

Given the close connections, there is tremendous opportunity to deepen the economic partnership between Ireland and California, the Consul General said.

Irish-California Trade

In 2021, California exported more than $1.57 billion to Ireland, providing 16.4% of total U.S. exports to Ireland and making California one of the top exporting states to Ireland.

Top exported products in 2021 included chemicals, which made up almost 42% of the total, and computers/electronic products, which made up almost 33% of the total.

Marcella Smyth, Consul General of Ireland, Los Angeles

Non-electrical machinery, other special classification provisions and transportation equipment also were top exports.

Imports to California from Ireland in 2021 totaled $1.9 billion with 36% consisting of reimports and 30% miscellaneous manufactured goods.

Foreign Direct Investment

Ireland is the fourth fastest-growing source of foreign direct investment (FDI) in the United States and is the ninth biggest investor in the U.S.

More than 700 Irish companies have a U.S. base, employing about 100,000 people across the nation.

In California, the seventh largest source of FDI through foreign-owned enterprises (FOEs) is Ireland. Irish FOEs in California provided more than 33,089 jobs through 477 firms, amounting to $3.13 billion in wages in 2020.

The top jobs by sector are manufacturing, professional/business services, wholesale trade, other services, and construction.

Recent Reports

The American Chamber of Commerce (AmCham) Ireland has published US-Ireland Business Report 2022, a guide to the two-way business and investment relationship between the two nations.

Also available is a summary of Why Ireland; Why AmCham Ireland.

Staff Contact: Susanne T. Stirling

New Bill Proposes Workplace Vaccine Law

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nearly all public and private employers (both large and small), Hoffman explains. The proposed law does not include a testing alternative for unvaccinated people, but it does allow exceptions for workers who have a qualifying religious or disability reason and would need accommodation under the Fair Employment and Housing Act or similar federal laws.

The definition of "vaccination" within the bill language is a bit vague, Hoffman says, but it appears that the term does not cover boosters and an employee would be deemed vaccinated if they've had the completed series of the Pfizer or Moderna vaccine, or the one-shot dose of the Johnson & Johnson vaccine.

Should AB 1993 be signed into law, compliance would start January 1, 2023.

CalChamber Concerns

While the California Chamber of Commerce has not yet taken a position on AB 1993, it did issue a letter of concern to Assemblymember Wicks.

Hoffman expects the bill to be modified and urges listeners to follow the CalChamber for updates.

As the bill is currently drafted, the CalChamber is concerned about its effects on worker retention and recruitment, especially given the present large labor shortage.

Hoffman points out that Goldman Sachs recently issued a report finding that 90% of small businesses are concerned about hiring, and that it is affecting businesses' bottom line. Businesses' concern is that if a hard mandate is imposed, a significant number of their workforce would leave. And even if only a small number of people leave, companies risk losing high-level workers who have been around for years and have institutional knowledge that is very difficult to replace.

In addition, businesses may have to terminate workers who have been on the front lines during the entire pandemic, and terminating them due to this proposed vaccine mandate would hit morale.

"…[It] would be really difficult to have expected these people to work in person through this entire situation, and then now have to terminate them," she tells Roberts.

AB 1993 would also mandate businesses to require vaccination from independent contractors, Roberts says.

The CalChamber is very supportive of COVID-19 vaccinations, Hoffman stresses, but AB 1993 shifts the burden to employers to not only track the vaccination status of their employees, but also anyone with whom the employer contracts.

And that's a big burden, she says.

Employers in rural areas may have very limited contractors who may be very uniquely specialized, and it could be hard for these employers to be able to actually contract out their work. And the bill also places a high administrative burden, requiring employers to keep track of documents and things for a worker who is not actually an employee.

"There's a lot of open questions that come with this mandate," Hoffman says.

Proof of Vaccination

Another concern with AB 1993 is that the bill specifically states that employers cannot retain documentation of vaccination proof unless the employee specifically allows it, Hoffman says. This is problematic because how else can employers prove their compliance with the law?

In addition, this conflicts with existing COVID-19 regulations. For example, hospitals under the California Department of Public Health (CDPH) vaccination mandate are required under the regulation to maintain those records. And the California Division of Occupational Safety and Health (Cal/OSHA), while not explicitly requiring documentation, does encourage it explicitly in its FAQ.

Moreover, if an employer doesn't have documentation of employee vaccination status, then the employer must treat everyone as unvaccinated, which means that they will be subject to different rules, and usually would have to be kept out of the workplace longer, etc.

Avenues for Litigation

Employers in violation of AB 1993 could also be subject to a private right of action, meaning that private attorneys can enforcing this law. This would surely open the floodgates to litigation, Hoffman points out.

Legislative Process

As this bill was only recently introduced, Hoffman expects amendments to be made once groups have talked to the bill's author.

Before becoming law, AB 1993 would first need to be referred to committees in the Assembly and then will need to pass a vote on the Assembly floor, Hoffman explains.

From there, the bill would go to the Senate and go through a similar process. If passed by both houses, it would proceed to the Governor's desk. If signed, the bill would take effect on January 1, 2023. If, however, the bill passes with two-thirds approval from both houses and includes an urgency clause, the law would take effect immediately.

CalChamber-Sponsored Seminars/Trade Shows

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Expo Dubai 2021. Expo 2020 Dubai UAE. Through March 31, 2022, Dubai, United Arab Emirates. (+971) 800 EXPO (3976).

2022 Taiwan Trade Shows. Taiwan External Trade Development Council. Through October 30, Online and In-Person. +886-2-2725-5200.

Cybersecurity Business Development Mission to South America. U.S. Department of Commerce, International Trade Administration. April 5–8, Uruguay, Chile, Peru. (800) 872-8723.

Opportunities for Textile and Apparel: Central American Free Trade Agreement. U.S. Commercial Service. April 6, Online. (800) 872-8723.

30th Annual Africa and Diaspora International Conference. Center for African Peace and Conflict Resolution, California State University, Sacramento. April 28–30, Sacramento. (916) 278-6282.

2022 World Trade Week Southern California: Global Trade: Reconnecting the World. Los Angeles Area Chamber of Commerce. May 5, Los Angeles. (213) 580-7569.

Trade Mission to South America. U.S. Department of Commerce, International Trade Administration. May 15–20. (800) 872-8723.

Annual Export Conference. National Association of District Export Councils. May 19–20, Washington D.C.

Maritime Transportation Data Summit. Federal Maritime Commission. June 1, Washington D.C. (202) 523-5725.

Economic Recovery, Job Growth Faster than Previous Recessions; Inflation Robust

This Time Is Different

When conducting monetary policy, the Federal Reserve has two goals: keep inflation low and stable, and ensure maximum employment.

For most of last year, inflation was consistently above its target rate of 2.0%. But they believed they were far from meeting the goal of maximum employment, so they kept short-term interest rates low until they could meet that objective.

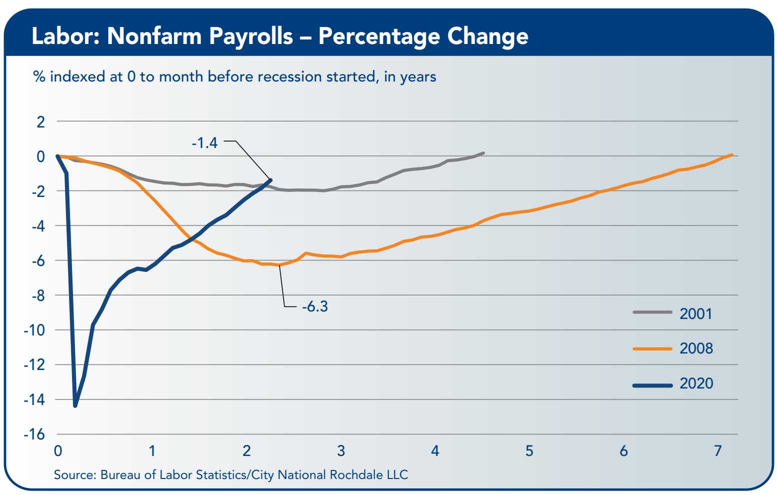
They had good reason for believing that, as payrolls were well below the level before the pandemic. Even today, payrolls stand 2.9 million below that level and are 7.1 million below the trend growth rate.

But now, the Fed believes the economy is close to maximum employment. They are realizing the number of people who want to work is a lot less than before the pandemic. One significant cohort, the baby boomers, has seen a large number of people retiring earlier than past years; they will probably not come back into the workforce, no matter how strong it is.

So with the Fed now believing they have met their two goals, they can begin to increase interest rates from the near-zero emergency level that has been in place since the early stages of the pandemic. Back in December, they made a hawkish pivot with a projection of three hikes in 2022. Since then, several Fed policy makers have been making more hawkish statements that has the market believing even more hikes may happen this year. The federal funds futures market now expects at least six hikes by year end.

The pace of Fed hikes will probably be swift. Unlike most economic recoveries from recessions, the Fed is dealing with a rip-roaring economy this time. Gross domestic product (GDP) growth is faster than anything the Fed has seen in at least the last 50 years, when five recoveries have since taken place. Job growth is also more rapid, and inflation has been much more robust.

Tighter monetary policy is not just a U.S. issue. Markets are expecting higher policy rates from most of the G10 central banks. Most of those banks have already announced plans to end their bond-buying program or are scheduled to do so in the next few weeks. The only central bank that will probably not budge is Japan; they don't need to. In the past year, GDP growth has been just 1.2%, and inflation has been a paltry 0.8% for the same period.



Labor: Nonfarm Payrolls – Percentage Change

The Peoples Bank of China (PBoC) is expected to ease monetary policy in the coming quarters. Although GDP growth has been 4.0% in the past year, China is focused on its theme of "common prosperity," which refers to the government's aim to generate moderate wealth for all — lower interest rates will help. This is in response to the widening rich/poor gap that has emerged. Also, China is dealing with the repercussions of having a vaccine that is not as effective as the ones used in the West (causing cities to lock down), and it is an election year.

GDP

Fourth quarter GDP rose an impressive 6.9%, with most of the growth coming from inventory accumulation. For all of 2021, GDP grew 5.7%, the fastest full-year clip since 1984.

Of the 6.9% growth, 4.9 percentage points can be attributed to increases in inventories (inventories are part of investment). There was a high level of inventory accumulation due to the year-end increase in omicron that caused an abrupt dip in consumer spending. Inventory swings are always a wildcard and they are notoriously difficult to forecast. Over time, they tend to be flat in a normal business cycle. But these are not normal times, and they have fallen significantly due to strong consumer demand and supply chain complications.

`Consumption growth was up 3.3%, more robust than Q2's 2.0%. Almost all that growth happened in October. It is nowhere near the stratospheric levels of growth of Q1 and Q2, which were high due to stimulus checks being sent to most households at the beginning of each quarter. Consumption growth, which has been robust this expansion, will soon return to a more sustainable pace due to the lack of receiving future stimulus payments. That said, spending habits are shifting away from goods toward services, specifically health care, recreation, and transportation. This should help put some downward pressure on inflation.

We continue to expect 2022 growth of 3.5% to 4.5%, well above the long-term average of 3.25%. But Q1 data may not be as strong as previously expected since inventory growth was pulled forward into Q4 of 2021. Also, depending upon the omicron trajectory, it may suppress consumption in the early part of Q1. But

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Economic Recovery Faster than Previous Recessions; Inflation Robust

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like last year, we expect to see a strong rebound in spending due to high levels of household wealth and reopening of the economy

Labor

Payrolls have been growing at a brisk pace in the past year; monthly increases are averaging about 550,000. That is about three times faster than the average of the past expansion. The unemployment rate stands at 4.0%.

In terms of recent data, omicron is causing an impact. There were 3.6 million people absent from work in January. In January 2020, before the pandemic, there were just 1.1 million workers out sick. Also, the labor force increased by 1.4 million, pushing the labor force participation rate up to 62.2. Average hourly earnings surged 0.7%. As a result, wage growth is now up 5.7% year-over-year, a big increase from last month's yearly change of 4.9%. The amount of job opening continues to be above the number of those looking for a job, which puts upward pressure on wages.

Inflation

One year ago, the consumer price index was at 1.3% year-over-year; now it is at 7.5%. Last year at this time, the Fed had no plans to raise the federal funds rate in 2022 or 2023 because they expected inflation would remain low, and the economy wouldn't be near maximum employment. A year ago, the Bloomberg economic forecast for 2022 year end consumer price index (CPI) was 2.1%. How times change.

Inflation began to pick up in spring 2021; much of it resulted from the "base effect" (a jump in prices from a meager value a year earlier). Due to the lifestyle changes from the pandemic, consumers' purchasing habits skewed away from service toward goods, which put added price pressure on products that quickly became short in supply.

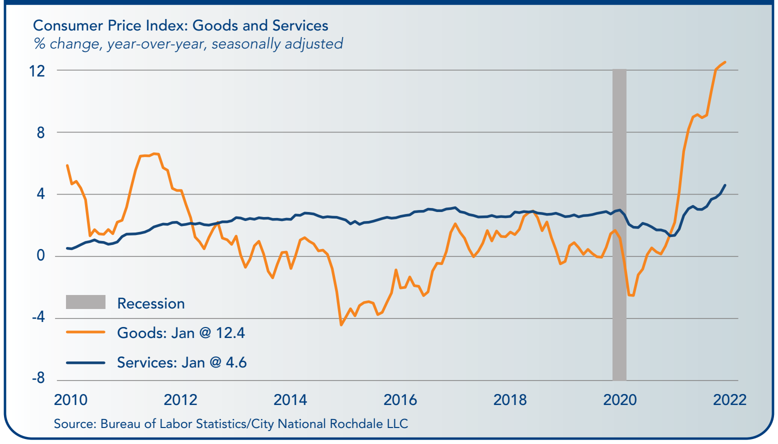
As the summer came along, the delta variant picked up, and supply chain issues got worse. Then in the autumn, price pressures started to widen beyond supply chain sectors, and the Fed began to worry.

There are two types of inflation, and they are both in play:

• First, **demand-pull inflation**, which puts upward pressure on prices due to increased demand and shortage; it is fueled by low interest rates, increased money supply/household cash, and higher wages.

•Then there is **cost-push inflation**, which is upward pressure on prices due to increased cost of wages and materials, which is being affected by higher wages, low inventories, and supply chain uncertainties and costs.

High Inflation from Collision of Strong Demand/Supply Constraints



Source: Bureau of Labor Statistics/City National Rochdale LLC

The Fed has given up on the idea that inflation will recede on its own. They have come to grips with the difficult task of reining in inflation by raising short-term interest rates and reducing the size of their bond holdings. Both will happen over the next year or two.

Pressure on the Fed continues to mount as the yearly change in inflation continues to rise. The Fed has historically played it conservatively in the early stage of a rate hike cycle.

Although there is a great deal of press about the Fed needing to raise the interest rate by 50 basis points (bps), this is not our view. The Fed is not in the position to shock-and-awe the markets, which causes unneeded volatility.

Their job is to be methodical and tactical. Their goal is the long-term growth of the economy.

If they believe more tightening is needed, a more attractive option is to be even-keeled about it. Maybe raise the funds rate 25 bps at the March, May and June meetings.

If inflation has not started to wane, they still have four more meetings this year to raise the rates and be aggressive in reducing the size of their bond portfolio.

The Fed's portfolio is nearly $9 trillion in size, more significant than the peak following the global financial crisis, in absolute terms ($4.5 trillion bigger) and relative terms (now at 38.2% of GDP; the previous peak was 25.5%). The large portfolio was an effective tool in bringing down longer-term interest rates, but that stimulus is no longer needed.

Unlike last time, when the Fed maintained the balance sheet near the peak level for 2.5 years, this time, they plan to start reducing it quickly. Last time around, they needed to keep the balance high to provide stimulus; the economy wasn't nearly as strong as it is today (back then, CPI averaged 1.1%, and the unemployment rate averaged 5.0%).

This time, once the plan is announced, it will be more or less on autopilot. That said, the Fed is expected to engineer a reduction of about $3 trillion by the end of 2023 or early 2024. That amount is needed to bring it to an appropriate level of reserves.

The Fed will debate the strategy of the reduction over the next few meetings. An announcement of the plan is expected this summer.

Staff Contact: Dave Kilby

This economic outlook report to the CalChamber Board of Directors was prepared by Paul Single, managing director, senior economist, senior portfolio manager, City National Rochdale.

Canadian Consul General visits CalChamber

Post-pandemic return-to-work policies, energy resources, climate change and trade issues were among the topics of discussion when a team from the Canadian Consulate General in San Francisco visited the California Chamber of Commerce on March 14.

In 2021, two-way trade in goods between Canada and the United States topped $664.16 billion. Exports to Canada were $307 billion in 2021, making it the largest export destination for the United States.

Canada has remained California's second largest export market since 2006, with a total value exceeding $17.89 billion in 2021 (10.2% of all California exports). Computers and electronic products make up 26% of California exports to Canada. California imports $28 billion from Canada.

According to the Canadian government, nearly $2 billion worth of goods and services crosses the Canada-U.S. border daily, which is the equivalent of more than $1 million traded every minute. Two-way trade with Canada supports an estimated 1,166,100 jobs in California. Nearly 1.8 million people visit California from Canada, spending nearly $2 billion.

(From left) Justin Currie, foreign policy and diplomacy service officer, Canadian Consulate General; Susanne T. Stirling, CalChamber vice president, international affairs; Canadian Consul General Rana Sarkar; CalChamber President and CEO Jennifer Barrera; Simon Pomel, senior trade commissioner, Canadian Consulate General; and Marie Alnwick, consul for foreign policy and diplomacy service, Canadian Consulate General.

Staff Contact: Susanne T. Stirling

CalChamber Supports Taxpayer Protection Measure

From Page 1

The California Plastic Waste Reduction Regulations Initiative would impose a tax on virtually all consumer goods packaging, including packaging for food products, and a tax on some single-use plastic products. If enacted, this new tax on businesses selling in or into California will also increase for inflation beginning in 2030.

The Legislative Analyst's Office has estimated the tax would be "several billion dollars" annually, with some industry estimations coming in as high as $8 billion a year.

Of particular concern is that much of the tax revenue from this initiative is diverted to special interest programs to address a variety of environmental concerns, rather than being focused on reinvesting into the recycling and composting systems necessary to ensure a circular economy can be achieved.

Additionally, this initiative creates a new source reduction requirement on businesses to reduce by 25% the total amount of single-use plastic packaging and food ware by both weight and number of items sold by 2030.

Further, the initiative bans food vendors from distributing expanded polystyrene food service containers and establishes other requirements on producers, such as mandatory take-back and deposit programs, recyclable, reusable, refillable and compostable mandates.

This source reduction mandate is infeasible and fails to account for population growth. Moreover, the initiative ignores infrastructure needs to comply with these requirements, such as permitting challenges and technological needs, and it would exacerbate supply chain problems across all sectors relying on this packaging.

Finally, none of these flaws in the initiative could be fixed by the Legislature, since the measure limits any amendments to those that "further the purpose" of the initiative, and only then with a two-thirds supermajority of the Legislature.

Taxpayer Protection

SUPPORT: The Taxpayer Protection and Government Accountability Act

Over the last five years, several significant loopholes have been carved into California's historic voter approval system for new or increased taxes.

For example, several court of appeal decisions have interpreted a California Supreme Court decision (*Upland*) to permit local special tax increases with majority voter approval if the tax increase was placed on the ballot by voter initiative, rather than by the local agency's governing board.

The jurisprudence following the Upland decision has effectively repealed the two-thirds voter approval requirement for local special taxes. The requirement for a supermajority voter approval of local special taxes has been a cornerstone of the tax reform initiated by Proposition 13 in 1978.

The Taxpayer Protection and Government Accountability Act will close this loophole and several others, and will enact new accountability measures, especially information for voters and binding commitments on the period of the tax increase and use of the revenues.

The measure also enacts a new requirement that any statewide tax increases or new taxes, in addition to being approved by a two-thirds majority of the Legislature, also receive majority approval by voters in a statewide election. The initiative also requires that any new fees be approved by the state Legislature.

CalChamber Board Hears Recap of LA County Homelessness Study

Darry Sragow, political consultant with Dentons, explains to the CalChamber Board of Directors on March 11 what focus group sessions in Los Angeles County revealed about attitudes toward homelessness. Session attendees saw homelessness as the most pressing issue facing the county, expressing revulsion and in some cases fear, but also compassion toward homeless individuals. Voters divided the homeless population into four categories — those with serious mental issues, drug addiction issues, being healthy and able to work but preferring to live outside, and having fallen on hard times due to the economy. There was a sense that any viable solution would need to compel people in these situations to seek help, and a lack of faith in city and county government to address homelessness. Participants in the focus group sessions, conducted December 13–15, 2021 in several areas of Los Angeles County, included a mix of men and women of different ages, racial and ethnic backgrounds, and political affiliations.

EY Blockchain Expert Explains Evolution of Web, Financial Transactions

Chen Zur, partner/principal and US blockchain practice leader at Ernst & Young, describes for the CalChamber Board of Directors on March 11 the transition from Web 1.0 (users only read the content, which is centralized by company) to Web 2.0 (consumers both read and create content, which is centralized by platforms) to Web 3.0 (consumers read, write and own the experiences and value traded via decentralized networks). The move from an "internet of content" to an "internet of value," Zur says, has implications for how cryptocurrency and financial exchanges will be managed and standards developed in the next five to 10 years.

In Memoriam: Former CalChamber Chair Tom Stickel


Tom C. Stickel

Tom C. Stickel, 2002 chair of the California Chamber of Commerce Board of Directors, passed away March 6 at the age of 71.

Stickel served on the CalChamber Board from September 1988 to November 2010.

He was the first chair of ChamberPAC, the CalChamber's candidate political action committee, from its creation in 1995 until 1999.

Praised by colleagues for sunny charm and a "bold, entrepreneurial spirit," Stickel founded financial and venture capital firms in a career spanning four decades.

In 2004, he was the founding partner of Coronado First Bank, a community bank designed to personally serve the needs of Coronado.

He was the founder, chairman and CEO of University Ventures Network. The Coronado-based venture capital firm was affiliated with Virtual Capital of California LLC, an entity of which Stickel was a founding partner, and worked to commercialize technologies created at major U.S. research universities and national laboratories, including the University of California.

Before founding Virtual Capital in 1999, Stickel co-founded American Partners Capital Group, Inc., a company specializing in institutional investment placement and corporate governance.

From 1983 to 1993, Stickel was the founder, chairman and CEO of TCS Enterprises, Inc., an American Stock Exchange-listed financial services conglomerate.

In 1978, he founded Point Loma Savings and Loan, serving as CEO until its conversion to Bank of Southern California in 1983. Point Loma Savings and Loan consistently ranked among the top 10 nationally for earnings based on asset size.

He graduated from San Diego State University with a special major bachelor of arts, earning a master's degree in public administration from the University of Southern California.

He served on, among others, the boards of Sempra Energy and Blue Shield of California, and as chairman of Onyx Acceptance Corporation. He also was a trustee emeritus of the California State University System, founder of the Stickel Christian Foundation, and one-time chairman of Wamp Inc., the foundation set up by fellow Coronadan Stephen Wampler to encourage young people with disabilities to participate in outdoor activities, including camping in the Sierra Nevada.

Like the friends he named in a 2002 breakfast gathering of leaders from throughout the state, Stickel was a reflection of the "great mosaic of California," people whose energy and commitment have left a lasting impact on the state.

He is survived by former wife Tracy Blackburn and their sons, Ryan and Brad, and a sister, Barbara Stickel Carter.