

ALERT

Bill Limiting Workplace Automation Tech Moves



Legislation that could saddle California business owners with significant

new costs passed an Assembly policy committee this week.

The California Chamber of Commerce has identified the bill, **SB 7 (McNerney; D-Pleasanton)**, as a **Cost Driver** because its restrictions on the use of automated decision systems (ADS) in employment would be an impediment to making California more affordable for businesses and consumers.

The bill imposes impractical requirements on employers of every size related to ADS, which would discourage the use of such tools and subject employers to costly litigation and onerous new compliance procedures.

At the June 25 hearing of the Assembly Labor and Employment Committee, supporters of the bill told lawmakers that SB 7 will help workers by allowing more human oversight of decisions made using ADS.

Employer representatives agreed there should be “a human in the loop” for employment decisions, but highlighted continuing concerns with SB 7, including:

- the need to remove independent contractors from the scope of the bill;
- the need for additional clarity in defining the use of ADS in employment-related decisions;

- the volume of notices required by the bill;
- the size of the businesses that would be affected;
- the bill’s onerous appeal provisions;
- the need to rely on ADS for safety purposes.

An analysis of SB 7 prior to the June 19 amendments, conducted for the CalChamber-affiliated California Foundation for Commerce and Education, found that it requires an unprecedented expansion of human resources staff and will saddle businesses with exorbitant new annual costs.

The analysis uses employment and salary data provided by the state and independent sources and is decidedly conservative: It assumes only 2% of workers (including independent contractors) would invoke their right under SB 7 to review all their employment data collected using ADS technology.

Key Vote

SB 7 passed Assembly Labor and Employment on a vote of 5-0.

Ayes: Ortega (D-San Leandro), Elhawy (D-Los Angeles), Kalra (D-San Jose), Lee (D-San Jose), Ward (D-San Diego).

Not voting: Flora (R-Ripon), Chen (R-Yorba Linda).

SB 7 will be considered next by the Assembly Privacy and Consumer Protection Committee.

Staff Contact: Ashley Hoffman

New CalChamber Web Page Offers Employer Immigration Law Resources



To help employers, the California Chamber of Commerce has put

together a [web page](#) with links to federal, state and CalChamber resources about immigration law.

Federal resources on the page include links to the U.S. Citizenship and Immigration Services I-9 Central; the M-274 handbook for employers; guidance for employers conducting internal employment eligibility verification *Form I-9* audits; and the U.S. Immigration and Customs Enforcement (ICE) *Form I-9* inspection fact sheet.

California resources include links to the Department of Industrial Relations page explaining rights for all workers; joint guidance from the Justice and Industrial Relations departments about the Immigrant Worker Protection Act (AB 450); and the Civil Rights Department immigration rights fact sheet.

Also available are links to the Immigration Compliance for Small Businesses webinar presented by the California Office of the Small Business Advocate, in conjunction with CalChamber and the CalChamber Small Business Policy Council; articles from *CalChamber Alert* and the *HRWatchdog* blog; and Public

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Labor Law Corner

Signed Blanket Meal Break Waivers OK Under Certain Conditions



Lisa Guzman
Employment Law
Expert

Can our new hires sign one-time blanket meal break waivers, or does the employee need to sign a written waiver each time he or she waives a meal break?

In a significant win for employers, the California Court of Appeal recently ruled that blanket meal waivers signed by nonexempt employees are permissible for shifts between 5 and 6 hours, if certain conditions are met.

Meal Breaks and Meal Waivers

Under California Labor Code Section 512, an employer is required to provide a 30-minute, off duty meal period for employees who work more than 5 hours and a second 30-minute meal period for shifts of 10 hours or more.

However, the law allows the employer and employee to mutually agree to waive the meal break so long as the employee works no more than 6 hours. An employee also may waive a second meal break under certain conditions.

California employers commonly ask new hires to sign blanket or “prospective” meal break waivers during the onboarding process. Before a recent Court of Appeal decision, it was unclear whether this practice of obtaining one-time waivers was permissible or whether a waiver had to be obtained from an employee each time he or she waived a meal break.

Court Decision

In *Bradsbery v. Vicar Operating, Inc.*, No. B322799 (Cal. Ct. App. Apr. 21, 2025), the plaintiffs sued their former employer, claiming they were denied meal breaks as required by Labor Code Section 512 and the Industrial Welfare

Commission (IWC) Wage Orders 4 and 5 (applicable to the employees in this case).

The employer argued that the employees had voluntarily signed written blanket meal period waivers early in their employment. The waivers read:

“I hereby voluntarily waive my right to a meal break when my shift is 6 hours or less. I understand that I am entitled to take an unpaid 30-minute meal break within my first five hours of work; however, I am voluntarily waiving that meal break. I understand that I can revoke this waiver at any time by giving written revocation to my manager.”

The plaintiffs argued that the blanket meal waivers they signed were not enforceable because they were not signed on a per-shift basis. Both the trial court and Court of Appeal rejected the plaintiff’s arguments.

The Court of Appeal held that prospective meal break waivers signed by employees are enforceable, provided the waivers are not “unconscionable or unduly coercive.” The court made it clear that it would have “serious reservations” about a waiver if there was evidence that the employee signed the waiver unknowingly or under coercion, or if the waiver

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More information at www.calchamber.com.
Human Resources

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

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](#).

California Trade Mission: Poland and Ukraine (spotlight on energy and construction sectors). GO-Biz. November 11–14, Warsaw, Poland. [Application portal](#).

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The Workplace

Workers' Compensation: The Who, What, Where of Workplace Injuries



In **Episode 227** of The Workplace podcast, CalChamber Associate General Counsel Matthew Roberts and Employment

Law Subject Matter Expert Vanessa Greene discuss several important considerations employers face when navigating workers' compensation claims in California. From what to do when a workplace injury occurs to how to work with ongoing workers' compensation claims, employers can have difficulties managing workers' compensation issues.

Workers' compensation is a no-fault insurance system that covers employers, employees and work-related injuries. All California employers with at least one employee must have workers' compensation insurance, which covers all company employees, but not independent contractors.

What's Covered?

Which workplace injuries are covered is one key question employers have. For example, Greene describes a situation where an employee was told never to touch or use a nail gun but ended up shooting a nail through his hand when he picked up a nail gun.

The workers' compensation system can be broad and protective — even when an employee breaks the rules, the injury still may be covered by workers' compensation.

Determining whether workers' compensation covers an injury can get tricky. As an example, Roberts and Greene discuss a recent California Court of Appeal decision about whether workers' compensation covered a worker injured while riding in a coworker-run vanpool on their commute home. These gray-area type situations can be confusing for employers.

Common Questions

In addition to workers' compensation coverage, Roberts and Greene discuss

other common workers' compensation questions, including:

- What an employer needs to do when they are notified about or discover a workplace injury;
- How to handle situations where an employee doesn't want to seek medical treatment;
- How to pay employees for their time seeking medical treatment on either the day of the injury or during subsequent follow-up appointments;
- What to do when an injured employee is unable to work for a significant length of time; and
- Practical tips for employers to follow when there is a workplace injury at their worksite.

Finally, Greene emphasizes, it's important for employers to work closely with their workers' compensation claims administrator.

CalChamber members can read more about [What To Do When an Injury Occurs](#) in the HR Library on *HRCalifornia*.

Not a member? See how CalChamber can help you.

Signed Blanket Meal Break Waivers OK Under Certain Conditions

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could not be freely revoked at any time.

It is important to note that this case addresses only waivers for the first meal break under Labor Code Section 512 and IWC Wage Orders 4 and 5 and did not address second meal break waivers.

Guidance for Implementing Meal Waivers

The court's decision provides some welcome guidance for employers on the use of prospective meal break waivers:

• **Implement a written meal break waiver.** In this case, the court upheld a written prospective meal waiver. Although not required by law, it is best practice to have a blanket meal break waiver in writing.

• **Meal waivers should be clearly written and communicated.** Meal break waivers should be clearly written. They should state that signing is voluntary, and that the waiver can be revoked at any time. The waiver also should include language explaining what the employee must do to revoke a waiver. If a waiver is given to employees during onboarding, the waiver should be highlighted and discussed. Employers should encourage employees to ask any questions they may have about the meal waiver, to ensure that employees fully understand what they are signing.

• **Do not force employees to sign meal break waivers.** Mutual consent is required for a meal break waiver to be valid. Employers must not pressure or coerce employees into signing meal

waivers. In addition, employers must not retaliate against an employee who exercises his or her right not to sign a meal waiver or to revoke a meal waiver.

Employers considering using blanket meal period waivers should consult with legal counsel to understand how this court decision affects its specific industry and circumstances, and to ensure compliance with the Labor Code and applicable wage orders.

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.

California Works

Google's Code Next Program Develops Next Generation of Tech Leaders



This article is a part of a series of profiles of CalChamber member companies that are contributing to the state's economic strength and ability to stay competitive in a global economy. Visit [California Works](#) to learn more about this series and read past and future profiles.



A celebration in Inglewood last month marked the expansion of a Google program started a decade ago to help high school students learn the skills they need and find inspiration to pursue careers in technology.

Code Next Inglewood is the fourth location nationwide and the second in California for the free program. The Code Next labs bring to high school students classes in topics such as web development, artificial intelligence and entrepreneurship.

The other Code Next labs are located in Oakland; Chelsea, New York; and Detroit, Michigan.

The Code Next labs put participants through a rigorous computer science curriculum and provide personalized coaching, as well as the opportunity to have a mentor-mentee relationship with Google team members, such as programmers or computer engineers. Students also gain access to industry experts and cutting-edge tools, including virtual and augmented reality.

The comprehensive curriculum covers topics ranging from JavaScript programming to user experience (UX) design. The Inglewood lab also will have a focus on gaming and production.

The [Code Next website](#) reports that of the program's most recent graduates:

- 91.5% have been accepted to and are attending college/higher education programs.
- 88.4% are majoring in a STEM

(science, technology, engineering, math) field in college.

- 58.1% are specifically naming "computer science" or "information systems" as their major.

First Lab in Southern California

More than 50 students, community leaders, and special guests attended the ribbon-cutting ceremony and open house at Code Next Inglewood, located at the Shops at Hollywood Park

breaking barriers, building confidence, and showing our youth they belong in these rooms. I'm proud to be a part of this incredible moment and can't wait to see the next generation of innovators rise up right here in Inglewood."

Code Next Alumnus

Among the speakers at the Code Next Inglewood celebration was Gideon Buddenhagen, who described himself as a product of the Oakland Unified School District. Now a senior at Brown University, Buddenhagen said Code Next was a consistent presence in the community.

The computer engineers and mentors who taught him were as important as the curriculum, Buddenhagen said. Their inspiration led him to create a Leadership in Motion program for middle school students. The program, taught by high school mentors, provided free exposure to technology and computer science concepts for more than 75 middle school students in Oakland.

When the Los Angeles Rams hired him as a community impact intern, Buddenhagen said, he leveraged his Code Next technical and entrepreneurial studies to create a customized computer science class "at the intersection of football and STEM education" for more than 100 middle school students in Inglewood, Watts and South Central Los Angeles.

"It is ever more important to recognize this impact as a collective achievement," Buddenhagen said. "Code Next cultivated my technical learning and fostered my community mindedness with grace. They opened doors to opportunities I never even knew existed, granting me access to lifechanging opportunities."

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Photo by Will Navarro, courtesy Hollywood Park



At the Code Next Inglewood open house.

"Media, entertainment and technology infuse all that we do at SoFi Stadium and Hollywood Park, across our award-winning venues, global events, and groundbreaking experiences like COSM, Cinopolis and CineVita," said Travis Sampson, senior vice president and chief technology officer of SoFi Stadium and Hollywood Park. "Code Next Lab embodies both the innovation and commitment to community which serve as the foundation of what we continue to build here at our game-changing live, work, play destination."

"Code Next Inglewood is more than a lab—it's a launching pad," said Andrew Whitworth, who helped the Los Angeles Rams win Super Bowl LVI. "It's about

CalChamber Urges: Address Expected Port Congestion, Supply Chain Disruptions



Last week, the California Chamber of Commerce joined more than 225

trade associations and other supply chain stakeholders in urging the federal administration to work with them to address concerns about anticipated port congestion and supply chain disruption.

The associations — representing U.S. importers, exporters and transportation providers — noted in their [June 17 letter](#) that the port congestion and supply chain disruption will soon have an impact on U.S. competitiveness.

The coalition sent their letter to U.S. Transportation Secretary Sean Duffy, U.S. Commerce Secretary Howard Lutnick and U.S. Federal Maritime Commission Chairman Louis Sola.

The CalChamber concurs there is concern that the 2025 tariff implementation changes may recreate the supply chain challenges shippers faced during the pandemic: severe port congestion, inaccessible vessel capacity and containers, higher freight rates, and shipment delays.

Reviving Task Force

The letter goes on to urge the administration to reconstitute the 2021–2022 White House Supply Chain Disruption Task Force to address these issues proactively and as soon as possible.

In 2021, Federal Maritime Commissioner Chairman Daniel B. Maffei directed Commissioner Carl W. Bentzel to lead the Maritime Transportation Data Initiative. Commissioner Bentzel held

meetings with maritime and intermodal stakeholders beginning in December 2021, culminating in a Data Summit in June 2022.

Commissioner Bentzel focused the data initiative on three key objectives:

- Cataloging the status quo in maritime data elements, metrics, transmission and access;
- Identifying key gaps in data definitions/classification; and
- Developing recommendations for common data standards and access policies/protocols.

Initial findings from five months of weekly virtual meetings with maritime and intermodal stakeholders were presented on June 1, 2022 at a [virtual summit of the Federal Maritime Commission](#).

Reaction to Added Tariffs

When the United States imposed additional tariffs — in particular with China — many companies either paused or canceled their orders for imports to the United States.

The immediate impact was a sudden decline in vessel traffic to the United States, which caused ocean liner carriers to reduce capacity by either pulling vessels out of the market or engaging in blank sailings. The added tariffs also set off layoffs and turmoil throughout the multimodal logistics industry.

The current rush to move cargo has led to a shortage of empty shipping containers at points of origin and limited vessel capacity as carriers rework their vessel deployment to accommodate the spike in cargo. Further, congestion is starting at foreign ports and there have been significant increases in ocean freight

rates and charges, like what many companies experienced during the pandemic.

Being Prepared

In anticipation of a surge of cargo from Asia, especially to West Coast ports, the U.S. land-side transportation infrastructure and service providers also must be prepared for increased activity.

The coalition is asking the administration to engage ports, terminal operators, truckers, railroads, warehouses and labor to ensure all are ready to support the seamless flow of cargo through the ports as it begins to arrive.

The executive director of the Port of Los Angeles told an agriculture transportation audience last week he doesn't [foresee a huge surge of cargo](#) in the coming weeks.

Port of Long Beach officials said they expect a boost in late June, telling the [Long Beach Business Journal](#) that the temporary pause on the higher China tariffs “will likely trigger a cargo surge.”

But as the coalition asserted, no one can afford a repeat of the congestion and resulting cargo velocity issues that plagued U.S. supply chains during the pandemic.

The coalition encouraged the administration to work with ocean carriers, ports, terminal operators, rail carriers, and trucking companies to ensure they are able to meet the demands of U.S. importers and exporters — especially as congestion issues start to arise in overseas markets and freight rates increase.

Mitigating the risk of severe supply chain disruptions will minimize adverse impacts on the global competitiveness of U.S. exporters and importers.

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

Google's Code Next Program Develops Next Generation of Tech Leaders

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About Hollywood Park

Spanning nearly 300 acres, [Hollywood Park](#) is the largest urban mixed-use development under construction in the Western United States. It is being built

by Los Angeles Rams Owner/Chairman E. Stanley Kroenke. Anchored by an up to 890,000-square-foot retail area and surrounded by office space, Hollywood Park offers residences, public parks, a lake, and entertainment venues. The mixed-use development is linked by

walkable paseos and plazas and centered around the 3.1 million square-foot SoFi Stadium and the intimate YouTube Theater. The development is a short drive from LAX and the City of Inglewood's future Crenshaw/LAX Line.

Foundation Brings Cap-and-Trade Program Experts to Policy Makers



California Foundation
for Commerce & Education

came to Sacramento earlier this month to present a briefing on their groundbreaking studies examining efforts to reduce carbon emissions.

The studies by the researchers from the Lawrence Livermore National Laboratory (LLNL) have redefined thinking about carbon dioxide removal (CDR) and climate strategy in California and across the nation.

The briefing was organized by the California Foundation for Commerce and Education (CFCE), a nonpartisan, nonprofit research organization affiliated with the California Chamber of Commerce.

The researchers presented an explanation of the cap-and-trade program: *California's Cap and Trade Explained. Balancing Growth with Climate Stringency*.

Their groundbreaking studies are:

- *Getting to Neutral: Options for Negative Carbon Emissions in California* and
- *Roads to Removal: Options for Carbon Dioxide Removal in the United States*.

Experts shaping California's environmental future

California's cap-and-trade program, implemented in 2013, applies to major industrial facilities, power plants and fuel suppliers. Cap-and-trade places a firm, annually declining "cap" on greenhouse gas emissions. Those emissions are tied to tradable "allowances," most of which are distributed in quarterly auctions



California Foundation for Commerce and Education briefing on California's cap-and-trade program brings program experts to legislative policymakers.

the government of the United Kingdom and published extensively on strategies like Bioenergy with Carbon Capture and Storage (BECCS).

• **Dr. Roger Aines**, co-investigator, the energy program chief scientist at LLNL and a national leader in carbon removal innovation. He led LLNL's

Carbon Initiative and most recently served as senior advisor for CDR at the U.S. Department of Energy.

• **Susan Houghton**, project manager and leader of the Carbon Management and Energy Research Portfolio at Livermore Lab Foundation. She spearheaded the national stakeholder engagement strategy behind *Roads to Removal* and has a deep understanding of the real-world implementation landscape.

Hearing directly from experts shaping California's environmental future allowed briefing attendees

to gain insights about the bold, science-based pathways that could define the next era of climate leadership.

CalChamber supports a simple reauthorization or "clean" extension of the cap-and-trade program through 2045. Governor Gavin Newsom proposed this kind of extension in his revised state budget plan this spring.

Contact: Luis Quiñonez

managed by the California Air Resources Board (CARB).

Speakers

Speaking at the briefing were the following LLNL researchers:

- **Dr. Caspar Donnison**, principal investigator, an environmental economist with nearly a decade of experience in CDR science and policy across the United States and Europe. He has advised

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Counsel frequently asked questions (FAQs) on nonprofit and small business rights with respect to immigration enforcement.

CalChamber member resources include the "Preparing for Potential Immigration Enforcement in the Work-

place" webinar; the *HRCalifornia Extra* article on employment-related immigration rules in the spotlight; the *Form I-9: Verifying Eligibility* from the HR Library on *HRCalifornia*; and the *Immigration Enforcement Checklist*.

For resources employers may provide to employees, the page includes links to

the California Collaborative for Immigrant Justice, California Rapid Response Networks; and the Immigrant Legal Resource Center's Step-by-Step Family Preparedness Plan.

To view the CalChamber Employer Immigration Law Resources page, [click here](#).

Foundation Co-Hosts Briefing on Complexities of Insurance Crisis



California Foundation
for Commerce & Education

Insurance
and risk
manage-
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factors contributing to the insurance crisis were the focus of a briefing for legislators and staff members co-hosted by the California Foundation for Commerce and Education (CFCE) and Senator Susan Rubio, chair of the California Senate Insurance Committee.

David T. Russell, Ph.D., professor at California State University, Northridge, provided the overview at the June 10 briefing. Russell works with The Institutes Griffith Foundation and its nonprofit, nonpartisan, nonadvocative educational affiliate.

Senator Rubio (D-Baldwin Park) has chaired Senate Insurance for seven years and said understanding the basics of insurance policy is “crucial to better engage in policy discussions.”

Briefing Topics

The policy briefing and the [slide presentation](#) reviewed for attendees:

- How the insurance industry works and why the insurance market behaves the way it does.
- Insurance terms and why some risks are difficult to insure.
- Key insurance regulations affecting insurance.
- Factors affecting insurance pricing



Senator Susan Rubio (second from left) co-hosts the briefing on the insurance crisis.

ing and why solvency is so important to insurance companies.

- Ways to protect consumers.
- The [California FAIR Plan](#), the fire insurance pool established by law in 1968 to help California homeowners who can't find insurance in the traditional marketplace. The pool is made up of all insurers licensed to conduct property/casualty business in the state.

Working Together

“As the insurance crisis affects more

and more people in California, it is important for legislators and staff to have access to information that will get them up to speed on this critical issue,” said Rubio. She expressed her appreciation to the legislators and staff who attended the briefing, adding “I look forward to continue our discussions and work solving the insurance crisis in California.”

CFCE is a nonpartisan, nonprofit research organization affiliated with the California Chamber of Commerce.

Contact: Luis Quiñonez

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