

ALERT

Single-Payer Health Care Bill Introduced in Legislature



A bill that would enact a single-payer health care coverage system in California was

introduced for the second consecutive year by Assemblymember Ash Kalra on February 7.

The bill, **AB 2200 (Kalra; D-San Jose)**, would establish the California Guaranteed Health Care for All Act and enact a framework of governance, benefits, program standards, and health care cost controls. Notably absent from the bill is how the massive new bureaucracy will be funded. The Healthy California for All Commission estimated a single-payer healthcare system would cost the state over \$500 billion annually.

Over the last several sessions, California legislators have introduced and reintroduced bills attempting to overthrow the entire state health care system and install a government-run, single-payer health care model.

In the 2022–2023 session, Assemblymember Kalra introduced two companion bills, **AB 1400 (Kalra; D-San Jose)** and **ACA 11 (Kalra; D-San Jose)**, which were tagged by the California Chamber of Commerce as **job killers**. Both bills failed to pass the Legislature.

The CalChamber has opposed single-payer health care bills in the past because they proposed an extremely expensive and untested state-run health care system that inherently requires massive new taxes on Californians.

Californians need to have affordable
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Two Local Chamber Leaders Join CalChamber Board



Nicholas Adcock



Monica Lal

In December, the California Chamber of Commerce Board of Directors updated the organization’s bylaws to add two new seats specifically for local chamber CEOs, reflecting a strategic move to deepen CalChamber engagement with California’s diverse business communities.

This expansion aims to ensure that the unique perspectives and challenges of local chambers, and the small businesses they represent, are directly incorporated into state-level advocacy and decision-making.

The CalChamber is pleased to announce that the CalChamber Executive Committee has appointed **Nicholas Adcock**, leading the Greater Riverside Chambers of Commerce, and **Monica Lal**, at the helm of the Monterey Peninsula Chamber of Commerce, to these positions.

Adcock’s role in the Inland Empire, a region critical for California’s economic growth, and Lal’s leadership in an area
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Author Reintroduces Legislation Providing Unemployment Benefits to Striking Workers



A bill that would provide unemployment insurance (UI) benefits for striking workers was introduced in the California Legislature this week by Senator

Anthony Portantino.

This new bill, **SB 1116 (Portantino; D-Burbank)**, is a reintroduction of last year’s **SB 799 (Portantino; D-Burbank)**, which was vetoed by Governor Gavin Newsom.

The California Chamber of Commerce labeled SB 799 a **job killer** and urged its veto because it would have

forced employers to, in effect, pay their own employees to strike.

The bill would have provided a benefit to workers who voluntarily chose to not work, the opposite of the purpose of UI benefits, which is to compensate employees who are separated from their jobs through no fault of their own.

Moreover, the bill would have raised taxes on employers across California and would have put the state’s UI program at risk of violating federal law.

In addition to adding to employers’ tax burden, SB 799 also would have added to the state’s General Fund obli-
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Labor Law Corner

How State Cannabis Laws Affect Testing, Questions About Use



Matthew J. Roberts
Associate General
Counsel, Labor and
Employment

I've heard California law protects employees who use cannabis. Is it true that we can no longer test for, or discipline, an employee who tests positive for cannabis at the workplace?

Although it is true that in the past two years California has enacted laws that change how employers may address cannabis use in the workplace, employers still are permitted to take appropriate steps to enforce a drug-free workplace policy.

Those steps include testing applicants and employees, and disciplining employees for possession of, use of or impairment from any drugs, including cannabis.

Offsite, After-Hours Cannabis Use

Enacted in 2022 and effective on January 1, 2024, AB 2188 added a new protected class to the Fair Employment and Housing Act (FEHA) prohibiting employers from refusing to hire, disciplining, terminating or otherwise discriminating against an applicant or employee simply because they use cannabis offsite and away from the workplace. The new law makes clear, however, that employers may continue to prohibit possession of, or impairment by, cannabis while on the job.

In basic terms, this means employers may continue to enforce their drug-free workplace policies as it pertains to cannabis, with a new wrinkle. Drug-free policies generally call for drug testing employees as permitted under the law.

In most cases in California, that means conducting drug tests upon a reasonable suspicion that an employee is impaired at the worksite after observing

objective signs such as odors emanating from the employee, slurred speech, lethargy, or bloodshot eyes.

AB 2188 does not prohibit reasonable suspicion testing for cannabis use; however, it does change the type of testing to which employers may subject their employees.

Under the new law, employers may no longer utilize testing that screens for nonpsychoactive cannabis metabolites. In this view, it generally is understood that employers must utilize saliva tests for active impairment since the chemicals causing impairment have not been metabolized in the saliva.

This testing restriction extends to preemployment drug testing as well. Similar to employee drug testing, AB 2188 does not alter an employer's ability to require that an applicant successfully complete a preemployment drug screening for cannabis. Again, however, the employer is limited to utilizing only testing that does not screen for nonpsychoactive cannabis metabolites.

Because AB 2188 does not expressly
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CalChamber-Sponsored Seminars/Trade Shows

More information at www.calchamber.com/events.

Labor and Employment

Leaves of Absence. CalChamber. February 22–23, April 11–12, Online. (800) 331-8877.

Practical Application of 2024 California Employment Laws to Your Workplace. CalChamber. February 29, Online. (800) 331-8877.

HR Boot Camp. CalChamber. March 7–8, March 28–29, Online. (800) 331-8877.

International Trade

California Pavilion at the Singapore Airshow. Governor's Office of Business and Economic Development (GO-Biz). February 20–25, Singapore. (916) 447-7946.

Your Roadmap to MoCRA (Modernization of Cosmetics Regulation Act) Webinar. Women in International Trade Orange County and Economic Development Collaborative. February 28, Online. Managing Risk and Cost in the Global

Supply Chain: Focus on Foreign Trade Zones. National Institute for World Trade. February 28, San Bernardino; February 29, Long Beach. (888) 484-6484.

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CalChamber Calendar

Water Committee:

March 7, La Jolla

ChamberPAC Advisory Committee:

March 7, La Jolla

Board of Directors:

March 7–8, La Jolla

International Trade Breakfast:

March 8, La Jolla

Next Alert: March 1

The Workplace

Career Advancement Best Practices in the Age of Remote, Hybrid Work



In **Episode 191** of The Workplace podcast, CalChamber Associate General Counsel Matthew Roberts and business coach

Nick Warner discuss the career advancement challenges remote workers face and give best practices for creating career opportunities in the current remote workplace environment.

Out of Sight, Out of Mind

A recent article in *The Wall Street Journal* highlighted new data that remote workers who worked from home five days a week were 35% more likely to be laid off than their peers who put in office time, Roberts says. The study found that 10% of fully remote workers were laid off in 2023, compared to 7% of those who worked in an office full-time or on a hybrid basis.

Warner, founder of Nick Warner Consulting, points out that oftentimes what is out of sight is out of mind. Simon Sinek writes in *Leaders Eat Last* that studies have shown it's harder to hurt someone who is in front of you.

A study asked participants to shock someone who was standing 30 feet away, and 5% of the participants were willing to press the button. When the person was hidden and never seen by the participants, the percentage of participants willing to press the button shot up to 90%.

This shows, Warner says, that “the further away you are from that power source, the easier it is...for that power source to hurt you.”

But, he adds, it's rarely one factor that is the source of the issue. Remote workers could be missing out on mentoring opportunities that arise from being present at the office or may miss out on the debriefs and networking that happens in hallways when meetings conclude.

These opportunities can be impactful, he stresses.

An issue the *Wall Street Journal* article

brings up is that some remote workers feel that their managers expect remote workers to complete assignments much faster than in-office employees, Roberts says.

“Managers seem to have some weird, distorted sense of how things get done on a fully remote basis — like they expect everything to be done in 10 minutes,” Roberts recounts from the article.

Is there a misconception, Roberts asks? What are managers missing?

Warner suggests that workers find ways to make sure people know what they're doing. Some ways to do this are by communicating in different ways online or reaching out to teammates after calls or traveling to interact with office colleagues.

If someone is in a situation where they're remote but their colleagues are together, they will need to take extra steps and have more awareness; otherwise it could be perilous for that person, he says.

Changing Job Market

The job market is weird right now, Roberts says. Some industries are laying people off, while other industries can't find enough people.

Warner advises workers and business owners who are experiencing problems in the job market to reevaluate their mindset.

Workers who are set on finding remote work should think about why they want to be remote.

“Being in the office can be a privilege, not a punishment,” he says.

Being in the office can bring mentorship and collaboration opportunities that can advance one's career, he points out. The debrief that happens after a meeting has ended, for example, is important and is a teambuilding opportunity that remote employees miss out on.

Business owners also should reevaluate their mindset if they're having issues. For example, Warner says, if you want to have an old-school type of office environment where everyone is here every day, ask yourself, what's the benefit? Does it need to be everybody?

Could a hybrid model work? If so, employers should assign specific core days and core times that workers should come into the office.

“If we're going to do it, let's do it in an organized way that makes sense,” he stresses.

Leadership Advice

In wrapping up the podcast, Roberts asks Warner what advice he has for workers who want to take on leadership roles.

Warner suggests that people ask themselves what their unique value proposition is. What do they do really well and where do they add value to their company? Someone may be very good at something, but they might hate it.

Equally important is to know what someone is not good at. If someone can't get past what they're not good at, they can't evolve, Warner says.

“You have to get proficient because you're going to be great at the things you're great at, and our job is to supercharge that and add unique value, but also bring up these trailing issues,” he says.

While some people may actively pursue leadership positions, there are those who, for one reason or another, prefer to stay where they are.

One issue Warner sees in emerging leader training is employees who don't want to move up into positions of leadership. Warner cautions that people in this situation are in a stage in their career where if they don't move up, they are casting a shadow on the person behind them, taking away all the growth and air for that person. People with more experience should consider taking on a mentoring role for their organization.

“The value you provide to people around you is so high, not just monetarily and business wise, but also psychologically and soulfully to actually help people underneath you,” he says. “You have that skill set, so let's try to move you from the field into the executive,” he says.

To hear more from Warner, check out his podcast, [Together At The Top](#), where he interviews successful professionals and business owners across all industries.

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health care coverage when they access their quality health care providers. Although Californians experience premium increases on an annual basis, an expensive and complete overhaul of the health care system is not the answer to insuring the uninsured and improving affordability.

Moreover, single-payer health care does not equate to free health care.

“The exorbitant taxes and costs associated with this system will systematically eradicate new jobs while driving out existing industries,” CalChamber Senior Policy Advocate Preston Young

said. “The consequences associated with adopting a single-payer health care model should discourage the Legislature from pushing forward any such proposal in California.”

Health Care Coverage Is Nearly Universal for Californians

Through a patchwork of commercial and public options, California is closing in on insuring nearly 100% of its population — regardless of immigration status. According to data from the Department of Managed Health Care and the Department of Insurance, total health care coverage increased in 2022 by 4.7%

— meaning there are now 35.9 million enrollees in California, which is a record.

The CalChamber 2023 *People’s Voice* survey, conducted by Bold Decision and Pierrepont Consulting & Analytics, found that 87% of voters report that they are satisfied with their health insurance (asked of those with insurance), and 45% report that they are “very satisfied.”

Among those with private health insurance, 78% responded that they would rather keep their private insurance, as opposed to switching to a government-run single-payer approach.

Staff Contact: [Preston Young](#)

Two Local Chamber Leaders Join CalChamber Board

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represented by a key state legislator, position them as vital links between CalChamber’s advocacy efforts and local business interests.

“I’m honored to join the CalChamber Board, representing the vibrant business community of the Inland Southern California,” said Adcock. “This role presents an incredible opportunity to bridge local business needs with statewide advocacy, ensuring the unique challenges and opportunities of our region are addressed at the highest levels.”

“Monterey’s economy is unique, relying on tourism, agriculture, military, and

our higher education facilities to drive growth,” said Lal. “I look forward to bringing the perspective of the Monterey Peninsula’s business community to the forefront, advocating for policies that support growth and sustainability.”

The appointment of Adcock and Lal is set to strengthen CalChamber connections across California, enhancing the organization’s ability to represent and advocate for the vast network of local chambers and the small businesses they support. By bringing their regional insights and leadership experiences to the CalChamber Board, Adcock and Lal will play crucial roles in ensuring that

the voices of local chambers are heard on matters affecting the state’s business environment.

“The addition of Nicholas Adcock and Monica Lal to our Board strengthens CalChamber’s connection with local chambers across California,” said CalChamber President and CEO Jennifer Barrera. “Their insights will be invaluable in our efforts to ensure that the diverse voices of our statewide business community are represented in our advocacy work, especially the critical perspectives of small businesses.”

Staff Contact: [Nick Ortiz](#)

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gation regarding the UI Fund because interest on the UI Fund debt is paid by the state.

In his [veto message](#), Governor Newsom pointed out that the state should not incur more UI debt.

“Any expansion of eligibility for UI benefits could increase California’s outstanding federal UI debt projected to

be nearly \$20 billion by the end of the year and could jeopardize California’s Benefit Cost Ratio add-on waiver application, significantly increasing taxes on employers. Furthermore, the state is responsible for the interest payments on the federal UI loan and to date has paid \$362.7 million in interest with another \$302 million due this month [September 2023]. Now is not the time to increase

costs or incur this sizable debt,” he stated.

The California fund is in historic debt — approximately \$20 billion — due to the COVID-19 pandemic and subsequent statewide shutdown. As a result, California employers already are paying increased UI taxes pursuant to federal law and are likely to face ongoing tax increases until approximately 2032.

Staff Contact: [Robert Moutrie](#)



California Trade Down in 2023, But State Still a Top Exporter



Trade statistics released this month by the U.S. Department of Commerce show that California, despite lower annual trade numbers, remained a top exporting state in 2023.

California exported \$178.71 billion worth of goods to the world in 2023 — down from \$186.23 billion in 2022. Overall, imports from the world to California were down in 2023 to \$449.48 billion worth of goods from \$508.80 billion in 2022.

The result is that total California trade is down to \$628.20 billion in 2023 from \$694.27 in 2022.

As usual, computer and electronic products made up the bulk of California exports.

U.S. Trade Overview

In 2023, the United States exported a total of \$2.019 trillion in goods to the world and imported \$3.084 trillion, creating a goods deficit of \$1.065 trillion.

For the first time in two decades, the United States imported more from Mexico than China. The United States' trade deficit with China narrowed significantly last year, with goods imports from the country dropping 20% to \$427.2 billion.

The U.S. trade gap in advanced technology goods shrank nearly 10% last year from the record set in 2022, largely due to higher aerospace exports and lower imports from China.

U.S. aerospace exports increased to nearly \$127 billion, from about \$105 billion in 2022. Exports of biotechnology and life science products also showed growth, offsetting declines in electronics and flexible manufacturing products.

California Export Markets

California's top five export markets remained the same in 2023, in order: Mexico, Canada, China, Japan and South Korea.

Taiwan remained California's sixth largest export partner, the Netherlands in seventh place, followed by Germany, the United Kingdom, now at ninth (replacing India, now 11th), and Hong Kong.

• Exports from California to Mexico increased from \$30.79 billion in 2022 to \$33.26 billion in 2023, maintaining the country's spot as California's top export partner.

• Canada remained California's second largest export destination with \$19.07 billion worth of goods; however, exports to Canada decreased from \$20.58 billion in 2022.

• California exports to China totaled \$16.87 billion in 2023, a decrease from \$18.15 billion in 2022.

• Exports from California to Japan totaled \$10.62 billion in 2023, a decrease from \$11.64 billion in 2022.

• South Korean imports of California goods totaled \$9.39 billion in 2023, a decrease from \$11.57 billion in 2022.

• Taiwan remained California's sixth largest export partner in 2023, taking \$8.84 billion worth of California goods, down from \$10.42 billion in 2022.

• Exports from California to the Netherlands totaled \$6.12 billion in 2023, down from \$6.51 billion in 2022.

• Exports from California to Germany totaled \$5.90 billion in 2023, a decrease from the 2022 figure of \$6.25 billion.

• The United Kingdom became California's ninth largest export partner in 2023, with \$5.73 billion worth of exports — replacing India, now ranked 11th.

• California exports to 10th-ranked Hong Kong were \$5.59 billion in 2023, a small increase from \$5.56 billion in 2022.

California Imports

In 2023, California imported \$120.11 billion of goods from China — down from \$147.77 billion the previous year.

• Mexico imports increased to \$61.51 billion from \$60.46 billion in 2022.

• Imports from Taiwan were up to \$29.24 billion in 2023 from \$28.59 billion in 2022.

• Vietnamese imports to California declined to \$28.16 billion from \$29.03 billion the previous year.

• Japan sent fewer goods to California in 2023 — \$25.77 billion, which was down from \$29.33 billion in 2022.

• South Korea also sent significantly fewer goods to California in 2023 — \$23.84 billion, which was down from \$31.14 billion the previous year.

• Imports from Canada to California were down significantly, totaling \$15.72 billion in 2023 compared to \$23.78 billion in 2022.

• German goods sent to California in 2023 increased to \$15.04 billion from \$14.20 billion in 2022.

• Imports from Thailand to California

were down to \$13.66 billion from \$16.40 billion in the previous year.

• Imports from Malaysia to California also were down to \$10.52 billion in 2023 versus \$12.45 billion in 2022.

Export Commodities

Exports in California's top category, computer and electronic products, decreased from \$41.61 billion in 2022 to \$40.99 billion in 2023.

Transportation equipment (the only top commodity that increased) went from \$17.11 billion in 2022 to \$18.22 billion in 2023.

Nonelectrical machinery exports decreased from \$21.87 billion in 2022 to \$17.67 billion in 2023. Exports of chemicals (\$17.04 billion) and agricultural products (\$13.70 billion) decreased in 2023.

The top import category for California in 2023 was computer and electronic products at \$116.69 billion. Other top imports to the Golden State included transportation equipment, electrical equipment, manufactured products, and oil and gas.

CalChamber Position

California is one of the 10 largest economies in the world with a gross state product of more than \$3.5 trillion. International trade and investment are major parts of our economic engine that broadly benefit businesses, communities, consumers and state government.

California's economy is diverse, and the state's prosperity is tied to exports and imports of both goods and services by California-based companies, to exports and imports through California's transportation gateways, and to movement of human and capital resources.

Although trade is a nationally determined policy issue, its impact on California is immense. California exports to more than 227 foreign markets. Trade offers the opportunity to expand the role of California's exports. In its broadest terms, trade can literally feed the world and raise the living standards of those around us.

The California Chamber of Commerce supports expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

Staff Contact: Susanne T. Stirling

How State Cannabis Laws Affect Testing, Questions About Use

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authorize any form of testing, employers are strongly encouraged to consult legal counsel about the best course of action for cannabis screening.

Preemployment Cannabis Inquiries

As a follow-up to AB 2188, in 2023 California enacted SB 700, also effective on January 1, 2024, to prohibit preemployment inquiries into an applicant's prior cannabis use.

For example, employers may not request information about cannabis use on a job application or in an interview. Further, unless otherwise permitted by law, an employer may not consider prior

cannabis use obtained from a criminal history report.

Exceptions

Both AB 2188 and SB 700 are subject to a few exceptions. Employers who are in the building and construction trades are exempted from both laws.

Unfortunately, there is no definition whatsoever as to what it means to be in the "building and construction trades." Employers who believe they may fall into that vague and broad category are encouraged to consult with counsel before assuming that the exception applies to their organization.

The second exception applies to applicants or employees hired for positions that

required a federal government background investigation or security clearance in accordance with U.S. Department of Defense regulations or other equivalent regulations applicable to other federal agencies.

Lastly, the law states it does not preempt, or override, other state and federal laws that require applicants or employees to be tested for controlled substances.

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.

CalChamber-Sponsored Seminars/Trade Shows

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The Leading Edge of Sogo Shosha in Silicon Valley. Japanese Chamber of Commerce of Northern California. March 1, Palo Alto.

Journey to Panama. San Diego Diplomacy Council. April 1–5, Panama. (619) 291-8105.

The Madrid Energy Conference 2024. Institute of the Americas and IPD Latin America. April 9–11, Madrid,

Spain. (858) 453-5560.

California Pavilion at Hannover Messe. GO-Biz. April 22–26, Hannover, Germany. patricia.utterback@gobiz.ca.gov.

World Trade Week Southern California. Los Angeles Area Chamber of Commerce. May 1, Long Beach. chluna@lachamber.com.

WCF Americas Summit. International Chamber of Commerce (ICC) World

Chambers Federation. May 8–10, Bogotá, Colombia.

Annual Export Conference. National Association of District Export Councils. May 13–14, Washington, D.C.

Trade Winds – Europe. GO-Biz and U.S. Commercial Service. May 13–15, Istanbul, Turkey. Optional: May 9–10, Denmark or Romania; May 16–17, Poland or Italy. Register interest. patricia.utterback@gobiz.ca.gov.



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