

ALERT

CalChamber International Forum

Australia-California Synergy on Climate Earns Praise



The California Chamber of Commerce this week joined the Australian government and California Governor’s Office of Business and Economic Development (GO-Biz) in presenting an international forum and reception focused on the California and Australia collaboration on battling climate change.

The guest of honor at the August 15 gathering was Ambassador Dr. Kevin Rudd, Australia’s ambassador to the United States.

Among the close to 80 attendees were representatives of state and local government, Australian dignitaries, CalChamber Board members and the CEOs of companies that have developed innovative ways to tackle climate change challenges.

Immediately preceding the forum, California and Australia signed a Memorandum of Understanding (MOU) outlining five years of cooperation to promote clean energy/technology, green finance, and research and development.

The MOU was signed by Jane Duke, consul general of Australia in Los Angeles, and Wade Crowfoot, secretary of the California Natural Resources Agency. Crowfoot recently led a delegation to Australia to see projects that are implementing innovations in storing energy, controlling thermal resources and developing alternatives to plastics, among other projects.

Governor Gavin Newsom and Ambassador Rudd signed a [joint statement](#) affirming their partnership on the climate action outlined in the MOU.

CalChamber President and CEO
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Ambassador Dr. Kevin Rudd, Australia’s ambassador to the United States, speaks at the CalChamber International Forum on August 15.

Workplace Violence Bill Is Unworkable for Small Employers



A California Chamber of Commerce-**opposed** bill that increases business costs and establishes a one-size-fits-all workplace violence

OPPOSE

regulation on all California employers was sent to the Suspense File by the Assembly Appropriations Committee this week pending a review of the bill’s fiscal impacts.

The bill, **SB 553 (Cortese; D-San Jose)**, takes a [regulation written for hospitals](#) related to workplace violence and applies it to all workplaces, regardless of size and resources. The bill requires changes to workplace setup, equipment, and staffing across all industries.

The committee will revisit the many bills sent to the Suspense File before the Legislature adjourns for its interim recess next month.

Increases Costs, Sets Infeasible Provisions

In a recent opposition letter, the CalChamber warned legislators that SB 553’s compliance obligations are significant and apply to all employers in the state.

The bill requires training, record-keeping, annual reviews, and hiring of additional full-time staff to “prevent and respond to workplace violence events

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Labor Law Corner

Religious Beliefs, Gender Identity and Harassment Prevention Training



Dana Leisinger
Employment Law
Expert

We have a new hire who says the harassment prevention training section on gender identity is against her religious beliefs and asks to skip this section of the training and testing. This is the first time we have had such a request. Isn't this a required part of the training for California?

Yes, the harassment prevention training referenced above started as a California requirement for larger employers, but was amended in 2019 to include smaller employers. Even before that, changes were made to require training in gender identity/expression beginning January 1, 2018.

Training Objectives

As explained in the regulations implementing the law:

"The learning objectives of the training mandated by Government Code section 12950.1 shall be: 1) to assist California employers in changing or modifying workplace behaviors that create or contribute to harassment based on 'sex,' 'gender identity,' 'gender expression,' and 'sexual orientation' as those terms are defined in California and federal law, where applicable . . ."

Protections for transgender rights have increased in recent years, which now conflicts with many individuals' religious beliefs. Many individuals believe that sex is ordained divinely and assigned to people at birth and cite sections of the Bible to support their beliefs.

Religious Objections

Disputes involving this subject often relate to restrooms or sports and sports facilities. However, the training required as described above is now being challenged as violative of religious beliefs.

The decision in one case, *Meriwether v. Hartop*, 992 F.3d 492 (2021), ultimately supported a professor's challenge of a university's policy forcing faculty to use students' preferred pronouns. This was a victory for one religious objection, but there appear to be no cases on the new hire's objections noted above.

Hopefully, an open discussion can be held, asking the new hire to listen, but not requiring her to change her beliefs. Until there is case law to guide employers, if the individual refuses to take the training on transgenders, it would be wise to seek legal counsel on how to proceed.

Column based on questions asked by callers on the Labor Law Helpline, a service to California Chamber of Commerce preferred members and above. 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 information at www.calchamber.com/events.

Labor and Employment

Leaves of Absence: Making Sense of It All Virtual Seminar. CalChamber. August 24–25: SOLD OUT, September 21–22: SOLD OUT, Online. (800) 331-8877.

HR Boot Camp 2 Half-Day Virtual Seminar. CalChamber. September 7–8, Online. (800) 331-8877.

Effective Strategies for Handling Discipline and Termination in the Workplace. CalChamber. September 14, Online. (800) 331-8877.

International Trade

2023 Taiwan Trade Shows. Taiwan Trade Center, San Francisco. March 6–November 8, Taiwan and Online. (408) 988-5018.

Access Africa Now Webinar Series. U.S. Commercial Service. April 11–September 27, Online. (512) 936-0039.

India-USA Food and Beverages Buyer-Seller Meet in SF. Trade Promotion Council of India. August 25, San Francisco. intrelations1@tpci.in.

The Green Expo 2023. The Green Expo and International Environmental Congress of the Consejo Nacional de Industriales Ecologistas (CONIECO). September 5–7, Mexico City. 55-1087-1650.

Discover Global Markets: Europe/Eurasia. U.S. Department of Commerce. September 7, San Bruno. douglas.wallace@trade.gov.

Discover the Taste of Future: B2B Agrifood Matchmaking Event. Enterprise Greece and Enterprise Europe Network Hellas. October 8–10, Cologne, Germany. (415) 775-2102.

2023 Taiwan Innotech Expo. Taiwan External Trade Development Council (TAITRA) and Industrial Technology Research Institute (ITRI). October 12–14, Taiwan. (415) 362-7680.

CalChamber Forum Highlights Australia-California Synergy on Climate

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Jennifer Barrera moderated a panel discussion at the forum with Ambassador Rudd, Secretary Crowfoot and GO-Biz Director Dee Dee Myers.

Natural Partners

Ambassador Rudd urged listeners to see Australia as California's natural partner in efforts to turbocharge the transformation of the economy to one supporting clean energy.

Australian law sets goals for carbon neutrality, net-zero emissions and targets for reducing greenhouse gas emissions that are in keeping with California goals, the Ambassador said.

Worth noting is that Australia is a major source of critical minerals key to industrial applications, such as lithium (used to make batteries), cobalt, rare earths and nickel.

Another strength, Australia's "dynamic corporate environment," was displayed during the California mission. For example, companies active in battery technology innovations have facilities in Brisbane, Australia, as well as California and Tennessee. Contributing to the collaboration in the clean energy space, he said, is the U.S.-Australia Free Trade Agreement, which went into effect in 2005.

Local Efforts

Ambassador Nina Hachigian of the U.S. State Department is the first U.S. special representative for city and state diplomacy. She coordinates the State Department's engagement with local officials in the United States and around the world.

In brief remarks at the forum, Hachigian pointed out that cities and counties are on the front lines in fighting economic inequality and advancing efforts to deal with the climate crisis.

Local partners, she said, are doing the



CalChamber President and CEO Jennifer Barrera moderates the August 15 panel discussion.



Ambassador Nina Hachigian, U.S. special representative for city and state diplomacy with the U.S. State Department



Secretary Wade Crowfoot, California Natural Resources Agency

managing, planning and implementing on issues ranging from climate to public health, cybersecurity, democracy and more.

Physical/Virtual Ecosystems

Contributing to the "culture of trust" that is a strong foundation for Australia-California collaborations is the growth of an ecosystem that is both physical and virtual, Ambassador Rudd commented.

Virtual communications enable partnerships that are almost as good as those arising from being in the same physical precinct, with the added advantage of not having to convince California firms to pack up and move to Australia to make projects work, he noted.



Director Dee Dee Myers, Governor's Office of Business and Economic Development (GO-Biz)

Public-Private Partnerships

Myers emphasized the importance of private sector involvement in coming up with ideas to address climate change challenges and the methods to scale those ideas.

She cited as an example the popularization of zero-emission vehicles (ZEV). Two obstacles to broader acceptance of ZEVs were "range anxiety" and cost. With the private sector taking the lead, ZEVs have come to be seen as reliable, are becoming more affordable as the costs come down, and "people feel good about driving them," she said.

Staff Contact: Susanne T. Stirling

Photos by bryanpatrickphoto.com



CalChamber Member Feedback

"CalChamber's ability to produce results at the State Capitol for both large and small businesses is unrivaled. I have been a member and on the board of directors for years and it has been a great investment."

Ted J. Balestreri
Chairman and Chief Executive Officer
Cannery Row Company

Foreign Direct Investment in State Bouncing Back Despite Global Crises



California gained 271 foreign-owned enterprises last year after years

of losses caused by the COVID-19 pandemic, according to a recent report.

In 2022, an estimated 18,237 foreign-owned enterprises (FOEs) operated in California, employing 635,532 residents and contributing \$69.5 billion in wages.

The report, compiled by the World Trade Center Los Angeles (WTCLA) in partnership with the Governor's Office of Business and Economic Development (GO-Biz) and the Center for International Business Education (CIBE) of Loyola Marymount University, found that the international economy quickly unshackled itself from the lingering effects of the

COVID-19 pandemic and finished 2022 with a remarkable average unemployment rate below 4%, amidst a multitude of crises on the global stage, including the continued war in Ukraine and resulting food instability and high energy prices, and financial turmoil and debt pressures from inflation.

Investment in California

Japan is once again the top investor in California, with 3,471 firms employing 101,169 residents and paying more than \$11 billion in wages. The United Kingdom, France and Canada maintain their rankings from the previous year, while Germany joins the top five.

Southern California holds the most foreign direct investment (FDI) in the state, with 11,121 FOEs and 404,559 Californian workers. The Bay Area contributes 5,730 establishments and

nearly 195,000 employees, with more than 5,000 new workers added in the past year. The remaining 1,386 FOEs and 36,000 workers are located in Greater California.

FDI by Industry

From an industry sector standpoint, professional and business services had a strong performance year over year, with 123 FOEs and more than 17,000 workers added in California, while retail trade and wholesale trade also saw major gains.

Despite employing the largest number of Californians by a large margin, the manufacturing industry saw a decrease of more than 20,000 jobs supported by FOEs. Financial activities, leisure, and hospitality also struggled, losing jobs and firms.

To read the full report, [click here](#).

Alberta, Canada Representatives Visit the CalChamber

On Wednesday, August 9, representatives from the Government of Alberta, Canada and the Consulate General of Canada in San Francisco met with the CalChamber. Alberta is Canada's fourth

largest province by area and population, with an energy sector that is vital to the Canadian economy. The Government of Alberta recently expanded its presence in the United States with four representative

offices, including a West Coast Office. Topics of discussion included the California-Alberta relationship and the upcoming Asia-Pacific Economic Cooperation Summit in San Francisco.



(From left) Andrew Fisher, director of U.S. West Coast, Government of Alberta; James Rajotte, Alberta's senior representative to the U.S., Government of Alberta; Susanne Stirling, CalChamber vice president of international affairs; Rana Sarkar, Consul General of Canada; Marie Alnwick, Consul of Foreign Policy and Diplomatic Service, Consulate General of Canada; and Justin Currie, senior foreign policy and diplomacy officer, Consulate General of Canada.

Workplace Violence Bill Is Unworkable for Small Employers

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during each shift.” This includes hiring security personnel, as well as engineering controls, such as physical barriers.

In addition, if even a minor workplace violence event occurs (such as a threat by a drunk patron toward a bouncer), then the employer must make available individual counseling to all employees affected.

The CalChamber pointed out that these costs are incredibly significant and will not be feasible for small businesses, and even larger businesses with tighter margins.

Moreover, if an employer fails any of SB 553’s requirements, it may face fines from \$18,000 (initially) to \$25,000 per violation.

For example: if an employer fails to sufficiently assess its workplace’s potential hazards under SB 553 Section 6401.9(b)(9)), it will be cited. It may then face an additional citation for failing to address the hazards that it failed to identify (under 6401.9(b)(10)), or ineffectively training employees regarding the issue it failed to identify (under 6401.9(e)(1)). In this way, an employer may face multiple citations under SB 553 despite no injuries having occurred, the CalChamber said.

Applies Regulation Meant for Hospitals to All Businesses

SB 553 writes the Healthcare Work-

place Violence Standard into the Labor Code for all employers.

The California Division of Occupational Safety and Health (Cal/OSHA) is drafting a general industry workplace violence regulation because their experts recognize that hospitals are not the same as most employers in California, the CalChamber said.

On the whole, hospitals are centralized (in one building or closely grouped structures), with highly trained and educated staff, distinct entrance/exit points, and have well-developed administrative and legal teams.

In addition, hospitals’ financial resources are far beyond most workplaces. The CalChamber pointed out that a small business, such as a restaurant with eight employees, doesn’t compare to a hospital.

“Hospitals simply are not the average employer in California—which is why Cal/OSHA chose not to apply the hospital standard to all employers,” the CalChamber said.

Restricts Retailers’ Ability to Approach Suspected Shoplifters

SB 553 specifically prohibits retailers from “confronting” any suspected shoplifter. Though recent amendments added an exception for “dedicated safety personnel,” most retailers cannot afford to have such personnel—making the amendment not helpful.

In light of California’s rampant issues with retail theft, SB 553 will make it even harder for small and medium-sized retailers to discourage theft, the CalChamber said.

Will Not Prevent Workplace Violence

SB 553 does not change the realities around workplace violence—namely, that it is a criminal matter that employers are not well-equipped to prevent.

An active shooter entering a workplace—while tragic—is not something most businesses (or public entities) are ever going to be equipped to handle, the CalChamber pointed out.

SB 553 will not summon armed guards to every retail establishment in the state, or improve police response times, or prevent oral threats from being spoken. Instead, it will, at its core, require businesses to keep more records of these events, and create administrative burdens to review these records repeatedly.

“While we do not dispute that record-keeping can be an important part of justice—and certainly many regulations require records be kept—recordkeeping is not so urgent that the present regulatory process should be cut off. In other words: California can afford to get this regulation right via the Cal/OSHA process,” the CalChamber stressed.

Staff Contact: Robert Moutrie



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