

ALERT

Business Outlook Brings State Businesses Together



Business leaders from around the state gathered in

Sacramento on June 4 for the California Business Outlook and Dinner.

Partners in presenting the event were the California Chamber of Commerce, Sacramento Host Committee, California New Car Dealers Association (CNCDA), California Restaurant Association, California Retailers Association, Visit California and Western Growers.

The agenda for the daytime portion of the gathering included discussions on international trade and tariffs, California's efforts on climate change, an international

economic forecast, and an examination of retail theft and the implementation of Proposition 36, the November 2024 California ballot initiative increasing penalties for drug and theft crimes.

The daytime and evening agendas included recognition for outstanding local chambers of commerce and presentations of \$5,000 grants to four small businesses that showed leadership through job creation business growth and financial success.

The evening also included an address by 2025 CalChamber Chair Maryam S. Brown, CEO of Southern California Gas Company.

California Business Outlook Dinner attendees had the opportunity to see and hear from six candidates for Governor.

Look inside for photos and links to video clips from the event.

Business Outlook Dinner Panel Features Candidates for California Governor



Candidates for California Governor appearing at the June 4 California Business Outlook dinner are (from left) Chad Bianco, Riverside Sheriff; Katie Porter, Former U.S. Representative; Steve Hilton, Author, Podcaster, Business Founder; Lt. Governor Eleni Kounalakis; Toni Atkins, Former Senate President Pro-Tem; and Antonio Villaraigosa, Former Los Angeles Mayor. Watch the [video](#) of their lively exchange, moderated by John Myers, CalChamber Senior Vice President, Communications and External Affairs.

Legislators Embrace CalChamber's Call for Affordability in House of Origin Actions



In acting to set aside costly policy proposals and mitigate the burdensome costs

in others, members of the California Legislature agreed last week to take into consideration the important issue of affordability as urged by the California Chamber of Commerce.

As part of its new focus on making California a more affordable place to live and work, CalChamber identified several legislative proposals that would either lead to improvements or setbacks in making the state more affordable for business owners and workers.

Bills were placed in one of two categories: "Cost Cutters," efforts to reduce business and consumer expenses, and "Cost Drivers," proposals that would make California less competitive and less affordable.

"We applaud the efforts of legislators to take a second look at some of the proposals we identified as significant cost drivers to the California economy," said CalChamber President and Chief Executive Officer Jennifer Barrera. "We look forward to working with members for the remainder of the legislative session to ensure new laws are carefully crafted with the best needs in mind of hard-work-

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Inside

California Business Outlook
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Labor Law Corner

How to Respond to Federal Request for Documents Related to Form I-9s



Matthew J. Roberts
Associate General
Counsel, Labor and
Employment

We received a Notice of Inspection from the federal government requesting documents related to our Form I-9s and other business documents. How do we respond to this notice?

All employers must comply with the Immigration Reform and Control Act (IRCA) by verifying that a new hire is eligible to work in the United States. Employers must use the *Form I-9* to comply with this requirement.

To ensure that employers are complying with the ICRA, the federal

government is authorized to conduct an administration inspection process. Although a few federal agencies such as the U.S. Department of Labor and U.S. Department of Justice may investigate employer IRCA compliance, a Notice of Inspection (NOI) usually will come from Homeland Security Investigations within the Department of Homeland Security.

Receiving an Inspection Notice

Employers that receive an NOI will have at least three business days' notice to prepare the production of all documents that are requested. The NOI may request documents such as payroll records, active and inactive employee lists, business license and other records in addition to the *Form I-9* records.

In addition to the federal NOI response, California law requires employers to provide additional notice to their own employees.

California employers must post a notice to all current employees within 72 hours of receiving the NOI. The notice must be posted in the same language that is normally used to communicate employment-related information and must include:

- The name of the immigration agency conducting the inspection;
- The date the employer received the NOI;
- The nature of the inspection, if known; and
- A copy of the NOI.

If the employees have a collective bargaining representative, this notice must go to that representative as well.

Responding to Inspection Results

Once the federal agency has received and reviewed the documents, it will issue its investigative findings in writing. The several possible outcomes include, but are not limited to: a letter of full compliance, a notice of technical or procedural failures in the Forms I-9 and a notice of "suspect documents" — that the documents reviewed may not relate to the employee or establish the employee's eligibility to work in the United States.

Once the inspection results are received, employers need to prepare any potential response and take actions as required based on the results. Additionally, under California law, the employer must

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CalChamber-Sponsored Seminars/Trade Shows

More information at www.calchamber.com.

Human Resources

California Meal and Rest Break Rules.

CalChamber. June 26, Online. (800) 331-8877.

Supervisor Essentials: Workplace Compliance. CalChamber. July 17, Online. (800) 331-8877.

Leaves of Absence. CalChamber. August 7–8, Online. (800) 331-8877.

HR Boot Camp. CalChamber. September 11–12, Online. (800) 331-8877.

International Trade

Access Africa Now: Empowering Africa's Financial Future — Exploring Fintech's Role in Growth and Opportunity. Webinar Series. U.S. Commercial Service. April 29–June 24, Online. [Webinar website](#).

Unlocking Global Advantage: The Power of Foreign Trade Zones. National Association of District Export Councils. June 24, Online. [Learn more and register](#).

California State Trade Expansion Program

(STEP) Export Training Series. Governor's Office of Business and Economic Development (GO-Biz). June 30, 2025–March 31, 2026. [Event website](#).

Green Expo Mexico. GO-Biz. September 2–4, Mexico City. GO-Biz will host four to six businesses in its California Pavilion. [Register interest](#).

14th World Chambers Congress. World Chambers Congress. September 2–4, Melbourne, Australia. <https://wcc.iccwbo.org/>.

Aquatech Mexico. GO-Biz. September 2–4, Mexico City. GO-Biz will host four to six businesses in its California Pavilion. [Register interest](#).

Medical Fair Thailand. GO-Biz. September 9–12, Bangkok, Thailand. GO-Biz will host five businesses in its California Pavilion. [Application portal](#).

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The Workplace

Don't Overlook Annual Workplace Violence Prevention Obligations



In [Episode 225](#) of The Workplace podcast, CalChamber Labor and Employment General Counsel Bianca Saad and CalCham-

ber Associate General Counsel Matthew Roberts discuss what employers are required to do annually to comply with general industry workplace violence prevention standards.

On July 1, 2024, California's general industry workplace violence prevention standards went into effect, requiring employers to have a workplace violence prevention plan. They also had to train their employees about the plan, amongst other requirements. Even though businesses may have spent a significant amount of time last year complying with the initial

workplace violence prevention standards, under the law, employers still have annual requirements that they can't ignore.

Employers are required to review their workplace violence prevention plan annually — and update it as needed — and train their employees on that plan. But what exactly does that mean?

On this podcast, CalChamber employment law experts describe:

- How employers can review the effectiveness of their workplace violence prevention plan, including worksite inspections and employee input, and update the plan, if necessary;
- How to handle multiple worksites, including a field or client site;
- Three instances when employers must train employees on their workplace violence prevention plan; and
- What employers are required to discuss in their trainings.

Keep in mind, workplace violence

prevention plans and trainings must be specific to the employer and the worksite — there isn't a one-size-fits-all plan available that would comply with the law.

Because these annual plan reviews and training require substantial effort, employers need to get started, if they haven't already.

Need more help preparing? CalChamber's [Workplace Violence Prevention Toolkit](#) contains a model workplace violence prevention plan as well as a checklist and steps for the plan administrator to follow to ensure things aren't missed. Plus, if you plan to purchase — or already have bought — our toolkit, you can add our [Workplace Violence Prevention Support service](#) to collaborate directly with our employment law experts.

Missed CalChamber's [Revisiting Your Workplace Violence Prevention Program for 2025](#) webinar? Purchase the recording from the CalChamber Store.

The Workplace

Current, Pending Legislation Affecting California Employers



In [Episode 226](#) of The Workplace podcast, CalChamber Associate General Counsel Matthew Roberts and CalChamber

Senior Policy Advocate Ashley Hoffman discuss pending employment-related legislation, including bills on CalChamber's Affordability Agenda, in the California Legislature.

For more than two decades, CalChamber has issued the "[Job Killer](#)" list to call attention to legislation that would have eliminated jobs or opportunities for investment in job growth for California businesses. The list has been hugely successful for the business community, as more than 93% of bills that have wound up on the list over the years have been halted in the legislative process or amended to remove the most onerous provisions.

This year, CalChamber created an [Affordability Agenda](#) to highlight legislation that helps businesses and consumers

by cutting costs, as well as those policies that drive costs up as Californians worry about day-to-day living expenses. Bills are labeled as either Cost Drivers, which would increase costs for small businesses and consumers, or Cost Cutters, which would reduce costs for Californians.

Pending Legislation

On this podcast, Roberts and Hoffman discuss pending employment-related legislation, including:

- **AB 1331**, which would affect every single California employer by broadly limiting workplace surveillance tools, like video cameras and potentially even employee badge technology. **Cost Driver.**

- **SB 7**, which would regulate automated decision systems used for employment purposes, even if it's just used to assist decision making (for example, scheduling software, resume screening). **Cost Driver.**

- **AB 858**, which would create a statewide return-to-work mandate for the hospitality industry after any state of emergency, putting rigid restrictions on who needs to be hired back, in what order

and how long employers need to wait for former employees to respond. **Cost Driver.**

- **SB 310**, which would undermine last year's Private Attorneys General Act (PAGA) reforms by creating another private right of action to collect penalties from employers. **Cost Driver.** (Note: After this podcast was recorded, SB 310 was placed on the inactive file and is considered dead for the year.)

- **SB 642**, which would amend California's pay scale and equal pay act laws, including increasing the statute of limitations to allow a longer period in which lawsuits could be filed to recover damages.

- **SB 294**, which would require employers to provide employees with a "Know Your Rights" notice — developed by the Labor Commissioner's office — on different kinds of workers' rights, like heat illness, workers' compensation and worker misclassification.

Stay tuned to [The Workplace Podcast](#) for future updates and changes to employment-related legislation.

12 Local Chambers Receive 2025 President's Circle Award

The California Chamber of Commerce has named 12 local chambers of commerce as recipients of the 2025 President's Circle Award.

The award, first presented in 2009, recognizes chambers for excellence in business advocacy and helping their members comply with California employment laws.

The award-winning chambers were announced during the first California Business Outlook on June 4.

Two of the chambers have received the President's Circle Award 17 times — every year since the award was established.

The 2025 recipients of the President's Circle Award are as follows. An * marks the chambers that have received the award all 17 years.

2025 President's Circle Award Recipients

- **Gilroy Chamber of Commerce:** Michelle Carlen, president/CEO;
- **Greater High Desert Chamber of Commerce:** Mark Creffield, president/CEO;
- **Lake Elsinore Valley Chamber of Commerce:** Kim Joseph Cousins, president/CEO;
- **Long Beach Area Chamber of Commerce*:** Jeremy Harris, president/CEO;
- **Paso Robles & Templeton Chamber of Commerce:** Gina Fitzpatrick, CEO;
- **Ridgecrest Chamber of**



Photo by bryanpatrickphoto.com

Maryam S. Brown (right), 2025 CalChamber Chair, with representatives of local chambers receiving the 2025 President's Circle Award (from left) Anthony Angelini, Simi Valley Chamber; William Brandt, Torrance Area Chamber; Nicholas Adcock, Greater Riverside Chambers; Nancy Lindholm, West Ventura County Business Alliance; Michelle Carlen, Gilroy Chamber; Kim Joseph Cousins, Lake Elsinore Valley Chamber; Celeste Wilson, Long Beach Area Chamber; and Freddie Gonzalez, Tulare Chamber.

Commerce: Rebecca McCourt, executive director;

• **Greater Riverside Chambers of Commerce*:** Nicholas Adcock, president/CEO;

• **Santa Maria Valley Chamber of Commerce:** Michael Boyer, president/CEO;

• **Simi Valley Chamber of Commerce:** Kathi Van Etten, president/CEO;

• **Torrance Area Chamber of Commerce:** Donna Duperron, president/CEO;

• **Tulare Chamber of Commerce:**

Donnette Silva Carter, president/CEO;

• **West Ventura County Business Alliance:** Andy Conli, president/CEO.

President's Circle Award recipients published vote records of their state legislators on key business issues, joined coalition efforts to let state elected officials know about community sentiment on issues of interest to members, voiced the local chamber's position at legislative policy committee hearings, and participated in the CalChamber compliance product resale program at an exemplary level.

How to Respond to Federal Request for Documents Related to Form I-9s

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provide a notice to any "affected employees" identified by the inspection results as potentially lacking work authorization or having other document deficiencies.

The notice must be provided directly to each affected employee — and any collective bargaining representative — within 72 hours of receiving the inspection results and must include:

- A copy of the written immigration agency notice informing the employer of the inspection results; and
- A written notice of the employer's and affected employee's obligations arising from the inspection which contains:
 - A description of the deficiencies

or other issues directly relating to the affected employee;

- The timeframe for correcting the issues;
- The date and time of any meetings with the employer to correct the issues; and
- The employee's right to representation during any meeting with the employer.

Conducting Audits

To help mitigate against inspection issues, employers should conduct regular internal *Form I-9* audits to ensure ongoing compliance and to correct any errors before an inspection notice is received.

When conducting an audit, ensure

that the methods for the audit selection criteria don't appear to be discriminatory or retaliatory. For example, selecting for review only employees without U.S. citizenship documentation could result in an immigration-related discrimination claim.

Employers should discuss with legal counsel any questions about conducting *Form I-9* audits and responding to NOIs.

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 Names Redlands Chamber as First Chamber of the Year

The California Chamber of Commerce has chosen the Redlands Chamber of Commerce as the inaugural winner of its Chamber of the Year Award, in recognition of the local organization's outstanding leadership in community engagement, economic development and advocacy.

"They are tireless advocates, co-sponsoring legislation at the city, county, and state levels, ensuring local businesses have a voice where it matters most," said CalChamber 2025 Chair Maryam Brown. "Their Leadership Redlands program is developing the next generation of civic and business leaders, offering immersive experiences that connect people to the very heart of the community."

The award was presented June 4 at the California Business Outlook Dinner, part of a day-long gathering of leaders from communities throughout the state. The audience included representatives of business, local chambers of commerce, state legislators, government entities and international partners,

Photo by bryanpatrickphoto.com



Maryam S. Brown, 2025 CalChamber chair, presents the Chamber of the Year Award to Evan Sanford, executive director of the Redlands Chamber of Commerce.

Achievements

Among other achievements, the award acknowledges the Redlands Chamber, which has 559 member businesses, for:

- Its mission to serve its members through Workforce, Economic, and Leadership Development (W.E.L.D.) In the past year, the Redlands Chamber has placed more than 170 individuals into jobs, and more than 400 people since 2022.

- The New Beginnings Program, which helped more than 30 formerly homeless individuals find jobs, transforming their lives and futures.

- Leadership Redlands, a program that is developing the next generation of civic and business leaders by connecting them to hands-on community projects.

- Energizing the Redlands community by hosting 108 ribbon cuttings, three job fairs and community celebrations like the Dog Jog and the free New Year's Eve Orange Drop (attracting more than 5,000 attendees) in 2024.

- Revitalizing local tourism through Visit Redlands, producing the city's first printed map in five years and earning two historic preservation awards with a new

lobby. Event ticket sales increased 12%, year over year, and the Redlands Chamber website had a record 87,000 visits.

Community Testimonials

Business owners and community members speak passionately about how the Redlands Chamber has empowered their businesses, careers and connection to the community:

- **Joe Genua, owner of Lappert's Ice Cream Redlands:** "Being a member has provided me with invaluable networking opportunities, connecting me with other local businesses, potential clients, and resources that have helped my business grow... The Chamber ensures that our voice is heard in local government and beyond. It works tirelessly to create a business-friendly environment."

- **Drew & Zach Douglass, owners of JunkDawgs,** cite the support of the Redlands Chamber in taking advantage of San Bernardino County's on-the-job training (OJT) program. They say the program "has alleviated some of that anxiety when bringing on new hires by providing an excellent training platform for them in San Bernardino County. We

eagerly anticipate ongoing support from the OJT program and plan to integrate it for every new hire with our company."

- **Gabe Brown, graduate of Leadership Redlands, Class of 2024:** "This new version of the program provides unprecedented access to the people and organizations that shape and operate the various aspects of what makes the city of Redlands special. It also connects you to a growing network of passionate, forward-thinking leaders that will be your partners, advisors, and mentors in this ongoing journey."

Award Criteria

To be eligible for the award, chambers must have a proven track record of programs that benefit their local business communities. They also must show commitment to economic development, advocacy, and innovative strategies that drive business success.

Judging included both an in-depth application review and a public voting component, making this recognition one the chamber earned both by their work and by the support and admiration of their community.

Four Small Businesses Receive \$5,000 Grants at Business Outlook Dinner

Photos by bryanpatrickphoto.



Steve Fleming (below), president and CEO of River City Bank and chair of the Sacramento Host Committee, announces the small business grant recipients. Accepting the grant are Christine Lee, Fair Oaks Burger; Azita Milanian, Tosca Fashion; Claire Rogers, Frisky Business Palm Springs Cat Café; and Kevin Brannon, Reel Guppy. Helping with the presentation of the giant checks are Host Committee members Rachael McKinney (yellow top) of Sutter Health and Erica Taylor of Golden 1 Credit Union.



with \$5,000 grants at the California Business Outlook dinner on June 4.

The awardees showed leadership through job creation, business growth and financial success. They also demonstrated good employee relations (creative workforce solutions); community impact (including partnerships with community groups); and innovation in business solutions and design.

Rebuilding from Fire

The two awardees rebuilding from the devastation of the Eaton Fire are:

- **Fairoaks Burger** — It has been a family-owned business in Altadena for close to 40 years and was the only business still standing on its block after the Eaton Fire. After the fire, co-owners Christine Lee and her sister, Janet, gathered their employees to begin hosting community events in the restaurant's parking lot. World Central Kitchen paid for the food, and other community organizations reached out to help. The business hosted rallies, such as Altadena Not For Sale, and the Lee sisters worked to expand their social media presence. Fairoaks Burger intends to be an anchor for the community as it rebuilds.

- **Tosca Fashion** — This Altadena business was founded in 1996. It creates custom fashions for ballroom dance customers. The Eaton Fire burned, not

just the building that housed Tosca Fashion, but also the storage unit where the business kept all its patterns, sewing equipment and custom-made costumes for men and women. Owner Azita Milanian lost her home as well. Before the fire, Milanian worked with local nonprofits to make dancing more accessible and started Children of One Planet and Dance for Hope America. Tosca Fashion has reached out to customers to send pictures of the costumes they bought. It aims to rebuild so it can continue providing services to the community.

Outside Los Angeles

Two awardees are from outside the Los Angeles fire zone:

- **Frisky Business Palm Springs Cat Café**, owned by Claire Rogers, integrates cat therapy, relaxation and community engagement. It is a certified EMPLOYABILITY CHAMPION and neurodiverse workplace that prioritizes hiring individuals with disabilities. Frisky Business offers a four-month paid internship program for individuals with disabilities while also fostering the well-being of its employees through flexible scheduling, mental health resources and customized accommodations. Frisky Business honors diversity in all its forms and is an advocate for the LGBTQ+ community. It has an adoption partnership with the Palm Springs Animal Shelter, through which it supports cat adoptions. The business also offers free space to community groups such as the Autism Society and Voices for Children.

- **Reel Guppy Outdoors Inc.** in Oxnard aims to unify all individuals as

passionate stewards seeking positive change for their environment and the world. Supported by community sponsors, owner Kevin Brannon shares with others his connection with the ocean and outdoors to foster the sense of belonging and purpose he found in fishing. He uses the promise of fun and adventure as bait for Reel Guppy's free environmental and marine education programs, which include access to its multimedia studio on the Channel Island Harbor. The programs feature on-campus clinics and outdoor fishing trips. The youth participants gain lessons in leadership and entrepreneurship, plus a chance to explore careers, seek internships and prepare for jobs.

Business Outlook Dinner

The **California Business Outlook Dinner** reimagines a tradition begun 99 years ago by the founder of the Sacramento Host Committee. Instead of breakfast, the invitation-only, sold-out event convened for a networking reception and dinner with approximately 800 guests attending.

Partners in presenting this event are the California Chamber of Commerce, Sacramento Host Committee, California New Car Dealers Association (CNCDA), California Restaurant Association, California Retailers Association, Visit California and Western Growers.

See the videos of grant winners
at the California Business
Outlook Dinner
youtube.com/calchamber

Remarks by Maryam S. Brown

‘When California Builds, California Prospers’

Following are remarks as delivered by Maryam S. Brown, 2025 chair of the California Chamber of Commerce Board of Directors, at the first California Business Outlook Dinner on June 4. Brown is chief executive officer of Southern California Gas Company, Los Angeles.

It is truly invigorating to be with like-minded people that have shared values on what it is that makes California strong. And I think that we’re united in several ways... We are all united in promoting a positive investment climate for business, for businesses to be able to grow here in California.

We are also united in being solutions-oriented. We see problems as opportunities. And we are also united in knowing that when California builds, California prospers.

When California connected the railroads to the rest of the country, California prospered. When the Golden Gate Bridge was built, California prospered. Connecting Northern and Southern California, the aircraft industries, the ship-building industries from World War II and the housing boom that followed that — California prospered.

Silicon Valley, when that was built, California prospered, and our university system. And when we sent Americans in the Apollo mission to the moon, it was Californians that designed and built that command module — not Texas, not Florida, that was California. I repeat, when California builds, California prospers.

Affordability Crisis

California has many great things. We also have problems, and the affordability crisis is a big one. The affordability crisis is rooted in housing, energy, water, transportation. And the affordability crisis really is an availability crisis, and it has become one that’s so serious that it endangers the inherent promise that is California.

California has always symbolized opportunity in this country. It’s written in our music. Think of songs like “California Dreamin’” from the Mamas and the Papas and “Hollywood Nights” by

Bob Seger. And “I Left My Heart in San Francisco.” And I even think that Tupac — “California Love” — expresses that vibe as well.

Changing Trajectory

But it is obvious that we must change this trajectory on affordability in this state. Right now, Californians feel overwhelmed and they feel let down, and we as business leaders have three choices.

and want is they want to know that we’re working together and that we are working for their interests. And it is needed now.

It’s needed now because the RAND Corporation published a series of results that tell us the time is now. Seven of the most costly metro areas in the United States are in the state of California. Housing is the most expensive to build in California in every single cost category that there is. And the out migration that we’re

experiencing in California is very real. And when people leave, we lose tax revenue, we lose brain power, and we lose valued employees, and those are the people that we’re going to need if we’re going to build a better California.

So, why am I invested in California’s future? I’m not from California. I’m from south Louisiana, and I am a first generation American. But California has always represented that shining city on the hill for me. That first time I got an opportunity to live and work in California, the first time in San Francisco and now again in Los

Angeles, I felt like the luckiest person in the world.

I still feel like the luckiest person in the world. I think that we can build that shining city again, but the way that we need to do it is to build. Again, when California builds, California prospers. Housing, water, energy, transportation — we need all of it.

Modernizing CEQA

Making it easier to build — and we all know this — starts with modernizing
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Photo by bryunpatrickphoto.com

CalChamber Chair Maryam S. Brown speaks at the California Business Outlook Dinner on June 4.

First thing we can do is do nothing. So often, that is what ends up being the choice that’s made.

Another option we have is to work on narrow, parochial issues that meet our interests.

And the third option is we unite with other business and other stakeholders to build a better California.

I think that the choice is clear — that we need to build a better California and solve real problems. And one of the benefits of solving real problems is that it regains trust in business and in government institutions that has been absent of late.

Working Together

Right now, we look like combatants with one another, fighting for our respective interests. And what Californians need

See the video of Maryam S. Brown’s remarks at the California Business Outlook Dinner
youtube.com/calchamber

Consular Corps, International Partners Greet Governor, First Partner, State Officials in Reception at Historic Governor's Mansion

Photos by bryanpatrickphoto.com



Governor Gavin Newsom speaks to members of the California consular corps and international partners during a reception at the Governor's Mansion on June 4. Attendees included representatives of nearly 60 countries. Looking on (from left) are Maryam S. Brown, 2025 CalChamber chair; Jennifer Barrera, CalChamber president and CEO; and Dee Dee Myers, director of the Governor's Office of Business and Economic Development (GO-Biz).



Pausing during the Consular Corps and International Partner Reception at the Governor's Mansion on June 4 are (from left) Maryam S. Brown, 2025 CalChamber chair and CEO of SoCal-Gas; Jennifer Barrera, CalChamber president and CEO; Dee Dee Myers, director of the Governor's Office of Business and Economic Development (GO-Biz); and Jennifer Siebel Newsom, first partner of California.



Governor Newsom poses with Canadian Consul General Rana Sarkar, dean of the San Francisco consular corps, at the reception.



Governor Newsom chats with Consul General Ezra Chiloba of the Republic of Kenya during the consular corps reception.

California Business Outlook: Honoring Legacy, Shaping Tomorrow



CalChamber President and CEO Jennifer Barrera welcomes attendees to the California Business Outlook and explains the transition from the CalChamber Capitol Summit and Sacramento Host Breakfast to the day-to-evening gathering presented in partnership with the Sacramento Host Committee, California New Car Dealers Association (CNCDA), California Restaurant Association, California Retailers Association, Visit California and Western Growers. [Watch the video](#) for her comments on affordability.



Sacramento County District Attorney Thien Ho explains to the California Business Outlook audience on June 4 how Proposition 36, the November 2024 California ballot initiative increasing penalties for drug and theft crimes, has been an important tool for law enforcement. [Watch the video](#) to hear the district attorney's comments on fighting organized retail theft and see the free stickers his office is handing out for businesses to display to warn potential shoplifters about the penalties for theft.



Rana Ghadban, CalChamber vice president of small business advocacy, kicks off the morning session of the California Business Outlook on June 4.



Liane Randolph, chair of the California Air Resources Board (CARB), chats with CalChamber President and CEO Jennifer Barrera at the California Business Outlook. Randolph says changes in the federal landscape are leading to changes in how CARB works toward meeting the state's clean air goals. [Watch the video](#) to learn more.

California Business Outlook: Honoring Legacy, Shaping Tomorrow



Lieutenant Governor Eleni Kounalakis and Caroline Beteta, president and CEO of Visit California, comment on how international trade has helped California become the fourth largest economy in the world. Also in the conversation mix are their observations on tourism, tariffs, the state's economic success and affordability issues. [Details in the video.](#)



Dr. Christopher Thornberg, founder of Beacon Economics, outlines for California Business Outlook attendees on June 4 the relationship between social narratives, economic policy and what the data shows is really happening. [Watch the video](#) to hear his remarks and see a sampling of his slide presentation.

Emcee Nikki Laurenzo, executive producer and host of Fox 40's "Inside California Politics," welcomes attendees to the California Business Outlook Dinner on June 4.

Legislators Embrace CalChamber's Call for Affordability

From Page 1

ing entrepreneurs, workers, and the families who depend on them.”

Cost Drivers Not Moving

The following bills, identified by CalChamber as “**Cost Drivers**,” failed to move forward for 2025:

- **SB 310 (Wiener; D-San Francisco) Expands Private Right of Action for Penalties:** Creates a new private right of action for wage and hour penalties that will be manipulated by trial attorneys, undermining the 2024 Private Attorneys General Act (PAGA) reform, which sought to reduce avenues for litigation abuse and overall costs on employers. **To Senate Inactive File at author's request, June 5, 2025.**

- **SB 318 (Becker; D-Menlo Park) Air Quality Governance:** Imposes extensive new mandates and permitting requirements that introduce significant regulatory uncertainty, force costly technology upgrades on stationary sources, and increase the cost of operating in California for critical sectors such as energy, food production, manufacturing, and recycling. Such costs undermine the state's competitiveness and further strain affordability for residents. **Held in Senate Appropriations.**

- **SB 601 (Allen; D-Santa Monica) Punitive and Onerous Water Quality Permitting Requirements:** Creates duplicative permitting obligations and dramatic legal liability requirements for businesses, agriculture, and water and wastewater utilities by granting the water boards broad authority to impose permitting requirements without considering economic impacts or the critical need for housing and recycled water projects. **Cost Driver status removed due to amendments.**

- **SB 682 (Allen; D-Santa Monica) De Facto PFAS Ban:** Creates a de facto ban on the use of perfluoroalkyl and polyfluoroalkyl substances (PFAS) in all commercial and consumer products, unless Department of Toxic Substances Control (DTSC) is petitioned and makes an affirmative determination that the PFAS in a particular product is an unavoidable use. Because of the breadth and scope of PFAS use, including in

aerospace, lithium-ion batteries, medical devices, automotive and semiconductors, to name a few, the regulatory program established is unworkable and ultimately will lead to a ban on critically important products or otherwise make certain products less safe, and ultimately drive up prices for consumers. **Cost Driver status removed due to amendments.**

- **SB 755 (Blakespear; D-Encinitas) Climate Disclosure Mandate:** Imposes significant costly new mandates on businesses that contract with the state and risks reducing participation in state contracting at a time when public procurement should be more efficient, not more burdensome. **Held in Senate Appropriations Suspense File, May 23, 2025.**

- **SB 763 (Hurtado; D-Bakersfield) Vast Expansion of State Antitrust Penalties:** Raises penalties under California's antitrust law, the Cartwright Act, from \$1 million to \$100 million, and individual penalties from \$250,000 to \$1 million, with no demonstrated need for reform or adjustment, thereby increasing liability and costs on businesses. **Cost Driver status removed due to amendments.**

- **AB 914 (Garcia; D-Rancho Cucamonga) Massive Expansion of CARB Regulatory Authority:** Hands the California Air Resources Board (CARB) blank check fee authority, transferring a core power of the Legislature to an unelected bureaucracy with little to no oversight. **Placed on Assembly Inactive File at author's request, June 2, 2025.**

- **AB 1221 (Bryan; D-Los Angeles) Restricts Use of Data in Employment:** Imposes impractical requirements on employers of every size relating to any worker data collected by a workplace surveillance tool, which is defined so broadly that it would affect everything from security footage to emails. These requirements will drive up costs and impact consumer prices. **Held in Assembly Appropriations.**

Cost Cutters Moving Forward

Bills identified by CalChamber as “**Cost Cutters**” that cleared their legislative house of origin and remain under consideration include:

- **SB 540 (Becker; D-Menlo Park)**

Independent Regional Energy Organization: Authorizes the California Independent System Operator and California utilities to integrate into a broader regional energy market governed by an independent regional organization. Will reduce energy costs for Californians.

- **AB 265 (Caloza; D-Los Angeles) Small Business Recovery Act:** Allows the Office of Small Business Advocate to provide grants to small businesses impacted by the Los Angeles fires to help them recover and rebuild.

- **AB 417 (Carrillo; D-Palmdale) Enhanced Infrastructure Financing Districts:** Improves the ability for local governments to build critical infrastructure and provide financing for economic development in targeted districts within their jurisdiction. It will allow economic development projects to receive additional financing, which incentivizes businesses to invest and create more jobs.

- **AB 609 (Wicks; D-Oakland) CEQA Reform for Infill Projects:** Will help to reduce the cost of housing, by reforming the permitting process for infill housing, which will allow for the state to build more housing and drive down prices.

- **AB 1308 (Hoover; R-Folsom) Expedites Entitlement Process for Housing Construction:** Requires the building department to provide an applicant of a residential building permit with an estimated timeframe in which the inspection of the permitted work will be completed, upon receiving a notice of the completion of the permitted work, to reduce costs and ultimately housing prices.

- **AB 1138 (Zbur; D-Hollywood) and SB 630 (Allen; D-Santa Monica) Film Tax Credit:** More than doubles the State's Film Tax Credit to \$750 million annually that will help to grow and retain jobs in one of California's signature industries and ultimately strengthen the economy.

CalChamber's policy advocates will continue to work closely with legislators and other allies over the remainder of the legislative year to promote a cost-conscious approach that will improve the bottom line for Californians now and into the future.

‘When California Builds, California Prospers’

From Page 7

CEQA, the California Environmental Quality Act. Some people told me that not everybody knows what CEQA is. I’m glad that I’m in this kind of audience that they do.

Modernizing this 50-year-old law is essential to affordability and it’s essential to prosperity. I have three proof points for you on it. Exhibit A: when we experienced the fires in Los Angeles earlier this year, the governor the very first thing that he did was he waived CEQA. Exhibit B: in Sacramento, right now, in the Legislature, in the Assembly and the Senate, there are major legislative proposals seeking to reform CEQA. And those are by progressive legislators of ours, but it shows that consensus that’s there.

And by the way, and this would be my third — this is not just a California problem. There is recognition that we need streamlining of permitting for it to be easier to build across the country. And

just last week, as divided as our United States Supreme Court can be, there was a unanimous decision about narrowing the scope of NEPA [National Environmental Policy Act], and why that’s important is that NEPA is the forerunner to CEQA.

I know that there can be skepticism that this hill has already been climbed. There have already been efforts to reform CEQA, modernize CEQA, and they were not successful. What I would say is that knowing that history means that we have the power to not repeat it.

Thomas Jefferson said it well: “I like the dreams of the future rather than the history of the past.”

So let’s move forward. The writing is on the wall.

‘Tear Down These Walls’

Speaking of walls, 40 years ago, a great Californian stood at the Brandenburg Gate in Berlin, and he spoke against the Berlin Wall, against the

system that suffocated freedom and brought economic misery. On that day, California’s Ronald Reagan said, “Mr. Gorbachev, tear down this wall.”

Today, Californians face an oppressive wall of regulation, and we need to say, “Elected officials, let’s tear down these walls. Let’s tear down these walls that are crushing affordability and crushing prosperity, and let’s rebuild an archway, an archway that balances human needs and environmental needs.”

Solving affordability in California is number one on CalChamber’s Board agenda. I hope my fellow Board members get good rest. We have a lot of work to do. I’m going to remind you something that somebody taught me once, which is nothing good happens after 10 p.m. To the broader business community that’s here, our partners, we hope to come back to you with an action plan.

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