

ALERT

Cost Cutting Regional Energy Market Gets Governor's OK



Last week, California Chamber of Commerce-supported legislation that

will enable the state to participate in an expanded regional electricity market was signed by Gov. Gavin Newsom.

Assembly Bill 825 (Petrie-Norris; D-Irvine; /Rivas; D-Salinas/ Becker; D-Menlo Park) was strongly supported by business, labor, and environmental groups. The coalition-backed proposal came together in the closing days of the legislative session.

Cost Cutter

AB 825 encompasses many of the components of **Senate Bill 540** (Becker; D-Menlo Park/ Stern; D-Los Angeles), a bill CalChamber identified as a **Cost Cutter** making California more affordable.

California's energy future depends on a grid that's affordable, reliable, and clean. AB 825 is a key step toward achieving those goals, paving a practical path to participate in a broader regional power market while maintaining California's control of its grid and consumer protections.

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CalChamber Board Gets Closeup of Planning for 2028 Olympics & Paralympics in LA



Casey Wasserman, chairperson of the Los Angeles Olympics organizing committee, shares anecdotes and a smattering of statistics about the extensive planning and logistics involved in bringing the Olympics and Paralympics to Los Angeles in 2028. Leading the Q&A session at the CalChamber Board dinner in Santa Monica on Sept. 18 is CalChamber Chair Maryam Brown. [See story inside.](#)

Governor Signs Bill Strengthening State Wildfire Fund



California Chamber of Commerce-supported legislation to replenish and fortify Cali-

fornia's Wildfire Fund was signed last week by Gov. Gavin Newsom.

Senate Bill 254 (Becker; D-Menlo Park) took effect immediately when the Governor signed it on September 19.

"The state Wildfire Fund bolsters California's preparedness for the devastating fires we know are coming. This year, Governor Newsom and the Legislature took decisive action for wildfire survivors by providing the essential resources needed to recover and rebuild," said CalChamber President and CEO Jennifer Barrera. "This legislation ensures families and communities can access the support they need while also protecting customers from higher electricity costs."

CalChamber was part of Sustainable Wildfire Fund CA, a diverse coalition of first responders, businesses, labor unions, local chambers of commerce and community organizations supporting SB 254.

Critical Updates

Authored by Senators Josh Becker (D-Menlo Park) and Aisha Wahab (D-Hayward), and Assemblymember Cottie Petrie-Norris (D-Irvine), SB 254

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Labor Law Corner

Volunteer Firefighters: Law Provides Protected Leave, No Time Limit



David Leporiere
Employment Law
Expert

I have an employee who is a volunteer firefighter. In the last few years, with the increase in the wildfires in California, he has been taking more and more time off from work. When he leaves, I get little or no advance notice, and I get almost no notice of when he is going to return.

He has been promoted to a position with a great deal of responsibility, and these absences are putting a strain on my business. Is there any law that limits how much time away he can take for firefighting, and can I require that he give me a certain amount of advance notice when he is going to be taking the time off?

In California, the Legislature has established a protected leave of absence for volunteer civil service members. That leave is codified in California Labor Code Sections 230.3 and 230.4. Volunteer firefighters are covered by the volunteer civil service leave law.

Labor Code Section 230.3 makes it illegal for an employer to prohibit an employee from taking time off to serve as a volunteer firefighter and to in any way retaliate or discriminate against an employee for being a volunteer firefighter or taking time off to serve as a volunteer firefighter.

No Time Limit

This code section does not limit the amount of time that an employee can take off to perform services as a volun-

teer firefighter. Moreover, the section does not require the employee to provide advance notice of taking time off to serve as a volunteer firefighter, nor to provide notice of the time when the employee is going to return from the leave of absence.

In addition, Section 230.4 requires that employers with 50 or more employees must provide the employee with two weeks of time off each year to engage in training for volunteer firefighting. Neither of these leaves of absence requires the employer to pay the employee for the time he or she is away from work, but the amount of time off to engage in firefighting is unlimited.

Although the employee's absence is putting a strain on your business, the law does not allow you to limit the amount of time the employee is away from work, nor does it require the employee to provide advance notice of the leave.

The public policy of the state is to promote the interest in providing these types of public service, even if it causes some detriment to the operations of a business.

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An Employer's Playbook for ICE Audits & Workplace Raids. CalChamber. October 14, [Free Member Webinar](#). Contact your account manager for registration details. (800) 331-8877.

International Trade

California State Trade Expansion Program (STEP) Export Training Series. Governor's Office of Business and Economic Development (GO-Biz). Through March 31, 2026. [Event website](#).

Global Logistics: Mitigating the Challenges and Maximizing Opportunities. National Association of District Export Councils. September 29, Webinar. [Register Online](#).

40th Annual American-Turkish Conference. Türkiye-U.S. Business Council, American Turkish Business Roundtable, U.S. Chamber of Commerce. October 22-23, Washington, D.C. [Event website](#).

U.S.-China Clean Tech Trade Mission. GO-Biz will support up to eight California small businesses. November 3-7, China. [See flyer for application details](#).

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

California Trade Mission: India – Health Tech. GO-Biz. January 27-January 31, 2026. Mumbai & New Delhi, India. [Event website](#).

EXIM Annual Conference. Export-Import Bank of the United States. April 29-30, 2026, Washington, D.C. [Registration will open later this year](#).

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Consul General Explains Mexico's Reaction to Changed Approach of US Trade Policy



The changed paradigm of U.S.-Mexico relations and the implications for both trading partners was the focus of the recent breakfast meeting of the CalChamber Council for International Trade.

The featured speaker at the Sept. 19 gathering in Santa Monica was Ambassador Carlos González Gutiérrez, consul general of Mexico in Los Angeles.

The North American Free Trade Agreement (NAFTA), signed in 1994, has been extremely successful from Mexico's perspective, the Consul General said. Under NAFTA and its successor, the U.S.-Mexico-Canada Agreement (USMCA), negotiated during the first Trump administration, Mexico has remained the United States' No. 1 trading partner.

Last year, U.S.-Mexico trade topped \$800 billion, nearly 10 times greater than it was when NAFTA was signed, González Gutiérrez reminded his audience.

Thirty years ago, he noted, there was bipartisan agreement that long-term, free trade and immigration were good for the United States. Unfortunately, that is no longer the case and "everything is on the table," he said.

Integrated Economies

He identified two problems resulting from the new approach: consumers in the United States are the ones paying the increased tariffs; and if a country wants

to avoid tariffs, it must reshore operations in the U.S.

As for the second idea, no country in the world can make a product by itself because every sophisticated product that enriches our lives today and that we are used to now, is the result of a "complex manufacturing and trading network," the Consul General said. People, parts and knowledge move back and forth across borders.



Ambassador Carlos González Gutiérrez, consul general of Mexico in Los Angeles.

U.S.-Mexico relations are so integrated after 30 years of NAFTA and the USMCA that "we build things together, we share a common production platform on which both countries depend," he observed.

Tariff Challenges

Uncertainties about tariffs have been a challenge, the Consul General said, noting that about every 90 days starting on February 4, the date by which Mexico was supposed to "get a deal or else" has shifted. Goods that comply with USMCA terms are subject to 0% tariffs, he said, while the bottom rate for countries that don't have an agreement by the end of October will go from 2.5% to 25%.

The 50% tariff on aluminum and steel products includes Mexico.

The various tariffs based on the source of a product component means customs brokers must work three times more, he said because every unnamed component of a product has to be separated, and the tariff figured out for that component.

Mexican tomatoes, subject to no tariffs under the USMCA, are at 17.9%. Mexico now faces a "new reality," he said, in which "USMCA products are not as free of tariffs as we would like to be."

Negotiations will start "very soon," and domestic consultations have begun, the Consul General said. Mexico President Claudia Sheinbaum recently invited Canadian Prime Minister Mark Carney to come to Mexico to see if they had common ground to use in discussions with the United States.

The Consul General described Mexico as one of the most open countries in the world and a nation that has the greatest number of free trade agreements. Mexico is considering raising its tariffs on products from countries with which it doesn't have a trade agreement.

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Consul General Explains Mexico's Reaction to Changed US Trade Policy

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Examples include tariffs of up to 50% on Chinese electric vehicles, 35%–50% on textiles; 35% on aluminum and 50% on auto parts.

Security/Immigration

During the last year of the Biden administration, undocumented immigration from Mexico through the southern border of the U.S. fell 80%, the Consul General said, because “we realized that domestic politics [in the U.S.] were changing.”

When President Trump assumed office, Mexico adopted a different approach to security issues “not because the U.S. asked us to do it, but because we were losing our country,” said Consul General González Gutiérrez.

Under President Sheinbaum, who assumed office October 1, 2024, the policy has been to place collaboration with the United States at the forefront, the Consul General said.

During Sheinbaum's first 100 days in office, for example, 7,720 suspects with ties to organized crime were arrested. In contrast, under her predecessor, President Andrés Manuel López Obrador, only 31 suspects were arrested.

The U.S. administration's decision to conduct immigration operations at levels not seen before has had a huge impact in Los Angeles and other cities, the Consul General said. About 5,000 people have been arrested in Southern California since June 6.

The Mexican consulate sends teams directly to detention centers to interview the arrested Mexican nationals, get information about the circumstances of the arrest and provide legal representation to those who want to have their day in court, the Consul General said.

So far, consulate teams have interviewed 844 Mexican nationals. Of those persons, 51% have lived in the United States for more than 10 years and 37% have children born in the U.S. Nearly 39% have been deported to Mexico and just 3% have been able to secure bail or been released.

The greatest impact, he said, will be the lack of labor in the business sectors that have been most affected by the arrests because of the fear and the



(From left) Jennifer M. Haley, president and CEO of Kern Energy; Ambassador Carlos González Gutiérrez, consul general of Mexico in Los Angeles; and Susanne T. Stirling, CalChamber senior vice president, international affairs.



At the CalChamber Council for International Trade breakfast on Sept. 19 in Santa Monica are (from left) Jennifer M. Haley, president and CEO, Kern Energy; Frank Washington, CEO, Crossings TV; Assemblymember Jessica Caloza, chair, Assembly Select Committee on Asia/California Trade and Investment; John A. Stowell, senior vice president, The Walt Disney Company; and Susanne T. Stirling, CalChamber senior vice president, international affairs.

panic that the immigration operations have created in the social fabric of Los Angeles: construction (15%), car washes (14%), gardeners/landscaping (8%), field workers (7.3%), day laborers (7%), blue collar workers (6%).

“Fear is not an unintended consequence [of the immigration actions]. Creating fear is the essence of this conduct,” he concluded.

Staff Contact: Susanne T. Stirling

CalChamber Board Votes to Remain Neutral on Proposition 50



The California Chamber of Commerce Board of Directors has voted

to remain neutral on Proposition 50, the ballot measure requiring a special redrawing of the state's existing congressional districts.

The CalChamber Board took action at its regularly scheduled quarterly meeting on Sept. 19, choosing to neither support

nor oppose the redistricting measure on the Nov. 4 statewide ballot.

"We trust California voters to decide if Proposition 50 is in their interest and urge all voters to be informed and make their voices heard," said CalChamber Board Chair Maryam S. Brown.

Proposition 50 would replace the state's current maps, drawn in 2021 by the California Citizens Redistricting Commission, with new U.S. House districts approved last month by the state Legislature and Gov. Gavin Newsom. Under Prop. 50, the maps would be used

from 2026 through 2030 — at which point the citizens commission would draw new maps based on data collected in the next decennial census.

Board members are elected by CalChamber's member businesses and are executives at their respective companies. Currently numbering almost 90 individuals, they represent the diversity of California's economy as leaders in key industries and both small and large businesses. Board members serve three-year terms.

Trump Commerce Deputy Meets with NorCal International Trade Pros



Susanne T. Stirling, CalChamber senior vice president of international affairs, pauses with Bradley McKinney, deputy assistant secretary for the U.S. Commercial Service in the U.S. Department of Commerce, during a Port of Oakland-hosted gathering on September 23. The meeting allowed McKinney, appointed by President Trump, to meet with Northern California Export Council members appointed by the U.S. Secretary of Commerce for a roundtable discussion of international issues. It was one of the first visits to California by a Trump administration official from the U.S. Department of Commerce. Stirling, a longtime Export Council member, joined other international trade professionals, including representatives from the Governor's Office of Business and Economic Development. Discussion centered around the U.S. Department of Commerce emphasis on several strategic areas, including technology, minerals, and energy through a lens of national security. Also discussed were tariffs, recent trade deals and pending additional shipping fees. The mission of the Export Councils is to work with the U.S. Commerce Department on export promotion and commercial diplomacy. Stirling also has been a longtime member of the National Association of Export Councils, which provide support and guidance for fulfilling the mission of the councils, and facilitate communication between the councils and the U.S. Department of Commerce, and the international business community and policymakers.

CalChamber Board Gets Look at Planning for LA28 Olympics/Paralympics

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Members of the CalChamber Board of Directors were treated last week to

an overview of the extensive planning involved in bringing the Olympics and Paralympics to Los Angeles in 2028, courtesy of the head of the organizing committee.

Casey Wasserman, chairperson of the Los Angeles Olympics organizing committee, shared insights about the event while fielding questions posed by CalChamber Board Chair Maryam Brown and other Board members at the CalChamber Board dinner in Santa Monica on Sept. 18.

In contrast to Olympics that rely on government funding, the LA Olympics

are privately funded. The logistics of bringing more than 11,200 athletes from around the globe to Los Angeles for the 30 days of competition is expected to have a multibillion-dollar economic impact on the region, generating thousands of jobs.

Existing stadiums and arenas will be used for many events. The Olympic and Paralympic Village for the athletes will be based at the University of California, Los Angeles (UCLA).

Even so, businesses, suppliers and construction workers from the Los Angeles region will be called upon to fulfill the immense needs of the Olympics, Wasserman commented. For example, he noted that 400 miles of chain link fence will be needed, along with the workers to install those fences.

It will be the third time LA has hosted the Olympics and the first time it will be

hosting the Paralympics. LA hosted the 1984 and 1932 Olympics.

As a symbol that the 2028 Olympics are “America’s games,” the Olympic torch will be taken through all 50 states.

Events tickets will be as low as \$28 each. Wasserman noted that 80% of those who attended the Paris Olympics in 2024 came from within a six-hour drive of the city. Olympics organizers are counting on Southern Californians within a similar radius to do the same, taking advantage of the opportunity to see world-level athletes in person.

Participants include athletes from 25 countries in which the United States doesn’t have embassies.

The five new sports at LA28 are baseball/softball, cricket, flag football, lacrosse and squash.

More information is available at the [LA28 website](#).

Health Care Trends in Focus at CalChamber Board Meeting



Charlotte Ivancic, a partner at TDY, a bipartisan consulting firm in Washington, D.C., comments on health ecosystem trends and federal developments at the CalChamber Board of Directors meeting on Sept. 19. Her presentation covered topics pertinent to how health care companies in California deliver health benefits to subscribers and deal with coverage gaps, including current drug pricing negotiations, the insurance market, and vaccines. She notes that federal agencies are streamlining operations and using health technology to advance the federal government’s efforts.

Cost Cutting Regional Energy Market Gets Governors's OK

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Improved Efficiency

A broader regional market improves dispatch efficiency, reduces curtailment of renewable generation, and expands access to low-cost resources for California customers.

Multiple studies show the state's

participation in a "large footprint" regional market can yield more than \$1 billion in annual savings for households and businesses.

Those savings matter for family budgets, for small manufacturers navigating thin margins, and for the competitiveness of energy-intensive employers that anchor local economies.

Greater regional coordination also gives the California Independent System Operator (CAISO) access to a wider set of flexible resources across time zones and seasons, lowering the chance of shortfalls during net-peak periods and smoothing renewable variability across geography.

Governor Signs Bill Strengthening State Wildfire Fund

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builds on the framework of the 2019 legislation that created the Wildfire Fund (AB 1054), and introduces updates to ensure the Fund remains stable and sufficiently capitalized to meet the increasing demands of today's wildfire threats.

SB 254 will address two critical priorities:

- Strengthen the State Wildfire Fund

to ensure there are adequate resources available to help families and communities recover and rebuild after future wildfires.

- Address electricity affordability to reduce costs for customers.

Utilities Investment

California's three investor-owned utilities (IOUs) have committed \$9 billion

in new shareholder contributions to strengthen the Fund. Importantly, SB 254 does not raise utility customer rates.

In addition, the legislation commits the IOUs to funding \$6 billion for wildfire prevention investments without earnings — including undergrounding power lines — to improve electricity affordability and safety this year.

Volunteer Firefighters: Law Provides Protected Leave, No Time Limit

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Discuss with Employee

You may be able to discuss your concerns with your employee and work out a system that allows you to operate your business in an effective manner

while the employee is on the protected leaves.

We would highly recommend speaking with legal counsel before taking any action that the employee might consider to be retaliation due to his or her service as a volunteer firefighter.

Column based on questions asked by callers on the Labor Law Helpline, a service to California Chamber of Commerce preferred members and above. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.



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